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ASSEMBLY BILL NO. 253–ASSEMBLYMAN C.H. MILLER

MARCH 7, 2023

Referred to Committee on Judiciary

SUMMARY—Provides for the permitting and regulation of certain events at which the sale and consumption of cannabis or cannabis products is allowed. (BDR 56-152)

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

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

AN ACT relating to cannabis; providing for the permitting and regulation by the board of county commissioners of a county and the governing body of an incorporated city of certain events at which the sale and consumption of cannabis or cannabis products is allowed; providing for the licensure and regulation by the Cannabis Compliance Board of persons who sell cannabis and cannabis products at such events; setting forth certain requirements for the issuance of a cannabis concierge sales permit and cannabis concierge license; setting forth certain requirements concerning the sale of cannabis and cannabis products at a temporary cannabis event; imposing various requirements on cannabis concierges; revising provisions relating to social equity applicants; 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 a person who has been issued a permit to hold a temporary cannabis event and a cannabis concierge from certain provisions prohibiting a person from maintaining a place for the purpose of unlawfully selling, giving away or using any controlled substance; making an appropriation; and providing other matters properly relating thereto.





Legislative Counsel's Digest:

1 Existing law provides for the licensure and regulation of persons and 234567 establishments involved in the cannabis industry in this State by the Cannabis Compliance Board. (Title 56 of NRS) This bill provides for the permitting and regulation by the board of county commissioners of a county and the governing body of an incorporated city 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. Section 6 of this bill designates such events as "temporary cannabis events." This bill also provides for the licensure and 8 9 regulation by the Cannabis Compliance Board of persons who sell cannabis and 10 cannabis products at temporary cannabis events. Section 4 of this bill designates 11 such a person a "cannabis concierge."

12 13 Section 35.3 of this bill authorizes the board of county commissioners of a county to adopt an ordinance providing for the issuance of a permit to authorize a 14 person to hold a temporary cannabis event in an unincorporated area of the county. 15 Section 35.3 prohibits a person from holding a temporary cannabis event in an 16 unincorporated area of a county unless the board of county commissioners has 17 adopted such an ordinance and issued the person a permit. Section 35.3 also: (1) 18 sets forth various requirements for the contents of such an ordinance, including, 19 without limitation, requirements concerning the process by which a person may 20obtain a permit to hold a temporary cannabis event and requirements concerning 21 22 23 24 25 the operation of such an event; and (2) authorizes a board of county commissioners that adopts such an ordinance to charge a fee for the issuance of a permit and engage in certain other activities. Section 35.6 of this bill establishes similar provisions for the governing body of an incorporated city for temporary cannabis events held in the incorporated city. Section 14 of this bill prohibits a person from 26 27 28 selling cannabis or cannabis products at a temporary cannabis event unless: (1) the person has been licensed by the Cannabis Compliance Board as a cannabis concierge; and (2) the Board has issued the person a cannabis concierge sales 29 30 permit for the temporary cannabis event. Section 18 of this bill establishes requirements for licensure as a cannabis concierge. Section 14 sets forth certain 31 requirements for a cannabis concierge to obtain a cannabis concierge sales permit. 32 33 Sections 15 and 16 of this bill set forth certain requirements for sales of cannabis and cannabis products by a cannabis concierge at a temporary cannabis event.

Section 19 of this bill requires a cannabis concierge who sells cannabis and cannabis products at a temporary cannabis event to purchase all cannabis or cannabis products for resale at the temporary cannabis event from an adult-use cannabis retail store.

38 Existing law defines "social equity applicant" to mean, in general, an applicant 39 for the issuance or renewal of an adult-use cannabis establishment license for an 40 independent cannabis consumption lounge who has been adversely affected by 41 previous laws which criminalized activity relating to cannabis. (NRS 678B.065) 42 Existing law requires the Board to adopt regulations establishing criteria for 43 determining whether an applicant qualifies as a social equity applicant. (NRS 44 678B.323) Section 24 of this bill expands the definition of "social equity applicant" 45 to include an applicant for the issuance or renewal of a cannabis concierge license 46 who has been adversely affected by previous laws which criminalized activity 47 relating to cannabis. Section 27 of this bill requires the Board to adopt regulations 48 establishing criteria for determining whether such an applicant qualifies as a social 49 equity applicant. Section 21 of this bill imposes certain requirements and 50 restrictions on the Board concerning the manner in which cannabis concierge 51 licenses must be issued.

52 Section 22 of this bill sets forth certain requirements for the issuance of a 53 cannabis concierge license under circumstances in which more than one qualified 54 applicant has applied for a license. Section 22 requires the Board to revoke the





55 license of a cannabis concierge who has held a cannabis concierge license for at 56 least 18 months and has not been issued a cannabis concierge sales permit for a 57 temporary cannabis event in the immediately preceding 18 months and provides for 58 the reissuance of such a revoked license. Section 41.5 of this bill provides that a 59 person who is issued one of the first five cannabis concierge licenses is deemed not 60 to hold a license for the purposes of those requirements until 2 years after the date 61 on which the license was issued. As such, under sections 22 and 41.5, the license 62 of a such a person is not subject to revocation for failing to be issued a cannabis 63 concierge sales permit until at least 42 months after the issuance of the license.

Existing law imposes an excise tax on each retail sale of cannabis or cannabis products by an adult-use cannabis retail store or cannabis consumption lounge. (NRS 372A.290) Section 39 of this bill applies this excise tax to retail sales of cannabis or cannabis products by a cannabis concierge. Sections 36 and 38 of this bill make conforming changes to reflect the imposition of the excise tax on retail sales of cannabis or cannabis products by a cannabis concierge.

70 Section 29 of this bill establishes certain fees associated with a cannabis 71 concierge license and a cannabis concierge sales permit.

72 Section 9 of this bill includes a cannabis concierge within the definition of ź3 "cannabis establishment" provided in existing law, thereby subjecting such 74 businesses to the requirements of existing law applicable to cannabis establishments. (NRS 678A.095) Similarly, section 10 of this bill includes a 75 76 cannabis concierge sales permit and a cannabis concierge license within the 77 definition of "license" provided in existing law, thereby subjecting the holders of 78 such licenses to the provisions of existing law applicable to holders of other 79 licenses issued by the Board. (NRS 678A.160) Section 11 of this bill authorizes the 80 Board to adopt regulations providing policies and procedures under which the 81 Board is authorized to waive any requirement applicable to a cannabis 82 establishment that the Board determines is not appropriate for a cannabis concierge. 83 Section 31 of this bill requires the Board to adopt regulations concerning the safe 84 and healthful conduct of sales of cannabis and cannabis products by a cannabis 85 concierge at a temporary cannabis event.

86 Section 23 of this bill provides that a cannabis concierge license or cannabis 87 concierge sales permit issued by the Board pursuant to the provisions of this bill is 88 a revocable privilege. Sections 25 and 26 of this bill prohibit the issuance of a 89 medical cannabis establishment license or an adult-use cannabis establishment 90 license, respectively, if any of the persons proposed to be owners, officers or board 91 members of the establishment have previously served in such a position for a 92 cannabis establishment that has had a cannabis concierge license or cannabis 93 concierge sales permit issued by the Board revoked.

Existing law requires the Board to adopt regulations setting forth procedures and requirements for the transfer of a license. (NRS 678B.380) Section 28 of this bill requires such regulations to set forth certain specified authorizations and requirements for the transfer of a cannabis concierge license.

98 Section 30 of this bill revises provisions of existing law that prohibit a person 99 from selling or advertising the sale of cannabis or cannabis products for the purpose 99 of authorizing the holder of a cannabis concierge license to engage in such 99 activities. (NRS 678B.530) Existing law exempts, in general, persons who hold 99 certain licenses issued by the Board from state prosecution for certain offenses 99 relating to cannabis. (NRS 678D.200) Section 33 of this bill expands this 99 exemption to include the holder of a cannabis concierge license.

Existing law prohibits, with certain exceptions, the consumption of cannabis or cannabis products in a public place. (NRS 678C.300, 678D.300, 678D.310) Sections 32, 34 and 35 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.





110 Existing law prohibits a person from opening or maintaining a place for the 111 purpose of unlawfully selling, giving away or using any controlled substance. (NRS 112 453.316) Section 41 of this bill exempts from the application of this provision: (1) 113 a person who has been issued a permit by the board of county commissioners of a 114 county or the governing body of an incorporated city to hold a temporary cannabis 115 event and whose activities are confined to those authorized under the provisions of 116 the ordinance adopted by the board of county commissioners or governing body, as 117 applicable; and (2) a cannabis concierge who sells cannabis and cannabis products 118 at a temporary cannabis event and whose activities are confined to those authorized 119 by the provisions of this bill.

Section 41.3 of this bill makes an appropriation to the Department of Taxation for payments under the cost allocation plan for services of the Attorney General and for personnel, travel, operating, equipment and information services expenses associated with implementing the provisions of this bill.

Sections 4-7 of this bill define words and terms applicable to the provisions of this bill. Sections 8 and 37 of this bill make conforming changes to indicate the proper placement of new provisions in the Nevada Revised Statutes. Section 40 of this bill makes a conforming change to reflect the addition of the provisions of section 29.

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

1 **Section 1.** Chapter 678A of NRS is hereby amended by 2 adding thereto the provisions set forth as sections 2 to 7, inclusive, 3 of this act.

- 4 Sec. 2. (Deleted by amendment.)
- 5 Sec. 3. (Deleted by amendment.)
- 6 Sec. 4. "Cannabis concierge" means a business that:
- 7 1. Is licensed by the Board pursuant to section 18 of this act; 8 and

9 2. Purchases cannabis or cannabis products from an adult-10 use cannabis retail store and sells such cannabis or cannabis 11 products at a temporary cannabis event for which a permit has 12 been issued by the board of county commissioners of a county 13 pursuant to section 35.3 of this act or the governing body of an 14 incorporated city pursuant to section 35.6 of this act, as 15 applicable.

16 Sec. 5. "Cannabis concierge license" means a license that is 17 issued by the Board pursuant to section 18 of this act to authorize 18 the operation of a cannabis concierge.

19 Sec. 5.5. "Cannabis concierge sales permit" means a license 20 that is issued by the Board pursuant to section 14 of this act to 21 authorize a cannabis concierge to sell cannabis and cannabis 22 products at a temporary cannabis event.

23 Sec. 6. "Temporary cannabis event" means an event at 24 which:





A cannabis concierge sells cannabis or cannabis products 1 1. 2 to persons 21 years of age or older; and 3 The consumption of cannabis or cannabis products by 2. 4 persons 21 years of age or older is allowed. 5 **Sec. 7.** (Deleted by amendment.) 6 **Sec. 8.** NRS 678A.010 is hereby amended to read as follows: 7 678A.010 As used in this title, unless the context otherwise 8 requires, the words and terms defined in NRS 678A.020 to 678A.240, inclusive, and sections 2 to 6, inclusive, of this act have 9 the meanings ascribed to them in those sections. 10 11 **Sec. 9.** NRS 678A.095 is hereby amended to read as follows: 12 678A.095 "Cannabis establishment" means: 13 1. An adult-use cannabis establishment; for 14 2. A medical cannabis establishment [-]; orA cannabis concierge. 15 3. 16 **Sec. 10.** NRS 678A.160 is hereby amended to read as follows: 17 678A.160 "License" means: 18 1. An adult-use cannabis establishment license; [or] 2. 19 A medical cannabis establishment license []; 20 3. A cannabis concierge sales permit; or 21 4. A cannabis concierge license. 22 **Sec. 11.** NRS 678A.450 is hereby amended to read as follows: 23 678A.450 1. The Board may adopt regulations necessary or 24 convenient to carry out the provisions of this title. Such regulations 25 may include, without limitation: 26 (a) Financial requirements for licensees. 27 (b) Establishing such investigative and enforcement mechanisms 28 as the Board deems necessary to ensure the compliance of a licensee 29 or registrant with the provisions of this title. 30 (c) Requirements for licensees or registrants relating to the 31 cultivation, processing, manufacture, transport, distribution, testing, 32 study, advertising and sale of cannabis and cannabis products. 33 (d) Policies and procedures to ensure that the cannabis industry in this State is economically competitive, inclusive of racial 34 minorities, women and persons and communities that have been 35 36 adversely affected by cannabis prohibition and accessible to persons 37 of low-income seeking to start a business. 38 (e) Policies and procedures governing the circumstances under which the Board may waive the requirement to obtain a registration 39 40 card pursuant to this title for any person who holds an ownership interest of less than 5 percent in any one cannabis establishment or 41 42 an ownership interest in more than one cannabis establishment of 43 the same type that, when added together, is less than 5 percent. 44 (f) Reasonable restrictions on the signage, marketing, display 45 and advertising of cannabis establishments. Such a restriction must





1 not require a cannabis establishment to obtain the approval of the 2 Board before using a logo, sign or advertisement.

3 (g) Provisions governing the sales of products and commodities made from hemp, as defined in NRS 557.160, or containing 4 5 cannabidiol by cannabis establishments.

6 (h) Policies and procedures governing the circumstances 7 under which the Board may waive any requirement applicable to a 8 cannabis establishment that the Board determines is not 9 appropriate for a cannabis concierge.

10 (i) Requirements relating to the packaging and labeling of 11 cannabis and cannabis products.

12 The Board shall adopt regulations providing for the 2. 13 gathering and maintenance of comprehensive demographic 14 information, including, without limitation, information regarding 15 race, ethnicity, age and gender, concerning each:

(a) Owner and manager of a cannabis establishment.

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

18 3. The Board shall transmit the information gathered and 19 maintained pursuant to subsection 2 to the Director of the 20 Legislative Counsel Bureau for transmission to the Legislature on or 21 before January 1 of each odd-numbered year.

22 4. The Board shall, by regulation, establish a pilot program for 23 identifying opportunities for an emerging small cannabis business to 24 participate in the cannabis industry. As used in this subsection, 25 "emerging small cannabis business" means a cannabis-related 26 business that:

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

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

29 (c) Satisfies requirements for the number of employees and 30 annual gross revenue established by the Board by regulation.

31 **Sec. 12.** Chapter 678B of NRS is hereby amended by adding 32 thereto the provisions set forth as sections 13 to 22, inclusive, of this 33 act.

34 **Sec. 13.** (Deleted by amendment.)

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35 Sec. 14. 1. A person shall not sell cannabis or cannabis 36 products at a temporary cannabis event unless the person: 37

(a) Is a cannabis concierge; and

38 (b) Has been issued a cannabis concierge sales permit for the 39 temporary cannabis event by the Board pursuant to this section.

40 2. A cannabis concierge who wishes to obtain a cannabis 41 concierge sales permit must submit to the Board the application 42 fee, as set forth in NRS 678B.390, and an application on a form prescribed by the Board. The application must include: 43

44 (a) The name, address, telephone number and electronic mail 45 address of the applicant;





1 (b) The physical address of the location at which the 2 temporary cannabis event will be held;

(c) The date or dates of the temporary cannabis event;

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4 (d) Evidence that the temporary cannabis event has been 5 issued a permit by the board of county commissioners of the 6 county pursuant to section 35.3 of this act or the governing body 7 of the incorporated city pursuant to section 35.6 of this act, as 8 applicable, where the temporary cannabis event will be located;

9 (e) Operating procedures consistent with the regulations of the 10 Board for the safe and healthful conduct of sales of cannabis and 11 cannabis products at temporary cannabis events, including, 12 without limitation:

13 (1) Procedures to ensure the use of adequate security 14 measures;

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(2) The use of an inventory control system; and

16 (3) Procedures to ensure adequate controls for the sale of 17 cannabis and cannabis products;

18 (f) A plan to ensure adequate security of the operations of the 19 cannabis concierge at the temporary cannabis event, including, 20 without limitation, the security of the cannabis and cannabis 21 products offered for sale and the money collected by the cannabis 22 concierge at the temporary cannabis event;

(g) A plan for the disposition of any unsold cannabis at the
 temporary cannabis event, which must include:

25 (1) Entering into an agreement with the adult-use cannabis 26 retail store from which the cannabis and cannabis products were 27 purchased to provide for the return of unsold cannabis to the 28 retail store;

29 (2) Entering into agreements with the adult-use cannabis 30 retail store from which the cannabis and cannabis products were 31 purchased and an adult-use cannabis distributor to provide for the 32 delivery of cannabis and cannabis products to the cannabis 33 concierge at the temporary cannabis event in stages, so as to 34 minimize the amount of cannabis and cannabis products in the 35 possession of the cannabis concierge at any given time;

36 (3) Entering into an agreement with a person engaged in 37 the disposal of cannabis and cannabis products who has been 38 approved by the Board to provide for the destruction of unsold 39 cannabis or cannabis products; or

40 (4) Any combination of subparagraphs (1), (2) and (3); and 41 (h) Such other information as the Board may require by 42 regulation.

43 3. The Board shall issue a cannabis concierge sales permit to 44 an applicant if:

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





1 (b) The applicant is a cannabis concierge who is qualified in 2 the determination of the Board pursuant to NRS 678B.200; and

3 (c) The cannabis concierge is not disqualified from being 4 issued a cannabis concierge sales permit for the temporary 5 cannabis event pursuant to any other applicable law.

6 4. Each cannabis concierge sales permit issued pursuant to 7 this section must set forth the location and date or dates of the 8 temporary cannabis event for which the cannabis concierge sales 9 permit is issued.

10 5. The Board shall not issue a cannabis concierge sales 11 permit to a cannabis concierge that has been issued a cannabis 12 concierge sales permit for a temporary cannabis event that was 13 held within the immediately preceding 30 days.

14 Sec. 14.5. (Deleted by amendment.)

15 Sec. 15. Except as otherwise provided by regulations adopted by the Board, all provisions of this title and the regulations 16 17 adopted pursuant thereto relating to the testing and labeling of cannabis and cannabis products and the sale of cannabis and 18 cannabis products on the premises of an adult-use cannabis retail 19 20 store or a retail cannabis consumption lounge also apply to 21 cannabis and cannabis products sold by a cannabis concierge at a 22 temporary cannabis event.

23 Sec. 16. A cannabis concierge that sells cannabis or 24 cannabis products at a temporary cannabis event shall:

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 temporary
 cannabis event and for the management of other cannabis waste;

29 2. Ensure that the cannabis concierge engages in sales of 30 cannabis or cannabis products at the temporary cannabis event 31 only within the areas of the event designated for such sales;

32 3. Ensure that no sales of cannabis or cannabis products are 33 conducted within 1 hour before the close of the temporary 34 cannabis event on each day of the temporary cannabis event; and

35 **4.** Comply with any other requirements prescribed by 36 regulation of the Board.

Sec. 17. (Deleted by amendment.)

38 Sec. 18. 1. A person shall not engage in the business of a 39 cannabis concierge unless the person holds a cannabis concierge 40 license issued pursuant to this section.

41 2. A person who wishes to engage in the business of a 42 cannabis concierge must submit to the Board an application on a 43 form prescribed by the Board.

44 3. The Board shall issue a cannabis concierge license to an 45 applicant if:



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1 (a) The person who wishes to engage in the business of a 2 cannabis concierge has submitted to the Board all of the 3 following:

4 5 (1) The application fee, as set forth in NRS 678B.390;
(2) An application, which must include:

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(I) The legal name of the proposed cannabis concierge;

7 (II) The physical address where the proposed cannabis 8 concierge will be located;

9 (III) For the applicant and each person who is proposed 10 to be an owner, officer or board member of the proposed cannabis 11 concierge, a complete set of the person's fingerprints and written 12 permission of the person authorizing the Board to forward the 13 fingerprints to the Central Repository for Nevada Records of 14 Criminal History for its report and for submission to the Federal 15 Bureau of Investigation for its report; and

16 (IV) The name, address and date of birth of each person 17 who is proposed to be an owner, officer or board member of the 18 proposed cannabis concierge;

19 (3) Operating procedures consistent with the rules of the 20 Board for oversight of the proposed cannabis concierge; and

21 (4) Such other information as the Board may require by 22 regulation;

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

26 (1) Served as an owner, officer or board member for a
27 cannabis establishment that has had its cannabis concierge license
28 or cannabis concierge sales permit revoked;

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

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

(4) Previously had a cannabis establishment agent
 registration card for a cannabis receiver revoked; and

(c) None of the persons who are proposed to be owners,
 officers or board members of the proposed cannabis concierge 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 concierge, the Board shall submit the fingerprints of the person to the Central Repository for Nevada Records of Criminal History for its report and for submission to the Federal Bureau of Investigation to determine the criminal history of that person.





Except as otherwise provided in sections 21 and 22 of this 1 5. 2 act, if an applicant for licensure to engage in the business of a 3 cannabis concierge satisfies the requirements of this section, is qualified in the determination of the Board pursuant to NRS 4 5 678B.200 and is not disgualified from being licensed pursuant to this section or other applicable law, the Board shall issue to the 6 7 applicant a cannabis concierge license. A cannabis concierge 8 license expires 1 year after the date of issuance and may be 9 renewed upon:

10 (a) Submission of the information required by the Board by 11 regulation; and

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

13 Sec. 19. A cannabis concierge that sells cannabis and 14 cannabis products at a temporary cannabis event shall purchase 15 all cannabis or cannabis products for resale at the temporary 16 cannabis event from an adult-use cannabis retail store.

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Sec. 20. (Deleted by amendment.)

Except as otherwise provided in section 22 of Sec. 21. 18 1. this act, the Board shall issue the first five cannabis concierge 19 licenses to social equity applicants. For 18 months after the date 20 21 on which the Board issues the fifth cannabis concierge license 22 pursuant to this subsection, the Board shall not issue any 23 additional cannabis concierge licenses.

24 The Board may, beginning 18 months after the date on 2. 25 which the Board issues the fifth cannabis concierge license pursuant to subsection 1, issue an additional 16 cannabis 26 27 concierge licenses. The Board shall issue the first of those licenses 28 to an applicant who is not a social equity applicant and the second 29 of those licenses to a social equity applicant. In issuing the 30 remaining 14 licenses, the Board:

(a) Shall issue cannabis concierge licenses by alternately 31 32 issuing such a license to an applicant who is not a social equity 33 applicant and an applicant who is a social equity applicant; and

(b) Shall not issue a license to a social equity applicant unless 34 the previous license issued by the Board was issued to an applicant 35 36 who is not a social equity applicant and vice versa.

3. For 5 years after the date on which the Board issues the 37 38 16th cannabis concierge license pursuant to subsection 2, the Board shall not issue any additional cannabis concierge licenses. 39

40 4. The Board may, beginning 5 years after the date on which the Board issues the 16th cannabis concierge license pursuant to 41 42 subsection 2, issue additional licenses in the manner prescribed by 43 this subsection. The Board shall issue the first cannabis concierge 44 license pursuant to this subsection to an applicant who is not a 45 social equity applicant and the second cannabis concierge license





1 to an applicant who is a social equity applicant. After the issuance 2 of those two cannabis concierge licenses, the Board:

3 (a) Shall issue cannabis concierge licenses by alternately issuing a license to an applicant who is not a social equity 4 5 applicant and an applicant who is a social equity applicant; and

6 (b) Shall not issue a cannabis concierge license to a social 7 equity applicant unless the previous license issued by the Board 8 was issued to an applicant who is not a social equity applicant and 9 vice versa.

Sec. 22. 1. Subject to the requirements of section 21 of this 10 act, if there is more than one qualified applicant for a single 11 cannabis concierge license, the Board shall select the qualified 12 13 applicant to be issued the license on the basis of a lottery system.

14 2. The Board shall revoke the license of a cannabis concierge 15 who has held a cannabis concierge license for at least 18 months 16 and has not been issued a cannabis concierge sales permit in the 17 immediately preceding 18 months. If the cannabis concierge 18 whose license is revoked pursuant to this section is:

19 (a) A social equity applicant, the Board shall reissue the 20 license to another qualified social equity applicant; and

(b) Not a social equity applicant, the Board shall reissue the 21 22 license to another qualified applicant who is not a social equity 23 applicant. 24

NRS 678B.010 is hereby amended to read as follows: Sec. 23.

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

26 The purpose for licensing cannabis establishments and 1. 27 registering cannabis establishment agents is to protect the public 28 health and safety and the general welfare of the people of this State. 29

2. Any:

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30 (a) Medical cannabis establishment license issued pursuant to 31 NRS 678B.210;

32 (b) Adult-use cannabis establishment license issued pursuant to 33 NRS 678B.250:

(c) Cannabis concierge sales permit issued pursuant to section 34 35 14 of this act:

(d) Cannabis concierge license issued pursuant to section 18 36 37 of this act;

38 (e) Cannabis establishment agent registration card issued 39 pursuant to NRS 678B.340;

(d) Cannabis establishment agent registration card for a 40 cannabis executive issued pursuant to NRS 678B.350; and 41

42 (e) (g) Cannabis establishment agent registration card for a 43 cannabis receiver issued pursuant to NRS 678B.355,

44 \rightarrow is a revocable privilege and the holder of such a license or card, 45 as applicable, does not acquire thereby any vested right.





Sec. 24. NRS 678B.065 is hereby amended to read as follows:

2 678B.065 "Social equity applicant" means an applicant for the 3 issuance or renewal of an adult-use cannabis establishment license 4 for an independent cannabis consumption lounge or cannabis 5 *concierge license* who has been adversely affected by provisions of previous laws which criminalized activity relating to cannabis, as 6 determined by the Board in accordance with the regulations adopted 7 pursuant to NRS 678B.323. Such adverse effects may include, 8 9 without limitation, adverse effects on an owner or officer of the 10 applicant.

Sec. 25. NRS 678B.210 is hereby amended to read as follows:

12 678B.210 1. A person shall not engage in the business of a 13 medical cannabis establishment unless the person holds a medical 14 cannabis establishment license issued by the Board pursuant to this 15 section.

16 2. A person who wishes to engage in the business of a medical 17 cannabis establishment must submit to the Board an application on a 18 form prescribed by the Board.

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

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

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

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(2) An application, which must include:

30 (I) The legal name of the proposed medical cannabis 31 establishment;

32 (II) The physical address where the proposed medical 33 cannabis establishment will be located and the physical address of 34 any co-owned additional or otherwise associated medical cannabis 35 establishments, the locations of which may not be on the property of 36 an airport, within 1,000 feet of a public or private school that 37 provides formal education traditionally associated with preschool or 38 kindergarten through grade 12 and that existed on the date on which 39 the application for the proposed medical cannabis establishment was 40 submitted to the Board, within 300 feet of a community facility that 41 existed on the date on which the application for the proposed 42 medical cannabis establishment was submitted to the Board or, if the 43 proposed medical cannabis establishment will be located in a county 44 whose population is 100,000 or more, within 1,500 feet of an 45 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 medical cannabis
 establishment was submitted to the Board;

4 (III) Evidence that the applicant controls not less than 5 \$250,000 in liquid assets to cover the initial expenses of opening the 6 proposed medical cannabis establishment and complying with the 7 provisions of this title;

8 (IV) Evidence that the applicant owns the property on 9 which the proposed medical cannabis establishment will be located 10 or has the written permission of the property owner to operate the 11 proposed medical 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 medical cannabis establishment, a complete set of the person's fingerprints and written permission of the person authorizing the Board to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and

19 (VI) The name, address and date of birth of each person 20 who is proposed to be an owner, officer or board member of the 21 proposed medical cannabis establishment;

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

25 (I) Procedures to ensure the use of adequate security 26 measures; and

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

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

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

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

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

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





1 (1) Served as an owner, officer or board member for a 2 cannabis establishment that has had its medical cannabis 3 establishment license, [or] adult-use cannabis establishment license 4 , *cannabis concierge sales permit or cannabis concierge license* 5 revoked;

6 (2) Previously had a cannabis establishment agent 7 registration card revoked;

8 (3) Previously had a cannabis establishment agent 9 registration card for a cannabis executive revoked; or

10 (4) Previously had a cannabis establishment agent 11 registration card for a cannabis receiver revoked; and

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

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

22 5. Except as otherwise provided in subsection 6, if an 23 application for registration as a medical cannabis establishment 24 satisfies the requirements of this section, is qualified in the 25 determination of the Board pursuant to NRS 678B.200 and the 26 establishment is not disqualified from being registered as a medical 27 cannabis establishment pursuant to this section or other applicable 28 law, the Board shall issue to the establishment a medical cannabis 29 establishment license. A medical cannabis establishment license 30 expires 1 year after the date of issuance and may be renewed upon:

31 (a) Submission of the information required by the Board by 32 regulation; and

33

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

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

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

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

44 (b) A public park.

45 (c) A playground.





1 (d) A public swimming pool.

2 (e) A center or facility, the primary purpose of which is to 3 provide recreational opportunities or services to children or 4 adolescents.

5 (f) A church, synagogue or other building, structure or place 6 used for religious worship or other religious purpose. 7

Sec. 26. NRS 678B.250 is hereby amended to read as follows:

8 678B.250 1. A person shall not engage in the business of an 9 adult-use cannabis establishment unless the person holds an adultuse cannabis establishment license issued pursuant to this section. 10

11 A person who wishes to engage in the business of an adult-2. 12 use cannabis establishment must submit to the Board an application 13 on a form prescribed by the Board.

14 3. Except as otherwise provided in NRS 678B.260, 678B.270, 15 678B.280, 678B.322 and 678B.324 to 678B.328, inclusive, the 16 Board shall issue an adult-use cannabis establishment license to an 17 applicant if:

18 (a) The person who wishes to operate the proposed adult-use 19 cannabis establishment has submitted to the Board all of the 20 following:

21 22 (1) The application fee, as set forth in NRS 678B.390;

(2) An application, which must include:

23 (I) The legal name of the proposed adult-use cannabis 24 establishment:

25 (II) The physical address where the proposed adult-use 26 cannabis establishment will be located and the physical address of 27 any co-owned additional or otherwise associated adult-use cannabis 28 establishments, the locations of which may not be on the property of 29 an airport, within 1,000 feet of a public or private school that 30 provides formal education traditionally associated with preschool or 31 kindergarten through grade 12 and that existed on the date on which 32 the application for the proposed adult-use cannabis establishment 33 was submitted to the Board, within 300 feet of a community facility that existed on the date on which the application for the proposed 34 35 adult-use cannabis establishment was submitted to the Board or, if 36 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 37 38 establishment that holds a nonrestricted gaming license described in 39 subsection 1 or 2 of NRS 463.0177 and that existed on the date on 40 which the application for the proposed adult-use cannabis 41 establishment was submitted to the Board;

42 (III) Evidence that the applicant controls liquid assets in 43 an amount determined by the Board to be sufficient to cover the 44 initial expenses of opening the proposed adult-use cannabis 45 establishment and complying with the provisions of this title;





1 (IV) Evidence that the applicant owns the property on 2 which the proposed adult-use cannabis establishment will be located 3 or has the written permission of the property owner to operate the 4 proposed adult-use cannabis establishment on that property;

5 (V) For the applicant and each person who is proposed to 6 be an owner, officer or board member of the proposed adult-use 7 cannabis establishment, a complete set of the person's fingerprints 8 and written permission of the person authorizing the Board to 9 forward the fingerprints to the Central Repository for Nevada 10 Records of Criminal History for submission to the Federal Bureau 11 of Investigation for its report; and

12 (VI) The name, address and date of birth of each person 13 who is proposed to be an owner, officer or board member of the 14 proposed adult-use cannabis establishment;

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

18 (I) Procedures to ensure the use of adequate security 19 measures; and

20

(II) The use of an inventory control system;

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

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

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

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

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

38 (2) Previously had a cannabis establishment agent39 registration card revoked;

40 (3) Previously had a cannabis establishment agent 41 registration card for a cannabis executive revoked; or

42 (4) Previously had a cannabis establishment agent 43 registration card for a cannabis receiver revoked; and





1 (d) None of the persons who are proposed to be owners, officers 2 or board members of the proposed adult-use cannabis establishment 3 are under 21 years of age.

4 For each person who submits an application pursuant to this 4. 5 section, and each person who is proposed to be an owner, officer or board member of a proposed adult-use cannabis establishment, the 6 Board shall submit the fingerprints of the person to the Central 7 8 Repository for Nevada Records of Criminal History for submission 9 to the Federal Bureau of Investigation to determine the criminal 10 history of that person.

11 5. Except as otherwise provided in subsection 6, if an applicant 12 for licensure to operate an adult-use cannabis establishment satisfies 13 the requirements of this section, is qualified in the determination of 14 the Board pursuant to NRS 678B.200 and is not disgualified from 15 being licensed pursuant to this section or other applicable law, the 16 Board shall issue to the applicant an adult-use cannabis 17 establishment license. An adult-use cannabis establishment license 18 expires 1 year after the date of issuance and may be renewed upon:

19 (a) Submission of the information required by the Board by 20 regulation; and 21

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

22 In determining whether to issue an adult-use cannabis 6. 23 license pursuant to this section, the Board shall consider the criteria 24 of merit and scoring guidelines set forth in NRS 678B.280 or 25 678B.324, as applicable.

26 For the purposes of sub-subparagraph (II) of subparagraph 7. 27 (2) of paragraph (a) of subsection 3, the distance must be measured 28 from the front door of the proposed adult-use cannabis 29 establishment to the closest point of the property line of a school, 30 community facility or gaming establishment.

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

- 32 (a) A facility that provides day care to children.
- 33 (b) A public park.

31

- 34 (c) A playground.
- 35 (d) A public swimming pool.

(e) A center or facility, the primary purpose of which is to 36 37 provide recreational opportunities or services to children or 38 adolescents.

39 (f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose. 40

Sec. 27. NRS 678B.323 is hereby amended to read as follows: 41

42 678B.323 1. The Board shall adopt regulations establishing 43 criteria to be used by the Board for determining whether an 44 applicant for the issuance or renewal of an adult-use cannabis 45 establishment license for an independent cannabis consumption





1 lounge [, cannabis event organizer license] or cannabis concierge

license qualifies as a social equity applicant for the purposes of this
chapter.

2. The regulations adopted pursuant to subsection 1 must establish the minimum percentage of ownership in a proposed independent cannabis consumption lounge *or cannabis concierge* which will be held by a person or group of persons who have been adversely affected by provisions of previous laws which criminalized activity relating to cannabis for the applicant to qualify as a social equity applicant.

Sec. 28. NRS 678B.380 is hereby amended to read as follows:

12 678B.380 1. Except as otherwise provided by regulations 13 adopted by the Board pursuant to subsection 2, the following are 14 nontransferable:

15 (a) A cannabis establishment agent registration card.

16 (b) A cannabis establishment agent registration card for a 17 cannabis executive.

18 (c) A cannabis establishment agent registration card for a 19 cannabis receiver.

20 (d) A medical cannabis establishment license.

21 (e) An adult-use cannabis establishment license.

22 (f) A cannabis concierge sales permit.

23 (g) A cannabis concierge license.

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24 2. The Board shall adopt regulations which prescribe 25 procedures and requirements by which a holder of a license may 26 transfer the license to another party who is qualified to hold such a 27 license pursuant to the provisions of this chapter. Such regulations 28 may give priority in the processing of transfers of licenses to a 29 transfer in which the transferor is:

30 (a) Subject to a receivership;

31 (b) Involved in a recapitalization; or

(c) A party to a court proceeding involving financial distress.

3. The regulations adopted pursuant to subsection 2 must:

(a) Prohibit the holder of an adult-use cannabis establishment
license for an independent cannabis consumption lounge from
transferring the license until at least 2 years from the date on which
the independent cannabis consumption lounge for which the license
was issued became operational;

(b) Require the holder of an adult-use cannabis establishment
license for an independent cannabis consumption lounge who
wishes to cease operations before the independent cannabis
consumption lounge for which the license was issued has been
operational for at least 2 years to surrender the license to the Board;
[and]





– 18 –

(c) Require the Board to hold a license surrendered pursuant to 1 2 paragraph (b) in reserve for issuance to an applicant for such a license in the future [.]; 3 (d) Prohibit the holder of a cannabis concierge license from 4 transferring the license until at least 5 years from the date on 5 6 which the license was issued; 7 (e) Require the holder of a cannabis concierge license who 8 wishes to cease operations before the cannabis concierge has held the license for at least 5 years to surrender the license to the 9 **Board**; 10 11 (f) Require the Board to hold a cannabis concierge license 12 surrendered pursuant to paragraph (e) in reserve for issuance to a 13 future applicant for such a license who is: (1) A social equity applicant if the person who surrendered 14 the license was a social equity applicant; and 15 16 (2) Not a social equity applicant if the person who surrendered the license was not a social equity applicant; and 17 18 (g) Authorize the transfer of a cannabis concierge license after the license has been held for 5 years only to a transferee who is: 19 20 (1) A social equity applicant if the transferor was a social 21 equity applicant; and 22 (2) Not a social equity applicant if the transferor was not a 23 social equity applicant. 24 NRS 678B.390 is hereby amended to read as follows: Sec. 29. 25 678B.390 1. Except as otherwise provided in subsection 3, 26 the Board shall collect not more than the following maximum fees: 27 28 For the initial issuance of a medical cannabis 29 establishment license for a medical cannabis 30 dispensary......\$30,000 the renewal of a medical cannabis 31 For establishment license for a medical cannabis 32 33 34 For the initial issuance of a medical cannabis establishment license for a medical cannabis 35 36 37 For the renewal of a medical cannabis establishment license for a medical cannabis 38 39 40 For the initial issuance of a medical cannabis establishment license for a medical cannabis 41 42 43 the renewal of a medical cannabis For establishment license for a medical cannabis 44 45

• A B 2 5 3



45	cannabis distributor	15,000
43 44	For the initial issuance of an adult-use cannabis establishment license for an adult-use	·
41 42	cannabis consumption lounge	10,000
40 41	establishment license for an independent	
39 40	cannabis consumption lounge For the renewal of an adult-use cannabis	10,000
38	establishment license for an independent	10.000
37	For the initial issuance of an adult-use cannabis	
36	consumption lounge	10,000
35	establishment license for a retail cannabis	
34	For the renewal of an adult-use cannabis	, -
33	consumption lounge	10,000
32	establishment license for a retail cannabis	
31	For the initial issuance of an adult-use cannabis	
29 30	cannabis independent testing laboratory	5 000
28 29	establishment license for an adult-use	
27 28	For the renewal of an adult-use cannabis	15,000
26 27	cannabis independent testing laboratory	15 000
25 26	For the initial issuance of an adult-use cannabis establishment license for an adult-use	
24	cannabis production facility	
23	establishment license for an adult-use	2 200
22	For the renewal of an adult-use cannabis	
21	cannabis production facility	10,000
20	establishment license for an adult-use	
19	For the initial issuance of an adult-use cannabis	- ,
18	cannabis cultivation facility	10,000
17	establishment license for an adult-use	
15 16	For the renewal of an adult-use cannabis	
14 15	cannabis cultivation facility	30.000
13 14	For the initial issuance of an adult-use cannabis establishment license for an adult-use	
12	cannabis retail store	6,600
11	establishment license for an adult-use	
10	For the renewal of an adult-use cannabis	
9	cannabis retail store	20,000
8	establishment license for an adult-use	
7	For the initial issuance of an adult-use cannabis	2,000
6	independent testing laboratory	
4 5	establishment license for a medical cannabis	
3 4	independent testing laboratory For the renewal of a medical cannabis	
2	establishment license for a medical cannabis	\$5,000
1	For the initial issuance of a medical cannabis	



1 2 3	For the renewal of an adult-use cannabis establishment license for an adult-use cannabis distributor\$5,000
3 4	For the initial issuance of a cannabis concierge
4 5	license to a person who is not a social equity
6	applicant
7	For the renewal of a cannabis concierge
8	license for a person who is not a social
9	equity applicant
10	For the initial issuance of a cannabis concierge
11	license to a person who a social equity
12	applicant2,500
13	applicant2,500 For the renewal of a cannabis concierge
14	license for a person who is a social equity
15	applicant
16	For the issuance of a cannabis concierge sales
17	permit
18	For each person identified in an application for
19	the initial issuance of a cannabis
20	establishment agent registration card
21	For each person identified in an application for
22	the renewal of a cannabis establishment agent
23	registration card150
24 25	2 The Decard may by regulation actablish reduced fees for
25 26	2. The Board may by regulation establish reduced fees for:(a) The initial issuance and renewal of an adult-use cannabis
20 27	establishment license for an independent cannabis consumption
28	lounge; and
20 29	(b) The application fee set forth in subsection 3,
30	\rightarrow for a social equity applicant. Such a reduction must not reduce
31	the fee paid by a social equity applicant by more than 75 percent of
32	the fee paid by an applicant who is not a social equity applicant.
33	3. Except as otherwise provided in subsection 2, in addition to
34	the fees described in subsection 1, each applicant for a medical
35	cannabis establishment license or adult-use cannabis establishment
36	license must pay to the Board:
37	(a) For an application for a license other than an adult-use
38	cannabis establishment license for a retail cannabis consumption
39	lounge or independent cannabis consumption lounge, a one-time,
40	nonrefundable application fee of \$5,000;
41	(b) For an application for an adult-use cannabis establishment
42	license for a retail cannabis consumption lounge, a one-time,
43	nonrefundable application fee of \$100,000;

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1 (c) For an application for an adult-use cannabis establishment 2 license for an independent cannabis consumption lounge, a one-3 time, nonrefundable application fee of \$10,000; and

4 (d) The actual costs incurred by the Board in processing the 5 application, including, without limitation, conducting background 6 checks.

7 4. Any revenue generated from the fees imposed pursuant to 8 this section:

9 (a) Must be expended first to pay the costs of the Board in 10 carrying out the provisions of this title; and

11 (b) If any excess revenue remains after paying the costs 12 described in paragraph (a), such excess revenue must be paid over to 13 the State Treasurer to be deposited to the credit of the State 14 Education Fund.

15 Sec. 30. NRS 678B.530 is hereby amended to read as follows:
678B.530 1. A person shall not:

17 (a) Advertise the sale of cannabis or cannabis products by the 18 person; or

19 (b) Sell, offer to sell or appear to sell cannabis or cannabis 20 products or allow the submission of an order for cannabis or 21 cannabis products,

22 \rightarrow unless the person holds an adult-use cannabis establishment 23 license, [or] a medical cannabis establishment license [-] or a 24 cannabis concierge license.

25 2. A local government shall not regulate the content of an advertisement for the sale of cannabis or cannabis products unless 27 the local government adopts an ordinance setting forth such 28 regulations.

29 Sec. 31. 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:

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;

40 3. Set forth rules pertaining to the safe and healthful operation 41 of cannabis establishments, including, without limitation:

42 (a) The manner of protecting against diversion and theft without 43 imposing an undue burden on cannabis establishments or 44 compromising the confidentiality of consumers and holders of





1 registry identification cards and letters of approval, as those terms 2 are defined in NRS 678C.080 and 678C.070, respectively;

3 (b) Minimum requirements for the oversight of cannabis 4 establishments;

5 (c) Minimum requirements for the keeping of records by 6 cannabis establishments;

7 (d) Provisions for the security of cannabis establishments, 8 including without limitation, requirements for the protection by a 9 fully operational security alarm system of each cannabis 10 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;

21 Establish different categories of cannabis establishment 5. 22 agent registration cards, including, without limitation, criteria for 23 issuance of a cannabis establishment agent registration card for a 24 cannabis executive and a cannabis establishment agent registration 25 card for a cannabis receiver and criteria for training and 26 certification, for each of the different types of cannabis 27 establishments at which such an agent may be employed or 28 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 adultuse 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;

9. Allow for any record relating to the delivery of cannabis or
cannabis products that is required to be kept by a cannabis
establishment to be created and maintained in an electronic format;

10. Prescribe the manner in which the Board will determine
whether a person who holds an adult-use cannabis establishment
license is ineligible to hold additional licenses pursuant to NRS
678B.325 and 678B.328;





1 11. Set forth rules pertaining to the safe and healthful operation 2 of cannabis consumption lounges, including, without limitation:

3 (a) Standards for the air quality in a cannabis consumption 4 lounge;

5 (b) Procedures and requirements for the collection and disposal 6 of cannabis and cannabis products which are left at a cannabis 7 consumption lounge; and

8 (c) Requirements for the training of employees of a cannabis 9 consumption lounge in the sale and safe consumption of single-use 10 cannabis products and ready-to-consume cannabis products; [and]

11 12. Set forth rules pertaining to the safe and healthful 12 conduct of sales of cannabis or cannabis products by a cannabis 13 concierge at a temporary cannabis event, including, without 14 limitation:

(a) Requirements for the testing, labeling and sale of cannabis
 and cannabis products at a temporary cannabis event; and

17 (b) Procedures and requirements for the collection and 18 disposal of cannabis and cannabis products which are left at a 19 temporary cannabis event and the management of cannabis waste; 20 and

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

23 Sec. 32. 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.

35 (c) Possessing a firearm in violation of paragraph (b) of 36 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:

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

42 (I) Except as otherwise provided by regulations adopted
43 by the Board pursuant to NRS 678B.645, any public place or in any
44 place open to the public or exposed to public view; or





1 (II) Any local detention facility, county jail, state prison, 2 reformatory or other correctional facility, including, without 3 limitation, any facility for the detention of juvenile offenders; or

4 (2) If the possession of the cannabis or paraphernalia occurs 5 on school property.

6 (e) Delivering cannabis to another person who he or she knows 7 does not lawfully hold a registry identification card or letter of 8 approval issued by the Division or its designee pursuant to NRS 9 678C.230 or 678C.270.

10 (f) Delivering cannabis for consideration to any person, 11 regardless of whether the recipient lawfully holds a registry 12 identification card or letter of approval issued by the Division or its 13 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 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.

29 [4.] 5. As used in this section, "school property" means the 30 grounds of any public school described in NRS 388.020 and any 31 private school as defined in NRS 394.103.

Sec. 33. 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:

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

37 (b) The possession or delivery of paraphernalia;

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

40 (d) Aiding and abetting another in the possession or delivery of 41 paraphernalia;

42 (e) Any combination of the acts described in paragraphs (a) to 43 (d), inclusive; and



32



1 (f) Any other criminal offense in which the possession, delivery 2 or production of cannabis or the possession or delivery of 3 paraphernalia is an element.

4 2. In addition to the provisions of subsections 1 and 5, no 5 person may be subject to state prosecution for constructive 6 possession, conspiracy or any other criminal offense solely for being 7 in the presence or vicinity of the adult use of cannabis in accordance 8 with the provisions of this title.

9 3. The exemption from state prosecution set forth in subsection 10 1 applies only to the extent that a person:

11

(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;

15 (c) Engages in the adult use of cannabis in accordance with the 16 provisions of this title;

17 (d) Does not, at any one time, possess, deliver or produce more 18 than:

19 20 (1) One ounce of usable cannabis;

(2) One-eighth of an ounce of concentrated cannabis;

21 (3) Six cannabis plants, irrespective of whether the cannabis22 plants are mature or immature; and

(4) A maximum allowable quantity of adult-use cannabis
 products as established by regulation of the Board;

25 (e) Cultivates, grows or produces not more than six cannabis 26 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

30 (2) At a residence or upon the grounds of a residence in 31 which not more than 12 cannabis plants are cultivated, grown or 32 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.

40 4. If a person possesses, uses or produces cannabis in an 41 amount which exceeds the amount set forth in paragraph (d) of 42 subsection 3 or in any manner other than that set forth in subsection 43 3, the person is not exempt from state prosecution for the 44 possession, delivery or production of cannabis.





A person who holds an adult-use cannabis establishment 1 5. 2 license issued to the person pursuant to NRS 678B.250, *a cannabis* 3 concierge license issued to the person pursuant to section 18 of *this act*, a cannabis establishment agent registration card issued to 4 5 the person pursuant to NRS 678B.340, a cannabis establishment 6 agent registration card for a cannabis executive issued to the person pursuant to NRS 678B.350 or a cannabis establishment agent 7 8 registration card for a cannabis receiver issued to the person pursuant to NRS 678B.355, and confines his or her activities to 9 those authorized by this title, and the regulations adopted by the 10 Board pursuant thereto, is exempt from state prosecution for: 11

12

(a) The possession, delivery or production of cannabis;(b) The possession or delivery of paraphernalia;

13

14 (c) Aiding and abetting another in the possession, delivery or 15 production of cannabis;

16 (d) Aiding and abetting another in the possession or delivery of 17 paraphernalia;

18 (e) Any combination of the acts described in paragraphs (a) to 19 (d), inclusive; and

20 (f) Any other criminal offense in which the possession, delivery 21 or production of cannabis or the possession or delivery of 22 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.

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

678D.300 1. A person is not exempt from state prosecutionfor 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.

36 (c) Possessing a firearm in violation of paragraph (b) of 37 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:

40 (1) If the possession of the cannabis or paraphernalia is 41 discovered because the person engaged in the adult use of cannabis 42 in:

(I) Except as otherwise provided by regulations adopted
by the Board pursuant to NRS 678B.645, any public place or in any
place open to the public or exposed to public view; or





8 9 or its designee pursuant to NRS 678C.230 or 678C.270. or agency thereof. 2. public or exposed to public view. As used in this section, "school property" means the grounds 3. school as defined in NRS 394.103. Sec. 35. NRS 678D.310 is hereby amended to read as follows: 678D.310 1. Except as otherwise provided in chapter 678C of NRS, a person shall not: (a) Cultivate cannabis within 25 miles of an adult-use cannabis to an adult-use cannabis cultivation facility: public place by normal unaided vision; or possession of the property. guilty of: more than \$600. not more than \$1.000. (c) For a third violation, a gross misdemeanor. (d) For a fourth or subsequent violation, a category E felony. A B 2 5 3

1 (II) Any local detention facility, county jail, state prison, 2 reformatory or other correctional facility, including, without limitation, any facility for the detention of juvenile offenders; or 3

- 4 (2) If the possession of the cannabis or paraphernalia occurs 5 on school property.
- 6 (e) Knowingly delivering cannabis to another person who is not 7 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 10 11

12 (2) The person demanded and was shown bona fide 13 documentary evidence of the age and identity of the recipient issued 14 by a federal, state, county or municipal government, or subdivision 15

16 For the purposes of sub-subparagraph (I) of subparagraph 17 (1) of paragraph (d) of subsection 1, an area within a temporary cannabis event that is designated for the consumption of cannabis 18 or cannabis products is not a public place or a place open to the 19 20

21 22 of any public school described in NRS 388.020 and any private 23

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27 28 retail store licensed pursuant to chapter 678B of NRS, unless the 29 person is an adult-use cannabis cultivation facility or is a cannabis 30 establishment agent volunteering at, employed by or providing labor 31

32 (b) Cultivate cannabis plants where they are visible from a 33

(c) Cultivate cannabis on property not in the cultivator's lawful 34 35 possession or without the consent of the person in lawful physical 36

37 2. A person who violates the provisions of subsection 1 is 38

39 (a) For a first violation, a misdemeanor punished by a fine of not 40

41 (b) For a second violation, a misdemeanor punished by a fine of 42

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3. Except as otherwise provided in subsection 10 or by regulations adopted by the Board pursuant to NRS 678B.645, 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.

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 and shall be punished by:

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(a) Performing not more than 24 hours of community service;

11 (b) Attending the live meeting described in paragraph (a) of 12 subsection 2 of NRS 484C.530 and complying with any other 13 requirements set forth in that section; or

14 (c) Being required to undergo an evaluation in accordance with 15 subsection 2 of NRS 484C.350,

16 \rightarrow or any combination thereof.

17 5. If a person under 21 years of age fulfills the terms and 18 conditions imposed for a violation of subsection 4, the court shall, 19 without a hearing, order sealed all documents, papers and exhibits in 20 that person's record, minute book entries and entries on dockets, and 21 other documents relating to the case in the custody of such other 22 agencies and officers as are named in the court's order. The court 23 shall cause a copy of the order to be sent to each agency or officer 24 named in the order. Each such agency or officer shall notify the 25 court in writing of its compliance with the order.

6. 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.

7. 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.

8. 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.

42 9. A person who knowingly gives cannabis to any person under 43 18 years of age or who knowingly leaves or deposits any cannabis in 44 any place with the intent that it will be procured by any person 45 under 18 years of age is guilty of a gross misdemeanor.





1 10. A person may smoke or otherwise consume cannabis or a 2 cannabis product in [a]: 3

(a) A cannabis consumption lounge.

(b) An area within a temporary cannabis event that is 4 designated for the consumption of cannabis or cannabis products. 5

Sec. 35.3. Chapter 244 of NRS is hereby amended by adding 6 7 thereto a new section to read as follows:

8 A person shall not hold a temporary cannabis event in an 1. 9 unincorporated area of a county unless the board of county 10 commissioners of the county has adopted an ordinance pursuant 11 to this section providing for the permitting of such events and the 12 person has obtained such a permit.

13 2. The board of county commissioners of each county may, by 14 ordinance, provide for the issuance of a permit authorizing the holder of the permit to hold a temporary cannabis event. 15

3. An ordinance adopted pursuant to subsection 2 must:

17 (a) Require each applicant for a permit to hold a temporary 18 cannabis event to submit an application to the board of county commissioners on a form prescribed by the board of county 19 20 commissioners which must include:

21 (1) The name, address, telephone number and electronic 22 mail address of the applicant;

23 (2) The physical address of the location at which the 24 proposed temporary cannabis event will be held, the location of which may not be on the property of an airport, within 1,000 feet 25 26 of a public or private school that provides formal education 27 traditionally associated with preschool or kindergarten through 28 grade 12 and that existed on the date on which the application for 29 the permit was submitted to the board of county commissioners, within 300 feet of a community facility that existed on the date on 30 31 which the application for the permit was submitted to the board of county commissioners or, if the temporary cannabis event will be 32 located in a county whose population is 100,000 or more, within 33 1,500 feet of an establishment that holds a nonrestricted gaming 34 license described in subsection 1 or 2 of NRS 463.0177 and that 35 existed on the date on which the application for the permit was 36 37 submitted to the board of county commissioners;

38 (3) The date or dates of the proposed temporary cannabis event, which must not exceed 3 consecutive days; 39

(4) The number of persons reasonably expected to attend 40 the proposed temporary cannabis event, which must be not less 41 42 than 750 persons, and evidence to support this expectation;

(5) A diagram of the physical layout of the proposed 43 temporary cannabis event, which clearly sets forth each: 44



16



(I) Entrance and exit to the proposed temporary 1 2 cannabis event that will be used by participants during the event;

3 (II) Area within the proposed temporary cannabis event 4 designated for the sale of cannabis or cannabis products; and

5 (III) Area within the proposed temporary cannabis event designated for the consumption of cannabis or cannabis products; 6

7 (6) An attestation by the applicant that he or she 8 understands and agrees to comply with the requirements described 9 in paragraph (e); and

10 (7) Such other information as the board of county 11 commissioners may require.

(b) Require:

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13 (1) The issuance of a permit to be deemed conditional until 14 the person issued the permit submits to the board of county commissioners evidence that a cannabis concierge has been issued 15 a cannabis concierge sales permit by the Cannabis Compliance 16 17 Board pursuant to section 14 of this act to sell cannabis and 18 cannabis products at the event; and

19 (2) The surrender of a conditional permit if the person 20 issued the permit does not satisfy the requirements of 21 subparagraph (1) within a period of time determined by the board 22 of county commissioners.

(c) Require each permit issued by the board of county 23 24 commissioners to set forth the location and date or dates of the temporary cannabis event for which the permit is issued. 25

26 (d) Require all consumption of usable cannabis by means of 27 smoking at the temporary cannabis event to be conducted in an enclosed structure that meets any standards for air quality or other 28 29 standards established by the board of county commissioners, unless the board of county commissioners determines this 30 requirement not to be appropriate for a particular temporary 31 32 cannabis event based on the attributes of the event.

(e) Establish requirements for the operation of temporary 33 cannabis events. Such requirements must require the person who 34 35 obtained the permit to ensure that:

(1) Only persons who are 21 years of age or older are 36 37 allowed to access areas within the temporary cannabis event designated for the sale or consumption of cannabis or cannabis 38 39 products; and

40 (2) Firearms and other weapons are prohibited at the 41 temporary cannabis event.

42 If a board of county commissioners adopts an ordinance 4. 43 pursuant to subsection 2, the board of county commissioners may: 44

(a) Establish and collect a fee for the issuance of a permit.

45 (b) Grant or deny applications for the issuance of a permit.





-31 -

1 (c) Impose conditions, limitations and restrictions upon a 2 permit.

3 (d) Establish any other requirements necessary to carry out the 4 ordinance, including, without limitation, the imposition of a 5 penalty for a violation of the ordinance.

6 (e) Adopt, amend and repeal regulations relating to the 7 ordinance.

8 5. For the purposes of subparagraph (2) of paragraph (a) of 9 subsection 3, the distance must be measured from the main 10 entrance of the proposed temporary cannabis event to the closest 11 point of the property line of a school, community facility or 12 gaming establishment.

13 6. As used in this section:

14 (a) "Cannabis" has the meaning ascribed to it in 15 NRS 678A.085.

16 (b) "Cannabis concierge" has the meaning ascribed to it in 17 section 4 of this act.

18 (c) "Cannabis product" has the meaning ascribed to it in 19 NRS 678A.120.

20 (d) "Community facility" has the meaning ascribed to it in 21 NRS 678B.210.

(e) "Smoking" means inhaling, exhaling, burning or carrying
of a lighted cigarette, cigar, pipe or any other matter or substance
that contains usable cannabis.

25 (f) "Temporary cannabis event" has the meaning ascribed to it 26 in section 6 of this act.

27 (g) "Usable cannabis" has the meaning ascribed to it in 28 NRS 678C.100.

29 **Sec. 35.6.** Chapter 268 of NRS is hereby amended by adding 30 thereto a new section to read as follows:

I. A person shall not hold a temporary cannabis event in an
 incorporated city in this State unless the governing body of the
 incorporated city has adopted an ordinance pursuant to this
 section providing for the permitting of such events and the person
 has obtained such a permit.

36 2. The governing body of the incorporated city may, by
37 ordinance, provide for the issuance of a permit authorizing the
38 holder of the permit to hold a temporary cannabis event.

39

3. An ordinance adopted pursuant to subsection 2 must:

40 (a) Require each applicant for a permit to hold a temporary
41 cannabis event to submit an application to the governing body on
42 a form prescribed by the governing body, which much include:

43 (1) The name, address, telephone number and electronic 44 mail address of the applicant;





(2) The physical address of the location at which the 1 2 proposed temporary cannabis event will be held, the location of 3 which may not be on the property of an airport, within 1,000 feet of a public or private school that provides formal education 4 5 traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for 6 7 the permit was submitted to the governing body, within 300 feet of 8 a community facility that existed on the date on which the application for the permit was submitted to the governing body or, 9 if the temporary cannabis event will be located in a county whose 10 population is 100,000 or more, within 1,500 feet of an 11 12 establishment that holds a nonrestricted gaming license described 13 in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the permit was submitted to the 14 15 governing body;

16 (3) The date or dates of the proposed temporary cannabis 17 event, which must not exceed 3 consecutive days;

18 (4) The number of persons reasonably expected to attend 19 the proposed temporary cannabis event, which must be not less 20 than 750 persons, and evidence to support this expectation;

21 (5) A diagram of the physical layout of the proposed 22 temporary cannabis event, which clearly sets forth each:

23 (I) Entrance and exit to the proposed temporary 24 cannabis event that will be used by participants during the event;

(II) Area within the proposed temporary cannabis event
 designated for the sale of cannabis or cannabis products; and

(III) Area within the proposed temporary cannabis event
 designated for the consumption of cannabis or cannabis products;

29 (6) An attestation by the applicant that he or she 30 understands and agrees to comply with the requirements described 31 in paragraph (e); and

32 (7) Such other information as the governing body may 33 require.

34 (b) **Require**:

(1) The issuance of a permit to be deemed conditional until
the person issued the permit submits to the governing body
evidence that a cannabis concierge has been issued a cannabis
concierge sales permit by the Cannabis Compliance Board
pursuant to section 14 of this act to sell cannabis and cannabis
products at the event; and

41 (2) The surrender of a conditional permit if the person 42 issued the permit does not satisfy the requirements of 43 subparagraph (1) within a period of time determined by the 44 governing body.





1 (c) Require each permit issued by the governing body to set 2 forth the location and date or dates of the temporary cannabis 3 event for which the permit is issued.

4 (d) Require all consumption of usable cannabis by means of 5 smoking at a temporary cannabis event to be conducted in an 6 enclosed structure that meets any standards for air quality or other 7 standards established by the governing body, unless the governing 8 body determines this requirement not to be appropriate for a 9 particular temporary cannabis event based on the attributes of the 10 event.

11 (e) Establish requirements for the operation of temporary 12 cannabis events. Such requirements must require the person who 13 obtained the permit to ensure that:

14 (1) Only persons who are 21 years of age or older are 15 allowed to access areas within the temporary cannabis event 16 designated for the sale or consumption of cannabis or cannabis 17 products; and

18 (2) Firearms and other weapons are prohibited at the 19 temporary cannabis event.

20 4. If a governing body of an incorporated city adopts an 21 ordinance pursuant to subsection 2, the governing body may:

(a) Establish and collect a fee for the issuance of a permit.

(b) Grant or deny applications for the issuance of a permit.

24 (c) Impose conditions, limitations and restrictions upon a 25 permit.

(d) Establish any other requirements necessary to carry out the
 ordinance, including, without limitation, the imposition of a
 penalty for a violation of the ordinance.

29 (e) Adopt, amend and repeal regulations relating to the 30 ordinance.

5. For the purposes of subparagraph (2) of paragraph (a) of subsection 3, the distance must be measured from the main entrance of the proposed temporary cannabis event to the closest point of the property line of a school, community facility or gaming establishment.

36 6. As used in this section:

37 (a) "Cannabis" has the meaning ascribed to it in 38 NRS 678A.085.

39 (b) "Cannabis concierge" has the meaning ascribed to it in 40 section 4 of this act.

41 (c) "Cannabis product" has the meaning ascribed to it in 42 NRS 678A.120.

43 (d) "Community facility" has the meaning ascribed to it in 44 NRS 678B.210.



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of a lighted cigarette, cigar, pipe or any other matter or substance that contains usable cannabis. (f) "Temporary cannabis event" has the meaning ascribed to it in section 6 of this act. (g) "Usable cannabis" has the meaning ascribed to it in NRS 678C.100. **Sec. 36.** Chapter 372A of NRS is hereby amended by adding thereto a new section to read as follows: "Cannabis concierge" has the meaning ascribed to it in section 4 of this act. Sec. 37. NRS 372A.200 is hereby amended to read as follows: 372A.200 As used in NRS 372A.200 to 372A.380, inclusive, and section 36 of this act, unless the context otherwise requires, the words and terms defined in NRS 372A.205 to 372A.250, inclusive, and section 36 of this act, have the meanings ascribed to them in those sections. Sec. 38. NRS 372A.250 is hereby amended to read as follows: 372A.250 "Taxpayer" means a: Cannabis cultivation facility; 1. 2. Adult-use cannabis retail store; [or] 3. Cannabis consumption lounge [.]; or 4. Cannabis concierge. Sec. 39. NRS 372A.290 is hereby amended to read as follows: 372A.290 1. An excise tax is hereby imposed on each wholesale sale in this State of cannabis by a medical cannabis cultivation facility to another cannabis 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 medical cannabis cultivation facility. 2. An excise tax is hereby imposed on each wholesale sale in this State of cannabis by an adult-use cannabis cultivation facility to another cannabis establishment at the rate of 15 percent of the fair market value at wholesale of the cannabis. The excise tax imposed pursuant to this subsection is the obligation of the adult-use

37 3. An excise tax is hereby imposed on each retail sale in this 38 State of cannabis or cannabis products by an adult-use cannabis 39 retail store , [or] cannabis consumption lounge *or cannabis* 40 *concierge* at the rate of 10 percent of the sales price of the cannabis 41 or cannabis products. The excise tax imposed pursuant to this 42 subsection:

43 (a) Is the obligation of the seller of the cannabis or cannabis44 product;



cannabis cultivation facility.

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(e) "Smoking" means inhaling, exhaling, burning or carrying

1 (b) Is separate from and in addition to any general state and 2 local sales and use taxes that apply to retail sales of tangible 3 personal property.

4 4. The revenues collected from the excise tax imposed pursuant 5 to subsection 1 must be distributed:

6 (a) To the Cannabis Compliance Board and to local
7 governments in an amount determined to be necessary by the Board
8 to pay the costs of the Board and local governments in carrying out
9 the provisions of chapter 678C of NRS; and

10 (b) If any money remains after the revenues are distributed 11 pursuant to paragraph (a), to the State Treasurer to be deposited to 12 the credit of the State Education Fund.

13 5. The revenues collected from the excise tax imposed pursuant14 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 distributedpursuant to paragraph (a), to the State Treasurer to be deposited tothe credit of the State Education Fund.

22 For the purpose of subsections 4 and 5, a total amount of 6. 23 \$5,000,000 of the revenues collected from the excise tax imposed 24 pursuant to subsection 1 and the excise tax imposed pursuant to 25 subsection 2 in each fiscal year shall be deemed sufficient to pay the 26 costs of all local governments to carry out the provisions of chapters 27 678C and 678D of NRS. The Board shall, by regulation, determine 28 the manner in which local governments may be reimbursed for the 29 costs of carrying out the provisions of chapters 678C and 678D of 30 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.

34 8. As used in this section:

35 (a) "Adult-use cannabis cultivation facility" has the meaning 36 ascribed to it in NRS 678A.025.

37 (b) "Cannabis product" has the meaning ascribed to it in 38 NRS 678A.120.

39 (c) "Local government" has the meaning ascribed to it in 40 NRS 360.640.

41 (d) "Medical cannabis cultivation facility" has the meaning 42 ascribed to it in NRS 678A.170.

43 (e) "Medical cannabis establishment" has the meaning ascribed 44 to it in NRS 678A.180.





1 (f) "Wholesale sale" means a sale or transfer of cannabis by a 2 cannabis cultivation facility to another cannabis establishment. The 3 term does not include a transfer of cannabis by a cannabis 4 cultivation facility to another cannabis cultivation facility when both 5 cannabis cultivation facilities share identical ownership.

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Sec. 40. (Deleted by amendment.)

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Sec. 41. NRS 453.316 is hereby amended to read as follows:

8 453.316 1. A person who opens or maintains any place for 9 the purpose of unlawfully selling, giving away or using any 10 controlled substance is guilty of a category C felony and shall be 11 punished as provided in NRS 193.130.

12 If a person convicted of violating this section has previously 2. 13 been convicted of violating this section, or if, in the case of a first 14 conviction of violating this section, the person has been convicted of 15 an offense under the laws of the United States or any state, territory 16 or district which, if committed in this State, would amount to a 17 felony under this section, the person is guilty of a category B felony 18 and shall be punished by imprisonment in the state prison for a 19 minimum term of not less than 1 year and a maximum term of not 20 more than 6 years, and may be further punished by a fine of not 21 more than \$10,000.

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3. This section does not apply to:

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

(b) Any cannabis consumption lounge, as defined in NRS
678A.087, whose activities are confined to those authorized in title
56 of NRS.

(c) A person who holds a temporary cannabis event, as defined
in section 6 of this act, for which a permit has been issued by the
board of county commissioners of a county pursuant to section
35.3 of this act or the governing body of an incorporated city
pursuant to section 35.6 of this act, as applicable, and whose
activities are confined to those authorized by the board of county
commissioners or governing body, as applicable, by ordinance.

(d) A cannabis concierge, as defined in section 4 of this act,
that sells cannabis or cannabis products at a temporary cannabis
event, as defined in section 6 of this act, and whose activities are
confined to those authorized in title 56 of NRS.

(e) Any person who opens or maintains any public place in
which a person is authorized to consume cannabis, as defined in
NRS 678A.085, or cannabis products, as defined in NRS 678A.120,
pursuant to regulations adopted by the Cannabis Compliance Board
pursuant to NRS 678B.645, and whose activities are confined to
those authorized by such regulations.





Sec. 41.3. 1. There is hereby appropriated from the State General Fund to the Department of Taxation for payments under the cost allocation plan for services of the Attorney General and for personnel, travel, operating, equipment and information services expenses associated with implementing the provisions of this act the following sums:

7 8 9 Any balance of the sums appropriated by subsection 1 of this 2. 10 act remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal 11 12 years by the entity to which the appropriation is made or any entity 13 to which money from the appropriation is granted or otherwise 14 transferred in any manner, and any portion of the appropriated 15 money remaining must not be spent for any purpose after 16 September 20, 2024, and September 19, 2025, respectively, by 17 either the entity to which the money was appropriated or the entity 18 to which the money was subsequently granted or transferred, and 19 must be reverted to the State General Fund on or before 20 September 20, 2024, and September 19, 2025, respectively.

Sec. 41.5. For the purposes of subsection 2 of section 22 of this act, a person who has been issued one of the first five cannabis concierge licenses pursuant to subsection 1 of section 21 of this act shall be deemed to hold a cannabis concierge license 2 years after the date on which the cannabis concierge license was issued to the person.

27 **Sec. 42.** 1. This section becomes effective upon passage and 28 approval.

29 2. Section 41.3 of this act becomes effective on July 1, 2023.

30 3. Sections 1 to 41, inclusive, and 41.5 of this act become 31 effective upon passage and approval for the purpose of adopting any 32 regulations and performing any other preparatory administrative 33 tasks that are necessary to carry out the provisions of this act, and on 34 July 1, 2024, for all other purposes.

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