

(§§ 17, 34)

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**FOURTH REPRINT**

**A.B. 341**

ASSEMBLY BILL NO. 341—ASSEMBLYMAN YEAGER

MARCH 19, 2021

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to cannabis. (BDR 56-583)

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

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

AN ACT relating to cannabis; providing for the licensure and regulation by the Cannabis Compliance Board of cannabis consumption lounges; setting forth certain requirements for the licensure of cannabis consumption lounges; setting forth certain requirements for the operation of retail cannabis consumption lounges and independent cannabis consumption lounges; requiring the Board to adopt regulations establishing certain fees; revising provisions relating to certain cannabis products; revising provisions relating to the consumption of cannabis in a public place; establishing provisions relating to the civil liability of a person who serves, sells or furnishes cannabis or cannabis products to another person; revising provisions relating to the excise tax on retail sales of cannabis and cannabis products; exempting certain persons from certain provisions prohibiting a person from maintaining a place for the purpose of unlawfully selling, giving away or using any controlled substance; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law provides for the licensure and regulation of persons and  
2 establishments in the cannabis industry in this State by the Cannabis Compliance  
3 Board. (Title 56 of NRS) Under existing law, a cannabis establishment is prohibited  
4 from allowing a person to consume cannabis on the property or premises of the  
5 establishment. (NRS 678B.510) Existing law also makes it a misdemeanor to  
6 consume cannabis or a cannabis product in a public place, in an adult-use cannabis



7 retail store or in a vehicle. (NRS 678D.310) This bill provides for the licensure and  
8 regulation by the Board of certain businesses at which the consumption of certain  
9 cannabis and cannabis products is allowed. **Section 2** of this bill designates such  
10 businesses generally as “cannabis consumption lounges.”

11 **Sections 3 and 5** of this bill designate two types of cannabis consumption  
12 lounges. **Section 5** of this bill defines “retail cannabis consumption lounge” to  
13 mean a business at which the consumption of single-use or ready-to-consume  
14 cannabis products is allowed and which is attached or immediately adjacent to an  
15 adult-use cannabis retail store. **Section 3** of this bill defines “independent cannabis  
16 consumption lounge” to mean a business at which the consumption of single-use or  
17 ready-to-consume cannabis products is allowed and which is not attached or  
18 immediately adjacent to an adult-use cannabis retail store.

19 **Section 5.5** of this bill defines “single-use cannabis product” to generally mean  
20 a type of cannabis or adult-use cannabis product that the Board has determined to  
21 be appropriate for consumption in a cannabis consumption lounge. **Section 4** of this  
22 bill defines “ready-to-consume cannabis product” to mean an adult-use edible  
23 cannabis product that is presented as a foodstuff or beverage and is intended for  
24 immediate consumption. **Section 28** of this bill requires the Board to adopt  
25 regulations designating types of cannabis and cannabis products as single-use  
26 cannabis products and establishing requirements for the preparation and sale of  
27 ready-to-consume cannabis products. **Sections 19 and 30** of this bill provide that  
28 certain requirements for cannabis products established under existing law do not  
29 apply to ready-to-consume cannabis products to the extent that such requirements  
30 are inconsistent with the regulations adopted by the Board.

31 Existing law prohibits a person from engaging in the business of an adult-use  
32 cannabis establishment unless the person has been issued an adult-use cannabis  
33 establishment license by the Board. Existing law sets forth certain requirements to  
34 obtain such a license. (NRS 678B.250) **Section 7** of this bill includes a retail  
35 cannabis consumption lounge and an independent cannabis consumption lounge  
36 within the definition of “adult-use cannabis establishment” provided under existing  
37 law, thereby requiring persons who wish to operate such establishments to obtain  
38 an adult-use cannabis establishment license in the manner provided in existing law.  
39 (NRS 678A.035)

40 **Sections 13.5 and 14** of this a bill prohibit a cannabis establishment, including  
41 a cannabis consumption lounge, from being located on the property of an airport.

42 **Section 10** of this bill prohibits the Board from issuing an adult-use cannabis  
43 establishment license for a retail cannabis consumption lounge unless: (1) the  
44 applicant holds an adult-use cannabis establishment license for an adult-use  
45 cannabis retail store which is operational; and (2) the location of the proposed  
46 retail cannabis consumption lounge is attached or immediately adjacent to the  
47 adult-use cannabis retail store. **Sections 10 and 14** of this bill exempt a proposed  
48 retail cannabis consumption lounge from certain restrictions relating to the location  
49 of an adult-use cannabis establishment.

50 **Section 11** of this bill requires the Board to adopt regulations establishing  
51 criteria to determine whether an applicant for the issuance or renewal of an adult-  
52 use cannabis establishment license for an independent cannabis consumption  
53 lounge qualifies as a social equity applicant, which is defined by **section 9** of this  
54 bill generally as an applicant that has been adversely affected by previous laws that  
55 criminalized activity relating to cannabis. **Section 12** of this bill requires the Board  
56 to adopt regulations establishing criteria of merit and scoring guidelines to be used  
57 in evaluating applications for an adult-use cannabis establishment license for a  
58 retail cannabis consumption lounge or an independent cannabis consumption  
59 lounge. **Section 17** of this bill establishes fees for the issuance and renewal of such  
60 licenses. **Section 17** authorizes the Board to reduce certain fees associated with an  
61 adult-use cannabis establishment license for an independent cannabis consumption



62 lounge for social equity applicants. **Section 16** of this bill makes a conforming  
63 change to reflect the addition of the requirements of **section 12**.

64 **Section 12.4** of this bill prohibits the Board, with certain exceptions, from  
65 issuing more than 20 adult-use cannabis establishment licenses for an independent  
66 cannabis consumption lounge. However, if on or before June 30, 2022, the Board  
67 issues 20 such licenses, **section 12.4** authorizes the Board to issue additional  
68 licenses, so long as the total number of adult-use cannabis establishment licenses  
69 for an independent cannabis consumption lounge does not, at any time, exceed the  
70 number of adult-use cannabis establishment licenses for a retail cannabis  
71 consumption lounge issued by the Board. **Section 12.4** also requires that at least 10  
72 of the first 20 adult-use cannabis establishment licenses for an independent  
73 cannabis consumption lounge issued by the Board be issued to social equity  
74 applicants. **Section 12.5** of this bill sets forth certain requirements for the issuance  
75 of adult-use cannabis establishment licenses for retail cannabis consumption  
76 lounges and independent cannabis consumption lounges in a local governmental  
77 jurisdiction that limits the number of business licenses issued to cannabis  
78 consumption lounges, which include, among other requirements, that a certain  
79 number of adult-use cannabis establishment licenses for independent cannabis  
80 consumption lounges be issued to social equity applicants.

81 Existing law prohibits the Board from issuing more than a certain number of  
82 adult-use cannabis establishment licenses to any one person, group of persons or  
83 entity in certain counties. (NRS 678B.270) **Section 15** of this bill provides that this  
84 prohibition does not apply to adult-use cannabis establishment licenses for retail  
85 cannabis consumption lounges or independent cannabis consumption lounges.  
86 Instead, **section 12.7** of this bill generally prohibits the Board from issuing more  
87 than one such license to any one person. **Section 12.7** provides an exception to this  
88 prohibition for certain transfers of such licenses. **Section 12.3** of this bill prohibits  
89 the Board from issuing to any one person both an adult-use cannabis establishment  
90 license for an adult-use cannabis retail store and an adult-use cannabis  
91 establishment license for an independent cannabis consumption lounge. **Section 20**  
92 of this bill requires the Board to adopt regulations prescribing the manner in which  
93 it will determine whether a person who holds an adult-use cannabis establishment  
94 license is ineligible to hold additional licenses pursuant to **sections 12.3 and 12.7**.

95 Existing law requires the Board to adopt regulations regarding the transfer of  
96 licenses issued by the Board. (NRS 678B.380) **Section 16.5** of this bill requires  
97 those regulations to impose certain requirements and restrictions on the transfer an  
98 adult-use cannabis establishment license for an independent cannabis consumption  
99 lounge.

100 **Sections 22 and 24** of this bill set forth certain requirements and restrictions  
101 relating to the operation of a cannabis consumption lounge. **Section 24** prohibits,  
102 among other things, the consumption of any cannabis or cannabis product at a  
103 cannabis consumption lounge that is not a single-use cannabis product or ready-to-  
104 consume cannabis product. **Section 23** of this bill authorizes a cannabis  
105 consumption lounge to engage in certain activities. **Section 20** requires the Board to  
106 adopt certain regulations concerning the operation of cannabis consumption  
107 lounges.

108 **Section 25** of this bill authorizes a retail cannabis consumption lounge to obtain  
109 single-use cannabis products from the adult-use cannabis retail store to which the  
110 lounge is attached or adjacent and sell such products to customers of the lounge.  
111 **Section 25** also authorizes a retail cannabis consumption lounge to prepare and sell  
112 ready-to-consume cannabis products.

113 **Section 27** of this bill requires an independent cannabis consumption lounge to  
114 enter into a contract with one or more adult-use cannabis retail stores to obtain  
115 single-use cannabis products for resale and cannabis or cannabis products for use in  
116 the preparation of ready-to-consume cannabis products. **Section 27** authorizes an



117 independent cannabis consumption lounge that has entered into such a contract to:  
118 (1) sell single-use cannabis products to customers of the lounge; and (2) prepare  
119 and sell ready-to-consume cannabis products to customers of the lounge.

120 Existing law prohibits a board of county commissioners, the governing body of  
121 an incorporated city or a town board from licensing or otherwise allowing a person  
122 to operate a business that allows cannabis or cannabis products to be consumed on  
123 the premises of the business. (NRS 244.335, 268.095, 269.170) Existing law  
124 eliminates this prohibition effective July 1, 2021. (Section 246 of chapter 595,  
125 Statutes of Nevada 2019, at page 3896) **Sections 36.7 and 36.9** of this bill remove  
126 the prospective elimination of this prohibition. Instead, **sections 30.6-30.9** of this  
127 bill prohibit, with certain exceptions, such a local government from licensing or  
128 otherwise allowing the operation of a business that allows cannabis or cannabis  
129 products to be consumed on the premises of the business, other than a cannabis  
130 consumption lounge, in accordance with the provisions of this bill.

131 **Section 30.5** of this bill establishes provisions relating to the civil liability of a  
132 person who serves, sells or furnishes cannabis or a cannabis product to another  
133 person for damages caused as a result of the consumption of the cannabis or  
134 cannabis product, which are based on similar provisions of existing law concerning  
135 alcoholic beverages. (NRS 41.1305)

136 Existing law imposes an excise tax on each retail sale of cannabis or cannabis  
137 products by an adult-use cannabis retail store. (NRS 372A.290) **Section 34** of this  
138 bill applies this excise tax to retail sales of cannabis and cannabis products by a  
139 cannabis consumption lounge. **Sections 31 and 33** of this bill make conforming  
140 changes to reflect the imposition of the excise tax on such sales.

141 **Section 18** of this bill revises provisions of existing law prohibiting the  
142 consumption of cannabis and cannabis products in a cannabis establishment for the  
143 purpose of authorizing a person to engage in such activities in a cannabis  
144 consumption lounge. (NRS 678B.510)

145 Existing law prohibits, in general, the consumption of cannabis or cannabis  
146 products in a public place. (NRS 678C.300, 678D.300, 678D.310) **Section 12.9** of  
147 this bill authorizes the Board to adopt regulations setting forth circumstances under  
148 which a person is authorized to consume cannabis or cannabis products in a public  
149 place. **Sections 20.5, 28.5 and 29** of this bill revise provisions of existing law  
150 prohibiting a person from consuming cannabis or cannabis products in a public  
151 place for the purpose of authorizing a person to engage in such activities in a public  
152 place in accordance with the regulations adopted by the Board pursuant to  
153 **section 12.9**. However, **section 12.9** also provides that the provisions of **section**  
154 **12.9** do not prohibit a local government from adopting and enforcing an ordinance  
155 or rule governing the consumption of cannabis or cannabis products in a public  
156 place which is more restrictive than the regulations adopted by the Board.

157 Existing law prohibits a person from opening or maintaining a place for the  
158 purpose of unlawfully selling, giving away or using any controlled substance. (NRS  
159 453.316) **Section 36** of this bill exempts from the application of this provision: (1)  
160 a cannabis consumption lounge whose activities are confined to those authorized  
161 under the provisions of this bill; and (2) any person who opens or maintains a  
162 public place at which a person is authorized to consume cannabis or cannabis  
163 products pursuant to regulations adopted by the Board pursuant to **section 12.9** and  
164 whose activities are confined to those authorized by such regulations.

165 **Section 36.3** of this bill requires the Board to provide each person who, on  
166 July 1, 2021, holds an adult-use cannabis establishment license for an adult-use  
167 cannabis retail store a written notification informing the person that the person may  
168 be eligible to hold an adult-use cannabis establishment license for a retail cannabis  
169 consumption lounge.

170 **Section 36.5** of this bill requires the Board, on or before January 1, 2023, to  
171 submit to the Legislature a report containing certain information regarding the



172 effect of certain violations of the Nevada Unfair Trade Practice Act on independent  
173 cannabis consumption lounges.

174 **Sections 2-5.5 and 9** of this bill define words and terms applicable to the  
175 provisions of this bill. **Sections 6 and 32** of this bill make conforming changes to  
176 properly place new language in the Nevada Revised Statutes. **Section 35** of this bill  
177 makes a conforming change to reflect the addition of the provisions of **section 17**.

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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 5.5, inclusive,  
3 of this act.

4 **Sec. 2.** *“Cannabis consumption lounge” means:*

- 5 1. *A retail cannabis consumption lounge; or*
- 6 2. *An independent cannabis consumption lounge.*

7 **Sec. 3.** *“Independent cannabis consumption lounge” means*  
8 *a business that:*

- 9 1. *Is licensed by the Board pursuant to NRS 678B.250;*
- 10 2. *Is not attached or immediately adjacent to an adult-use*  
11 *cannabis retail store; and*
- 12 3. *Allows single-use cannabis products or ready-to-consume*  
13 *cannabis products to be consumed on the premises of the business*  
14 *by persons 21 years of age or older.*

15 **Sec. 4.** *“Ready-to-consume cannabis product” means an*  
16 *adult-use edible cannabis product that is:*

- 17 1. *Prepared on the premises of a cannabis consumption*  
18 *lounge;*
- 19 2. *Presented in the form of a foodstuff or beverage;*
- 20 3. *Sold in a heated or unheated state; and*
- 21 4. *Intended for immediate consumption.*

22 **Sec. 5.** *“Retail cannabis consumption lounge” means a*  
23 *business that:*

- 24 1. *Is licensed by the Board pursuant to NRS 678B.250;*
- 25 2. *Is attached or immediately adjacent to an adult-use*  
26 *cannabis retail store; and*
- 27 3. *Allows single-use cannabis products or ready-to-consume*  
28 *cannabis products to be consumed on the premises of the business*  
29 *by persons 21 years of age or older.*

30 **Sec. 5.5.** *“Single-use cannabis product” means a type of*  
31 *cannabis or adult-use cannabis product, other than a ready-to-*  
32 *consume cannabis product, that the Board has determined to be*  
33 *appropriate for consumption in a cannabis consumption lounge*  
34 *pursuant to section 28 of this act.*



1     **Sec. 6.** NRS 678A.010 is hereby amended to read as follows:  
2     678A.010 As used in this title, unless the context otherwise  
3 requires, the words and terms defined in NRS 678A.020 to  
4 678A.240, inclusive, *and sections 2 to 5.5, inclusive, of this act*  
5 have the meanings ascribed to them in those sections.

6     **Sec. 7.** NRS 678A.035 is hereby amended to read as follows:

7     678A.035 “Adult-use cannabis establishment” means:

- 8     1. An adult-use cannabis independent testing laboratory;
- 9     2. An adult-use cannabis cultivation facility;
- 10    3. An adult-use cannabis production facility;
- 11    4. An adult-use cannabis retail store; ~~[or]~~
- 12    5. An adult-use cannabis distributor ~~[;]~~;

13    **6. A retail cannabis consumption lounge; or**

14    **7. An independent cannabis consumption lounge.**

15     **Sec. 8.** Chapter 678B of NRS is hereby amended by adding  
16 thereto the provisions set forth as sections 9 to 12.9, inclusive, of  
17 this act.

18     **Sec. 9.** *“Social equity applicant” means an applicant for the*  
19 *issuance or renewal of an adult-use cannabis establishment*  
20 *license for an independent cannabis consumption lounge who has*  
21 *been adversely affected by provisions of previous laws which*  
22 *criminalized activity relating to cannabis, as determined by the*  
23 *Board in accordance with the regulations adopted pursuant to*  
24 *section 11 of this act. Such adverse effects may include, without*  
25 *limitation, adverse effects on an owner or officer of the applicant.*

26     **Sec. 10.** *1. The Board shall not issue an adult-use cannabis*  
27 *establishment license for a retail cannabis consumption lounge*  
28 *pursuant to NRS 678B.250 unless:*

29     *(a) The applicant holds an adult-use cannabis establishment*  
30 *license for an adult-use cannabis retail store;*

31     *(b) The adult-use cannabis retail store for which the applicant*  
32 *holds an adult-use cannabis establishment license is operational;*  
33 *and*

34     *(c) The location of the proposed retail cannabis consumption*  
35 *lounge is attached or immediately adjacent to the adult-use*  
36 *cannabis retail store for which the applicant holds an adult-use*  
37 *cannabis establishment license.*

38     **2. The location of a proposed retail cannabis consumption**  
39 **lounge:**

40     *(a) Except as otherwise provided in paragraph (b), is not*  
41 *subject to the restrictions set forth in sub-subparagraph (II) of*  
42 *subparagraph (2) of paragraph (a) of subsection 3 of NRS*  
43 *678B.250 so long as the adult-use cannabis retail store to which*  
44 *the proposed retail cannabis consumption lounge is to be attached*  
45 *or immediately adjacent was in compliance with such*



1 requirements at the time it was issued an adult-use cannabis  
2 establishment license; and

3 (b) Must not be on the property of an airport.

4 **Sec. 11. 1.** The Board shall adopt regulations establishing  
5 criteria to be used by the Board for determining whether an  
6 applicant for the issuance or renewal of an adult-use cannabis  
7 establishment license for an independent cannabis consumption  
8 lounge qualifies as a social equity applicant for the purposes of  
9 this chapter.

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

16 **Sec. 12. 1.** The Board shall adopt regulations establishing  
17 criteria of merit and scoring guidelines to be used by the Board in  
18 evaluating applications for the issuance of an adult-use cannabis  
19 establishment license for a retail cannabis consumption lounge or  
20 an independent cannabis consumption lounge pursuant to  
21 NRS 678B.250.

22 2. In determining whether to issue an adult-use cannabis  
23 establishment license for a retail cannabis consumption lounge or  
24 an independent cannabis consumption lounge pursuant to NRS  
25 678B.250, the Board shall, in addition to the factors set forth in  
26 that section, consider the criteria of merit and scoring guidelines  
27 established pursuant to subsection 1.

28 3. The scoring guidelines established pursuant to subsection  
29 1 must establish a minimum required score for the issuance of an  
30 adult-use cannabis establishment license for a retail cannabis  
31 consumption lounge or an independent cannabis consumption  
32 lounge.

33 4. The criteria of merit established pursuant to subsection 1  
34 must include, without limitation:

35 (a) For a proposed independent cannabis consumption  
36 lounge:

37 (1) The diversity on the basis of race, ethnicity or gender of  
38 the applicant or the persons who are proposed to be owners or  
39 officers of the proposed independent cannabis consumption  
40 lounge; and

41 (2) Whether the applicant qualifies as a social equity  
42 applicant; and

43 (b) Any other criteria of merit that the Board determines to be  
44 relevant.



1 **Sec. 12.3.** *The Board shall not issue to any one person both*  
2 *an adult-use cannabis establishment license for an adult-use*  
3 *cannabis retail store and an adult-use cannabis establishment*  
4 *license for an independent cannabis consumption lounge.*

5 **Sec. 12.4.** *1. Except as otherwise provided in subsection 2,*  
6 *the Board shall not issue more than 20 adult-use cannabis*  
7 *establishment licenses for an independent cannabis consumption*  
8 *lounge.*

9 *2. If, on or before June 30, 2022, the Board issues 20 adult-*  
10 *use cannabis establishment licenses for an independent cannabis*  
11 *consumption lounge, the Board may thereafter issue adult-use*  
12 *cannabis establishment licenses for independent cannabis*  
13 *consumption lounges in amounts that exceed the limit set forth in*  
14 *subsection 1, so long as the total number of such licenses issued*  
15 *by the Board does not, at any time, exceed the total number of*  
16 *adult-use cannabis establishment licenses for a retail cannabis*  
17 *consumption lounge issued by the Board.*

18 *3. At least 10 of the first 20 adult-use cannabis establishment*  
19 *licenses for an independent cannabis consumption lounge issued*  
20 *by the Board must be issued to social equity applicants.*

21 **Sec. 12.5.** *1. The Board shall, for each local governmental*  
22 *jurisdiction that limits the number of business licenses which may*  
23 *be issued to cannabis consumption lounges, determine the number*  
24 *of licenses allocated to the jurisdiction for retail cannabis*  
25 *consumption lounges and independent cannabis consumption*  
26 *lounges.*

27 *2. Not more than 50 percent of the licenses allocated by the*  
28 *Board pursuant to subsection 1 may be issued to retail cannabis*  
29 *consumption lounges.*

30 *3. Except as otherwise provided in this subsection, at least 50*  
31 *percent of the licenses allocated to a local governmental*  
32 *jurisdiction pursuant to subsection 1 must be issued to*  
33 *independent cannabis consumption lounges. At least 50 percent of*  
34 *the licenses issued to independent cannabis consumption lounges*  
35 *must be issued to social equity applicants. If there are an*  
36 *insufficient number of social equity applicants to distribute*  
37 *licenses in that manner, the local governmental jurisdiction shall*  
38 *issue business licenses to all qualified social equity applicants and*  
39 *hold the remaining business licenses in reserve for future issuance*  
40 *to social equity applicants.*

41 *4. If the number of qualified applicants in a local*  
42 *governmental jurisdiction exceeds the number of licenses*  
43 *allocated to that jurisdiction pursuant to subsection 1, the Board*  
44 *shall issue adult-use cannabis establishment licenses for retail*  
45 *cannabis consumption lounges and independent cannabis*





1 *consumption lounges in the local governmental jurisdiction to*  
2 *qualified applicants who are not social equity applicants using a*  
3 *separate lottery system for each type of license.*

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

6 **Sec. 12.7. 1. Except as otherwise provided in subsection 2,**  
7 **the Board shall not issue:**

8 *(a) More than one adult-use cannabis establishment license*  
9 *for an independent cannabis consumption lounge to any one*  
10 *person;*

11 *(b) More than one adult-use cannabis establishment license*  
12 *for a retail cannabis consumption lounge to any one person; or*

13 *(c) Both an adult-use cannabis establishment license for a*  
14 *retail cannabis consumption lounge and an adult-use cannabis*  
15 *establishment license for an independent cannabis consumption*  
16 *lounge to any one person.*

17 **2. The Board may approve a transfer of an adult-use**  
18 **cannabis establishment license for a retail cannabis consumption**  
19 **lounge or an independent cannabis consumption lounge to a**  
20 **person that acquires a 100 percent ownership interest in a**  
21 **cannabis consumption lounge in a county in which the person**  
22 **holds another such license, if the transfer:**

23 *(a) Complies with all requirements for the transfer of a license*  
24 *established by the Board pursuant to NRS 678B.380; and*

25 *(b) Will not result in the person holding more than two adult-*  
26 *use cannabis establishment licenses for a retail cannabis*  
27 *consumption lounge, adult-use cannabis establishment licenses*  
28 *for an independent cannabis lounge or any combination of the*  
29 *two.*

30 **Sec. 12.9. 1. The Board may adopt regulations setting forth**  
31 **circumstances under which a person is authorized to consume**  
32 **cannabis or cannabis products in a public place.**

33 **2. Nothing in this section shall be construed as prohibiting a**  
34 **local government from adopting and enforcing an ordinance or**  
35 **rule governing the consumption of cannabis or cannabis products**  
36 **in a public place in the jurisdiction of the local government which**  
37 **is more restrictive than the regulations adopted by the Board**  
38 **pursuant to subsection 1.**

39 **Sec. 13. NRS 678B.020 is hereby amended to read as follows:**

40 **678B.020** As used in this chapter, unless the context otherwise  
41 requires, the words and terms defined in NRS 678B.030 to  
42 678B.070, inclusive, **and section 9 of this act** have the meanings  
43 ascribed to them in those sections.



1     **Sec. 13.5.** NRS 678B.210 is hereby amended to read as  
2 follows:

3     678B.210 1. A person shall not engage in the business of a  
4 medical cannabis establishment unless the person holds a medical  
5 cannabis establishment license issued by the Board pursuant to this  
6 section.

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

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

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

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

20       (2) An application, which must include:

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

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

40           (III) Evidence that the applicant controls not less than  
41 \$250,000 in liquid assets to cover the initial expenses of opening the  
42 proposed medical cannabis establishment and complying with the  
43 provisions of this title;

44           (IV) Evidence that the applicant owns the property on  
45 which the proposed medical cannabis establishment will be located



1 or has the written permission of the property owner to operate the  
2 proposed medical cannabis establishment on that property;

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

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

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

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

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

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

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

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

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

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

37 (1) Served as an owner, officer or board member for a  
38 cannabis establishment that has had its medical cannabis  
39 establishment license or adult-use cannabis establishment license  
40 revoked;

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

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



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

4 4. For each person who submits an application pursuant to this  
5 section, and each person who is proposed to be an owner, officer or  
6 board member of a proposed medical cannabis establishment, the  
7 Board shall submit the fingerprints of the person to the Central  
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  
12 application for registration as a medical cannabis establishment  
13 satisfies the requirements of this section, is qualified in the  
14 determination of the Board pursuant to NRS 678B.200 and the  
15 establishment is not disqualified from being registered as a medical  
16 cannabis establishment pursuant to this section or other applicable  
17 law, the Board shall issue to the establishment a medical cannabis  
18 establishment license. A medical cannabis establishment license  
19 expires 1 year after the date of issuance and may be renewed upon:

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

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

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

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

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

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

33 (b) A public park.

34 (c) A playground.

35 (d) A public swimming pool.

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

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

41 **Sec. 14.** NRS 678B.250 is hereby amended to read as follows:

42 678B.250 1. A person shall not engage in the business of an  
43 adult-use cannabis establishment unless the person holds an adult-  
44 use cannabis establishment license issued pursuant to this section.



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

4 3. Except as otherwise provided in NRS 678B.260, 678B.270  
5 and 678B.280, *and sections 10 and 12 to 12.7, inclusive, of this act*,  
6 the Board shall issue an adult-use cannabis establishment license to  
7 an applicant if:

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

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

12 (2) An application, which must include:

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

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

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

36 (IV) Evidence that the applicant owns the property on  
37 which the proposed adult-use cannabis establishment will be located  
38 or has the written permission of the property owner to operate the  
39 proposed adult-use cannabis establishment on that property;

40 (V) For the applicant and each person who is proposed to  
41 be an owner, officer or board member of the proposed adult-use  
42 cannabis establishment, a complete set of the person's fingerprints  
43 and written permission of the person authorizing the Board to  
44 forward the fingerprints to the Central Repository for Nevada



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

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

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

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

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

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

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

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

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

24 (1) Served as an owner, officer or board member for a  
25 cannabis establishment that has had its adult-use cannabis  
26 establishment license or medical cannabis establishment license  
27 revoked;

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

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

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

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

42 5. Except as otherwise provided in subsection 6, if an applicant  
43 for licensure to operate an adult-use cannabis establishment satisfies  
44 the requirements of this section, is qualified in the determination of  
45 the Board pursuant to NRS 678B.200 and is not disqualified from



1 being licensed pursuant to this section or other applicable law, the  
2 Board shall issue to the applicant an adult-use cannabis  
3 establishment license. An adult-use cannabis establishment license  
4 expires 1 year after the date of issuance and may be renewed upon:

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

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

8 6. In determining whether to issue an adult-use cannabis  
9 license pursuant to this section, the Board shall consider the criteria  
10 of merit *and scoring guidelines* set forth in NRS 678B.280 ~~or~~ *or*  
11 *section 12 of this act, as applicable.*

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

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

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

19 (b) A public park.

20 (c) A playground.

21 (d) A public swimming pool.

22 (e) A center or facility, the primary purpose of which is to  
23 provide recreational opportunities or services to children or  
24 adolescents.

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

27 **Sec. 15.** NRS 678B.270 is hereby amended to read as follows:

28 678B.270 *1.* Except as otherwise provided in ~~subsection 2,~~  
29 *this section,* to prevent monopolistic practices, the Board shall  
30 ensure, in a county whose population is 100,000 or more, that it  
31 does not issue, to any one person, group of persons or entity, the  
32 greater of:

33 ~~1-~~ (a) One adult-use cannabis establishment license; or

34 ~~2-~~ (b) More than 10 percent of the adult-use cannabis  
35 establishment licenses otherwise allocable in the county.

36 *2. The provisions of this section do not apply to an adult-use*  
37 *cannabis establishment license for a retail cannabis consumption*  
38 *lounge or an independent cannabis consumption lounge.*

39 **Sec. 16.** NRS 678B.280 is hereby amended to read as follows:

40 678B.280 *1.* In determining whether to issue an adult-use  
41 cannabis establishment license pursuant to NRS 678B.250, *other*  
42 *than an adult-use cannabis establishment license for a retail*  
43 *cannabis consumption lounge or an independent cannabis*  
44 *consumption lounge,* the Board shall, in addition to the factors set  
45 forth in that section, consider criteria of merit established by



1 regulation of the Board. Such criteria must include, without  
2 limitation:

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

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

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

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

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

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

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

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

33 **Sec. 16.5.** NRS 678B.380 is hereby amended to read as  
34 follows:

35 678B.380 1. Except as otherwise provided by regulations  
36 adopted by the Board pursuant to subsection 2, the following are  
37 nontransferable:

38 (a) A cannabis establishment agent registration card.

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

41 (c) A medical cannabis establishment license.

42 (d) An adult-use cannabis establishment license.

43 2. The Board shall adopt regulations which prescribe  
44 procedures and requirements by which a holder of a license may





1 transfer the license to another party who is qualified to hold such a  
2 license pursuant to the provisions of this chapter.

3 **3. The regulations adopted pursuant to subsection 2 must:**

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

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

15 (c) *Require the Board to hold a license surrendered pursuant*  
16 *to paragraph (b) in reserve for issuance to an applicant for such a*  
17 *license in the future.*

18 **Sec. 17.** NRS 678B.390 is hereby amended to read as follows:

19 678B.390 1. Except as otherwise provided in subsection ~~2,~~  
20 **3,** the Board shall collect not more than the following maximum  
21 fees:

22		
23	For the initial issuance of a medical cannabis	
24	establishment license for a medical cannabis	
25	dispensary.....	\$30,000
26	For the renewal of a medical cannabis	
27	establishment license for a medical cannabis	
28	dispensary.....	5,000
29	For the initial issuance of a medical cannabis	
30	establishment license for a medical cannabis	
31	cultivation facility .....	3,000
32	For the renewal of a medical cannabis	
33	establishment license for a medical cannabis	
34	cultivation facility .....	1,000
35	For the initial issuance of a medical cannabis	
36	establishment license for a medical cannabis	
37	production facility .....	3,000
38	For the renewal of a medical cannabis	
39	establishment license for a medical cannabis	
40	production facility .....	1,000
41	For the initial issuance of a medical cannabis	
42	establishment license for a medical cannabis	
43	independent testing laboratory .....	5,000



1	For the renewal of a medical cannabis	
2	establishment license for a medical cannabis	
3	independent testing laboratory .....	\$3,000
4	For the initial issuance of an adult-use cannabis	
5	establishment license for an adult-use	
6	cannabis retail store .....	20,000
7	For the renewal of an adult-use cannabis	
8	establishment license for an adult-use	
9	cannabis retail store .....	6,600
10	For the initial issuance of an adult-use cannabis	
11	establishment license for an adult-use	
12	cannabis cultivation facility .....	30,000
13	For the renewal of an adult-use cannabis	
14	establishment license for an adult-use	
15	cannabis cultivation facility .....	10,000
16	For the initial issuance of an adult-use cannabis	
17	establishment license for an adult-use	
18	cannabis production facility .....	10,000
19	For the renewal of an adult-use cannabis	
20	establishment license for an adult-use	
21	cannabis production facility .....	3,300
22	For the initial issuance of an adult-use cannabis	
23	establishment license for an adult-use	
24	cannabis independent testing laboratory .....	15,000
25	For the renewal of an adult-use cannabis	
26	establishment license for an adult-use	
27	cannabis independent testing laboratory .....	5,000
28	<i>For the initial issuance of an adult-use</i>	
29	<i>cannabis establishment license for a retail</i>	
30	<i>cannabis consumption lounge .....</i>	<i>10,000</i>
31	<i>For the renewal of an adult-use cannabis</i>	
32	<i>establishment license for a retail cannabis</i>	
33	<i>consumption lounge .....</i>	<i>10,000</i>
34	<i>For the initial issuance of an adult-use</i>	
35	<i>cannabis establishment license for an</i>	
36	<i>independent cannabis consumption lounge .....</i>	<i>10,000</i>
37	<i>For the renewal of an adult-use cannabis</i>	
38	<i>establishment license for an independent</i>	
39	<i>cannabis consumption lounge .....</i>	<i>10,000</i>
40	For the initial issuance of an adult-use cannabis	
41	establishment license for an adult-use	
42	cannabis distributor .....	15,000
43	For the renewal of an adult-use cannabis	
44	establishment license for an adult-use	
45	cannabis distributor .....	5,000



1 For each person identified in an application for  
 2 the initial issuance of a cannabis  
 3 establishment agent registration card ..... \$150  
 4 For each person identified in an application for  
 5 the renewal of a cannabis establishment agent  
 6 registration card..... 150

7  
 8 2. ~~HB~~ *The Board may by regulation establish reduced fees*  
 9 *for:*

10 (a) *The initial issuance and renewal of an adult-use cannabis*  
 11 *establishment license for an independent cannabis consumption*  
 12 *lounge; and*

13 (b) *The application fee set forth in subsection 3,*  
 14 *↪ for a social equity applicant. Such a reduction must not reduce*  
 15 *the fee paid by a social equity applicant by more than 75 percent*  
 16 *of the fee paid by an applicant who is not a social equity applicant.*

17 3. *Except as otherwise provided in subsection 2, in* addition to  
 18 the fees described in subsection 1, each applicant for a medical  
 19 cannabis establishment license or adult-use cannabis establishment  
 20 license must pay to the Board:

21 (a) ~~LA~~ *For an application for a license other than an adult-*  
 22 *use cannabis establishment license for a retail cannabis*  
 23 *consumption lounge or independent cannabis consumption*  
 24 *lounge, a one-time, nonrefundable application fee of \$5,000; ~~and~~*

25 (b) *For an application for an adult-use cannabis establishment*  
 26 *license for a retail cannabis consumption lounge, a one-time,*  
 27 *nonrefundable application fee of \$100,000;*

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

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

34 ~~LB~~ 4. Any revenue generated from the fees imposed pursuant  
 35 to this section:

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

38 (b) If any excess revenue remains after paying the costs  
 39 described in paragraph (a), such excess revenue must be paid over to  
 40 the State Treasurer to be deposited to the credit of the State  
 41 Education Fund.

42 **Sec. 17.5.** (Deleted by amendment.)

43 **Sec. 18.** NRS 678B.510 is hereby amended to read as follows:

44 678B.510 1. The operating documents of a cannabis  
 45 establishment must include procedures:



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

2 (b) To ensure accurate recordkeeping.

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

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

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

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

16 3. Except as otherwise provided in NRS 678D.400, all  
17 cultivation or production of cannabis that a cannabis cultivation  
18 facility carries out or causes to be carried out must take place in an  
19 enclosed, locked facility at the physical address provided to the  
20 Board during the licensing process for the cannabis cultivation  
21 facility. Such an enclosed, locked facility must be accessible only by  
22 cannabis establishment agents who are lawfully associated with the  
23 cannabis cultivation facility, except that limited access by persons  
24 necessary to perform construction or repairs or provide other labor  
25 is permissible if such persons are supervised by a cannabis  
26 establishment agent.

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

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

34 6. Each cannabis establishment shall install a video monitoring  
35 system which must, at a minimum:

36 (a) Allow for the transmission and storage, by digital or analog  
37 means, of a video feed which displays the interior and exterior of the  
38 cannabis establishment; and

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

41 7. A cannabis establishment shall not dispense or otherwise sell  
42 cannabis or cannabis products from a vending machine or allow  
43 such a vending machine to be installed at the interior or exterior of  
44 the premises of the cannabis establishment. As used in this



1 subsection, “vending machine” has the meaning ascribed to it in  
2 NRS 209.229.

3 **Sec. 19.** NRS 678B.520 is hereby amended to read as follows:  
4 678B.520 1. Each cannabis establishment shall, in  
5 consultation with the Board, cooperate to ensure that all cannabis  
6 products offered for sale:

7 (a) Are labeled clearly and unambiguously:

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

11 (2) As required by the provisions of this chapter and chapters  
12 678C and 678D of NRS.

13 (b) Are not presented in packaging that contains an image of a  
14 cartoon character, mascot, action figure, balloon or toy, except that  
15 such an item may appear in the logo of the cannabis production  
16 facility which produced the product.

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

19 (d) Are packaged and labeled in such a manner as to allow  
20 tracking by way of an inventory control system.

21 (e) Are not packaged and labeled in a manner which is modeled  
22 after a brand of products primarily consumed by or marketed to  
23 children.

24 (f) Are labeled in a manner which indicates the amount of THC  
25 in the product, measured in milligrams, and includes a statement  
26 that the product contains cannabis and its potency was tested with an  
27 allowable variance of the amount determined by the Board by  
28 regulation.

29 (g) Are not labeled or marketed as candy.

30 2. A cannabis production facility shall not produce cannabis  
31 products in any form that:

32 (a) Is or appears to be a lollipop.

33 (b) Bears the likeness or contains characteristics of a real or  
34 fictional person, animal or fruit, including, without limitation, a  
35 caricature, cartoon or artistic rendering.

36 (c) Is modeled after a brand of products primarily consumed by  
37 or marketed to children.

38 (d) Is made by applying concentrated cannabis, as defined in  
39 NRS 453.042, to a commercially available candy or snack food item  
40 other than dried fruit, nuts or granola.

41 3. A cannabis production facility shall:

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



1 (b) Affix a label to each cannabis product which includes  
2 without limitation, in a manner which must not mislead consumers,  
3 the following information:

- 4 (1) The words “Keep out of reach of children”;  
5 (2) A list of all ingredients used in the cannabis product;  
6 (3) A list of all allergens in the cannabis product; and  
7 (4) The total content of THC measured in milligrams.

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

11 (d) Require each person who handles cannabis products to  
12 restrain his or her hair, wear clean clothing and keep his or her  
13 fingernails neatly trimmed.

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

17 4. A cannabis establishment shall not engage in advertising that  
18 in any way makes cannabis or cannabis products appeal to children,  
19 including, without limitation, advertising which uses an image of a  
20 cartoon character, mascot, action figure, balloon, fruit or toy.

21 5. Each cannabis sales facility shall offer for sale containers for  
22 the storage of cannabis and cannabis products which lock and are  
23 designed to prohibit children from unlocking and opening the  
24 container.

25 6. A cannabis sales facility shall:

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

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

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

32 (3) That allowing children to ingest cannabis or cannabis  
33 products or storing cannabis or cannabis products in a location  
34 which is accessible to children may result in an investigation by an  
35 agency which provides child welfare services or criminal  
36 prosecution for child abuse or neglect;

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

42 (5) That pregnant women should consult with a physician  
43 before ingesting cannabis or cannabis products;

44 (6) That ingesting cannabis or cannabis products with  
45 alcohol or other drugs, including prescription medication, may result



1 in unpredictable levels of impairment and that a person should  
2 consult with a physician before doing so;

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

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

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

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

15 8. If the health authority, as defined in NRS 446.050, where a  
16 cannabis production facility , ~~for~~ cannabis sales facility *or*  
17 *cannabis consumption lounge* which sells edible cannabis products  
18 is located requires persons who handle food at a food establishment  
19 to obtain certification, the cannabis production facility , ~~for~~  
20 cannabis sales facility *or cannabis consumption lounge* shall  
21 ensure that at least one employee maintains such certification.

22 9. A cannabis production facility may sell a commodity or  
23 product made using hemp, as defined in NRS 557.160, or containing  
24 cannabidiol to a cannabis sales facility.

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

27 (a) Any commodity or product made using hemp, as defined in  
28 NRS 557.160;

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

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

32 11. A cannabis establishment:

33 (a) Shall not engage in advertising which contains any statement  
34 or illustration that:

35 (1) Is false or misleading;

36 (2) Promotes overconsumption of cannabis or cannabis  
37 products;

38 (3) Depicts the actual consumption of cannabis or cannabis  
39 products; or

40 (4) Depicts a child or other person who is less than 21 years  
41 of age consuming cannabis or cannabis products or objects  
42 suggesting the presence of a child, including, without limitation,  
43 toys, characters or cartoons, or contains any other depiction which is  
44 designed in any manner to be appealing to or encourage



1 consumption of cannabis or cannabis products by a person who is  
2 less than 21 years of age.

3 (b) Shall not advertise in any publication or on radio, television  
4 or any other medium if 30 percent or more of the audience of that  
5 medium is reasonably expected to be persons who are less than 21  
6 years of age.

7 (c) Shall not place an advertisement:

8 (1) Within 1,000 feet of a public or private school,  
9 playground, public park or library, but may maintain such an  
10 advertisement if it was initially placed before the school,  
11 playground, public park or library was located within 1,000 feet of  
12 the location of the advertisement;

13 (2) On or inside of a motor vehicle used for public  
14 transportation or any shelter for public transportation;

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

17 (4) At an entertainment event if it is reasonably estimated  
18 that 30 percent or more of the persons who will attend that event are  
19 less than 21 years of age.

20 (d) Shall not advertise or offer any cannabis or cannabis product  
21 as "free" or "donated" without a purchase.

22 (e) Shall ensure that all advertising by the cannabis  
23 establishment contains such warnings as may be prescribed by the  
24 Board, which must include, without limitation, the following words:

25 (1) "Keep out of reach of children"; and

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

27 12. Nothing in subsection 11 shall be construed to prohibit a  
28 local government, pursuant to chapter 244, 268 or 278 of NRS, from  
29 adopting an ordinance for the regulation of advertising relating to  
30 cannabis which is more restrictive than the provisions of subsection  
31 11 relating to:

32 (a) The number, location and size of signs, including, without  
33 limitation, any signs carried or displayed by a natural person;

34 (b) Handbills, pamphlets, cards or other types of advertisements  
35 that are distributed, excluding an advertisement placed in a  
36 newspaper of general circulation, trade publication or other form of  
37 print media;

38 (c) Any stationary or moving display that is located on or near  
39 the premises of a cannabis establishment; and

40 (d) The content of any advertisement used by a cannabis  
41 establishment if the ordinance sets forth specific prohibited content  
42 for such an advertisement.

43 13. If a cannabis establishment engages in advertising for  
44 which it is required to determine the percentage of persons who are  
45 less than 21 years of age and who may reasonably be expected to





1 view or hear the advertisement, the cannabis establishment shall  
2 maintain documentation for not less than 5 years after the date on  
3 which the advertisement is first broadcasted, published or otherwise  
4 displayed that demonstrates the manner in which the cannabis  
5 establishment determined the reasonably expected age of the  
6 audience for that advertisement.

7 14. *To the extent that they are inconsistent or otherwise*  
8 *conflict with the regulations adopted by the Board pursuant to*  
9 *section 28 of this act, the requirements of this section pertaining to*  
10 *cannabis products do not apply to ready-to-consume cannabis*  
11 *products prepared and sold by a cannabis consumption lounge.*

12 15. In addition to any other penalties provided for by law, the  
13 Board may impose a civil penalty upon a cannabis establishment  
14 that violates the provisions of subsection 11 or 13 as follows:

15 (a) For the first violation in the immediately preceding 2 years, a  
16 civil penalty not to exceed \$1,250.

17 (b) For the second violation in the immediately preceding 2  
18 years, a civil penalty not to exceed \$2,500.

19 (c) For the third violation in the immediately preceding 2 years,  
20 a civil penalty not to exceed \$5,000.

21 (d) For the fourth violation in the immediately preceding 2  
22 years, a civil penalty not to exceed \$10,000.

23 ~~[15-]~~ 16. As used in this section, “motor vehicle used for  
24 public transportation” does not include a taxicab, as defined in  
25 NRS 706.124.

26 **Sec. 20.** NRS 678B.650 is hereby amended to read as follows:

27 678B.650 The Board shall adopt such regulations as it  
28 determines to be necessary or advisable to carry out the provisions  
29 of this chapter. Such regulations are in addition to any requirements  
30 set forth in statute and must, without limitation:

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

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

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

39 (a) The manner of protecting against diversion and theft without  
40 imposing an undue burden on cannabis establishments or  
41 compromising the confidentiality of consumers and holders of  
42 registry identification cards and letters of approval, as those terms  
43 are defined in NRS 678C.080 and 678C.070, respectively;

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



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

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

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

13 4. Establish circumstances and procedures pursuant to which  
14 the maximum fees set forth in NRS 678B.390 may be reduced over  
15 time to ensure that the fees imposed pursuant to NRS 678B.390 are,  
16 insofar as may be practicable, revenue neutral;

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

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

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

31 8. Determine whether any provision of this chapter or chapter  
32 678C or 678D of NRS would make the operation of a cannabis  
33 establishment by a dual licensee unreasonably impracticable; ~~and~~

34 9. *Prescribe the manner in which the Board will determine  
35 whether a person who holds an adult-use cannabis establishment  
36 license is ineligible to hold additional licenses pursuant to sections  
37 12.3 and 12.7 of this act;*

38 *10. Set forth rules pertaining to the safe and healthful  
39 operation of cannabis consumption lounges, including, without  
40 limitation:*

41 *(a) Standards for the air quality in a cannabis consumption  
42 lounge;*

43 *(b) Procedures and requirements for the collection and  
44 disposal of cannabis and cannabis products which are left at a  
45 cannabis consumption lounge; and*



1 (c) *Requirements for the training of employees of a cannabis*  
2 *consumption lounge in the sale and safe consumption of single-*  
3 *use cannabis products and ready-to-consume cannabis products;*  
4 *and*

5 **11.** Address such other matters as the Board deems necessary  
6 to carry out the provisions of this title.

7 **Sec. 20.5.** NRS 678C.300 is hereby amended to read as  
8 follows:

9 678C.300 1. A person who holds a registry identification  
10 card or letter of approval issued to him or her pursuant to  
11 NRS 678C.230 or 678C.270 is not exempt from state prosecution  
12 for, nor may the person establish an affirmative defense to charges  
13 arising from, any of the following acts:

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

17 (b) Engaging in any other conduct prohibited by NRS 484C.110,  
18 484C.120, 484C.130, 484C.430, subsection 2 of NRS 488.400, NRS  
19 488.410, 488.420, 488.425 or 493.130.

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

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

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

27 (I) ~~Any~~ *Except as otherwise provided by regulations*  
28 *adopted by the Board pursuant to section 12.9 of this act, any*  
29 public place or in any place open to the public or exposed to public  
30 view; or

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

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

36 (e) Delivering cannabis to another person who he or she knows  
37 does not lawfully hold a registry identification card or letter of  
38 approval issued by the Division or its designee pursuant to NRS  
39 678C.230 or 678C.270.

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

44 2. Except as otherwise provided in NRS 678C.240 and in  
45 addition to any other penalty provided by law, if the Division



1 determines that a person has willfully violated a provision of this  
2 chapter or any regulation adopted by the Division to carry out the  
3 provisions of this chapter, the Division may, at its own discretion,  
4 prohibit the person from obtaining or using a registry identification  
5 card or letter of approval for a period of up to 6 months.

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

9 4. As used in this section, "school property" means the grounds  
10 of any public school described in NRS 388.020 and any private  
11 school as defined in NRS 394.103.

12 **Sec. 21.** Chapter 678D of NRS is hereby amended by adding  
13 thereto the provisions set forth as sections 22 to 28, inclusive, of this  
14 act.

15 **Sec. 22. 1. A cannabis consumption lounge shall:**

16 (a) *Install a ventilation and exhaust system which is capable of*  
17 *sufficiently expelling odors generated in the cannabis*  
18 *consumption lounge, reducing volatile organic compounds and*  
19 *maintaining the standards for air quality in the cannabis*  
20 *consumption lounge as set forth by regulation of the Board;*

21 (b) *Train each employee of the cannabis consumption lounge*  
22 *concerning paraphernalia, single-use cannabis products and*  
23 *ready-to-consume cannabis products, including, without*  
24 *limitation, the proper use of paraphernalia, the potency,*  
25 *absorption time and effects of single-use cannabis and products*  
26 *and ready-to-consume cannabis products, the recognition of*  
27 *impairment from and overconsumption of cannabis and the safe*  
28 *handling of a customer who is impaired;*

29 (c) *Submit a security plan to the Board which, without*  
30 *limitation, provides for adequate security and lighting at the*  
31 *cannabis consumption lounge and for each entrance and exit of*  
32 *the cannabis consumption lounge to be adequately secured, and*  
33 *submit to the Board such updates to the plan as the Board may*  
34 *require;*

35 (d) *Submit a plan to the Board setting forth protocols and*  
36 *procedures to deter customers from driving under the influence of*  
37 *cannabis, and submit to the Board such updates to the plan as the*  
38 *Board may require;*

39 (e) *Submit a plan to the Board setting forth protocols and*  
40 *procedures to ensure that cannabis and cannabis products are not*  
41 *sold or otherwise distributed in the cannabis consumption lounge*  
42 *other than as authorized in this chapter, and submit to the Board*  
43 *such updates to the plan as the Board may require;*



1 (f) Dispose of cannabis or cannabis products which are left at  
2 the cannabis consumption lounge in accordance with the  
3 procedures for disposal set forth by the regulations of the Board;

4 (g) Comply with all local ordinances and rules; and

5 (h) Comply with any requirements set forth by regulation of  
6 the Board.

7 2. As used in this section, "volatile organic compound" has  
8 the meaning ascribed to it in 40 C.F.R. § 51.100(s).

9 **Sec. 23.** A cannabis consumption lounge may:

10 1. Sell food and beverages to customers of the cannabis  
11 consumption lounge;

12 2. Sell any other item which does not contain cannabis or  
13 cannabis products and is not intended for use with cannabis or  
14 cannabis products to customers of the cannabis consumption  
15 lounge; and

16 3. Provide live entertainment at the cannabis consumption  
17 lounge.

18 **Sec. 24.** A cannabis consumption lounge shall not allow:

19 1. The consumption of cannabis or cannabis products at any  
20 place which is within view of a public place;

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

23 3. The consumption of any cannabis or cannabis product in  
24 the cannabis consumption lounge that is not a single-use cannabis  
25 product or ready-to-consume cannabis product; or

26 4. A single-use cannabis product or ready-to-consume  
27 cannabis product that was purchased at the cannabis consumption  
28 lounge to be removed from the premises of the cannabis  
29 consumption lounge.

30 **Sec. 25.** 1. A retail cannabis consumption lounge may:

31 (a) Obtain from the adult-use cannabis retail store to which  
32 the retail cannabis consumption lounge is attached or immediately  
33 adjacent:

34 (1) Single-use cannabis products for the purposes of resale;  
35 and

36 (2) Cannabis or cannabis products for the purposes of  
37 producing ready-to-consume cannabis products;

38 (b) Sell single-use cannabis products obtained pursuant to  
39 paragraph (a) to customers of the retail cannabis consumption  
40 lounge; and

41 (c) Prepare ready-to-consume cannabis products using  
42 cannabis obtained pursuant to paragraph (a) and sell such  
43 products to customers of the cannabis consumption lounge.

44 2. A retail cannabis consumption lounge shall ensure that  
45 only single-use cannabis products or ready-to-consume cannabis



1 *products that were purchased from the retail cannabis*  
2 *consumption lounge are consumed in the lounge.*

3 **Sec. 26.** (Deleted by amendment.)

4 **Sec. 27.** 1. *An independent cannabis consumption lounge*  
5 *shall enter into a contract with one or more adult-use cannabis*  
6 *retail stores to sell to the independent cannabis consumption*  
7 *lounge:*

8 (a) *Single-use cannabis products for the purpose of resale;*  
9 *and*

10 (b) *Cannabis and products for the purpose of preparing ready-*  
11 *to-consume cannabis products.*

12 2. *An independent cannabis consumption lounge which has*  
13 *entered into a contract pursuant to subsection 1 may:*

14 (a) *Sell single-use cannabis products obtained pursuant to*  
15 *subsection 1 to customers of the independent cannabis*  
16 *consumption lounge; and*

17 (b) *Prepare ready-to-consume cannabis products using*  
18 *cannabis and cannabis products obtained pursuant to subsection 1*  
19 *and sell such products to customers of the independent cannabis*  
20 *consumption lounge.*

21 3. *An independent cannabis consumption lounge shall ensure*  
22 *that only single-use cannabis products or ready-to-consume*  
23 *cannabis products that were purchased from the independent*  
24 *cannabis consumption lounge are consumed in the lounge.*

25 4. *The Board may require an independent cannabis*  
26 *consumption lounge to submit a contract entered into pursuant to*  
27 *subsection 1 to the Board for review.*

28 **Sec. 28.** *The Board shall adopt regulations governing the*  
29 *sale and consumption of single-use cannabis products and ready-*  
30 *to-consume cannabis products at a cannabis consumption lounge.*  
31 *Such regulations must, without limitation:*

32 1. *Prescribe a list of a single-use cannabis products*  
33 *comprising each type of cannabis and adult-use cannabis product*  
34 *that the Board has determined to be appropriate for consumption*  
35 *at a cannabis consumption lounge;*

36 2. *Establish standards for the content, quality and potency of*  
37 *ready-to-consume cannabis products, including, without*  
38 *limitation, the maximum THC concentration for such products;*

39 3. *Prescribe procedures and protocols for the preparation and*  
40 *safe handling of ready-to-consume cannabis products to ensure*  
41 *that each such prepared product meets the standards established*  
42 *pursuant to subsection 1;*

43 4. *Establish requirements relating to the sale of ready-to-*  
44 *consume cannabis products, including, without limitation,*



1 *requirements relating to notifications that must be provided to a*  
2 *purchaser of such a product at the time of sale; and*

3 *5. Set forth any other requirements concerning the*  
4 *preparation of ready-to-consume cannabis products and sale of*  
5 *single-use cannabis products and ready-to-consume cannabis*  
6 *products that the Board determines are necessary.*

7 **Sec. 28.5.** NRS 678D.300 is hereby amended to read as  
8 follows:

9 678D.300 1. A person is not exempt from state prosecution  
10 for any of the following acts:

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

14 (b) Engaging in any other conduct prohibited by NRS 484C.110,  
15 484C.120, 484C.130, 484C.430, subsection 2 of NRS 488.400, NRS  
16 488.410, 488.420, 488.425 or 493.130.

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

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

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

24 (I) ~~[Any]~~ *Except as otherwise provided by regulations*  
25 *adopted by the Board pursuant to section 12.9 of this act, any*  
26 *public place or in any place open to the public or exposed to public*  
27 *view; or*

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

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

33 (e) Knowingly delivering cannabis to another person who is not  
34 21 years of age or older unless:

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

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

43 2. As used in this section, "school property" means the grounds  
44 of any public school described in NRS 388.020 and any private  
45 school as defined in NRS 394.103.



1       **Sec. 29.** NRS 678D.310 is hereby amended to read as follows:  
2       678D.310 1. Except as otherwise provided in chapter 678C  
3 of NRS, any person shall not:

4       (a) Cultivate cannabis within 25 miles of an adult-use cannabis  
5 retail store licensed pursuant to chapter 678B of NRS, unless the  
6 person is an adult-use cannabis cultivation facility or is a cannabis  
7 establishment agent volunteering at, employed by or providing labor  
8 to an adult-use cannabis cultivation facility;

9       (b) Cultivate cannabis plants where they are visible from a  
10 public place by normal unaided vision; or

11       (c) Cultivate cannabis on property not in the cultivator's lawful  
12 possession or without the consent of the person in lawful physical  
13 possession of the property.

14       2. A person who violates the provisions of subsection 1 is  
15 guilty of:

16       (a) For a first violation, a misdemeanor punished by a fine of not  
17 more than \$600.

18       (b) For a second violation, a misdemeanor punished by a fine of  
19 not more than \$1,000.

20       (c) For a third violation, a gross misdemeanor.

21       (d) For a fourth or subsequent violation, a category E felony.

22       3. ~~1A~~ *Except as otherwise provided in subsection 9 or by*  
23 *regulations adopted by the Board pursuant to section 12.9 of this*  
24 *act, a* person who smokes or otherwise consumes cannabis or a  
25 cannabis product in a public place, in an adult-use cannabis retail  
26 store or in a vehicle is guilty of a misdemeanor punished by a fine of  
27 not more than \$600.

28       4. A person under 21 years of age who falsely represents  
29 himself or herself to be 21 years of age or older to obtain cannabis is  
30 guilty of a misdemeanor.

31       5. A person under 21 years of age who knowingly enters,  
32 loiters or remains on the premises of an adult-use cannabis  
33 establishment shall be punished by a fine of not more than \$500  
34 unless the person is authorized to possess cannabis pursuant to  
35 chapter 678C of NRS and the adult-use cannabis establishment is a  
36 dual licensee.

37       6. A person who manufactures cannabis by chemical extraction  
38 or chemical synthesis, unless done pursuant to an adult-use cannabis  
39 establishment license for an adult-use cannabis production facility  
40 issued by the Board or authorized by this title, is guilty of a category  
41 E felony.

42       7. A person who knowingly gives cannabis or a cannabis  
43 product to any person under 21 years of age or who knowingly  
44 leaves or deposits any cannabis or cannabis product in any place





1 with the intent that it will be procured by any person under 21 years  
2 of age is guilty of a misdemeanor.

3 8. A person who knowingly gives cannabis to any person under  
4 18 years of age or who knowingly leaves or deposits any cannabis in  
5 any place with the intent that it will be procured by any person  
6 under 18 years of age is guilty of a gross misdemeanor.

7 **9. *A person may smoke or otherwise consume cannabis or a***  
8 ***cannabis product in a cannabis consumption lounge.***

9 **Sec. 30.** NRS 678D.420 is hereby amended to read as follows:

10 678D.420 1. An adult-use edible cannabis product or an  
11 adult-use cannabis-infused product must be labeled in a manner  
12 which indicates the number of servings of THC in the product,  
13 measured in servings of a maximum of 10 milligrams per serving.

14 2. An adult-use cannabis product must be sold in a single  
15 package. A single package must not contain:

16 (a) More than 1 ounce of usable cannabis or one-eighth of an  
17 ounce of concentrated cannabis.

18 (b) For an adult-use cannabis product sold as a capsule, more  
19 than 100 milligrams of THC per capsule or more than 800  
20 milligrams of THC per package.

21 (c) For an adult-use cannabis product sold as a tincture, more  
22 than 800 milligrams of THC.

23 (d) For an adult-use edible cannabis product, more than 100  
24 milligrams of THC.

25 (e) For an adult-use cannabis product sold as a topical product, a  
26 concentration of more than 6 percent THC or more than 800  
27 milligrams of THC per package.

28 (f) For an adult-use cannabis product sold as a suppository or  
29 transdermal patch, more than 100 milligrams of THC per  
30 suppository or transdermal patch or more than 800 milligrams of  
31 THC per package.

32 (g) For any other adult-use cannabis product, more than 800  
33 milligrams of THC.

34 **3. *To the extent that they are inconsistent or otherwise***  
35 ***conflict with the regulations adopted by the Board pursuant to***  
36 ***section 28 of this act, the requirements of this section do not apply***  
37 ***to a ready-to-consume cannabis product prepared and sold by a***  
38 ***cannabis consumption lounge.***

39 **Sec. 30.3.** NRS 678D.510 is hereby amended to read as  
40 follows:

41 678D.510 1. The provisions of this chapter do not prohibit:

42 (a) A public or private employer from maintaining, enacting and  
43 enforcing a workplace policy prohibiting or restricting actions or  
44 conduct otherwise permitted under this chapter;



1 (b) A state or local governmental agency that occupies, owns or  
2 controls a building from prohibiting or otherwise restricting the  
3 consumption, cultivation, processing, manufacture, sale, delivery or  
4 transfer of cannabis in that building;

5 (c) A person who occupies, owns or controls a privately owned  
6 property from prohibiting or otherwise restricting the smoking,  
7 cultivation, processing, manufacture, sale, delivery or transfer of  
8 cannabis on that property; or

9 (d) A local government from adopting and enforcing local  
10 cannabis control measures pertaining to zoning and land use for  
11 adult-use cannabis establishments ~~+~~ *including, without limitation,*  
12 *a measure which prohibits the operation of adult-use cannabis*  
13 *establishments.*

14 2. Nothing in the provisions of this chapter shall be construed  
15 as in any manner affecting the provisions of chapter 678C of NRS  
16 relating to the medical use of cannabis.

17 **Sec. 30.5.** Chapter 41 of NRS is hereby amended by adding  
18 thereto a new section to read as follows:

19 *1. A person who serves, sells or otherwise furnishes cannabis*  
20 *or a cannabis product to another person who is 21 years of age or*  
21 *older is not liable in a civil action for any damages caused by the*  
22 *person to whom the cannabis or cannabis product was served, sold*  
23 *or furnished as a result of the consumption of the cannabis or*  
24 *cannabis product.*

25 *2. Except as otherwise provided in this section, a person who:*

26 *(a) Knowingly serves, sells or otherwise furnishes cannabis or*  
27 *a cannabis product to an underage person; or*

28 *(b) Knowingly allows an underage person to consume*  
29 *cannabis or a cannabis product on premises or in a conveyance*  
30 *belonging to the person or over which the person has control,*

31 *↳ is liable in a civil action for any damages caused by the*  
32 *underage person as a result of the consumption of the cannabis or*  
33 *cannabis product.*

34 *3. The liability created pursuant to subsection 2 does not*  
35 *apply to a person who is licensed to serve, sell or furnish cannabis*  
36 *or cannabis products or to a person who is an employee or agent*  
37 *of such a person for any act or failure to act that occurs during*  
38 *the course of business or employment and any such act or failure*  
39 *to act may not be used to establish proximate cause in a civil*  
40 *action and does not constitute negligence per se.*

41 *4. A person who prevails in an action brought pursuant to*  
42 *subsection 2 may recover the person's actual damages, attorney's*  
43 *fees and costs and any punitive damages that the facts may*  
44 *warrant.*

45 *5. As used in this section:*



1 (a) *“Cannabis” has the meaning ascribed to it in*  
2 *NRS 678A.085.*

3 (b) *“Cannabis product” has the meaning ascribed to it in*  
4 *NRS 678A.120.*

5 (c) *“Underage person” means a person who is less than 21*  
6 *years of age.*

7 **Sec. 30.6.** NRS 244.335 is hereby amended to read as follows:  
8 244.335 1. Except as otherwise provided in subsections 2, 3,  
9 4 and 9, and NRS 244.33501, 244.35253 and 244.3535, a board of  
10 county commissioners may:

11 (a) Except as otherwise provided in NRS 244.331 to 244.3345,  
12 inclusive, 598D.150 and 640C.100, regulate all character of lawful  
13 trades, callings, industries, occupations, professions and business  
14 conducted in its county outside of the limits of incorporated cities  
15 and towns.

16 (b) Except as otherwise provided in NRS 244.3359 and 576.128,  
17 fix, impose and collect a license tax for revenue or for regulation, or  
18 for both revenue and regulation, on such trades, callings, industries,  
19 occupations, professions and business.

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

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

35 4. The board of county commissioners or county license board  
36 shall not require a person to obtain a license or pay a license tax on  
37 the sole basis that the person is a professional. As used in this  
38 subsection, “professional” means a person who:

39 (a) Holds a license, certificate, registration, permit or similar  
40 type of authorization issued by a regulatory body as defined in NRS  
41 622.060 or who is regulated pursuant to the Nevada Supreme Court  
42 Rules; and

43 (b) Practices his or her profession for any type of compensation  
44 as an employee.



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

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

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

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

15 (a) Presents written evidence that:

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

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

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

26 7. Any license tax levied for the purposes of NRS 244.3358 or  
27 244A.597 to 244A.655, inclusive, constitutes a lien upon the real  
28 and personal property of the business upon which the tax was levied  
29 until the tax is paid. The lien has the same priority as a lien for  
30 general taxes. The lien must be enforced:

31 (a) By recording in the office of the county recorder, within 6  
32 months after the date on which the tax became delinquent or was  
33 otherwise determined to be due and owing, a notice of the tax lien  
34 containing the following:

35 (1) The amount of tax due and the appropriate year;

36 (2) The name of the record owner of the property;

37 (3) A description of the property sufficient for identification;

38 and

39 (4) A verification by the oath of any member of the board of  
40 county commissioners or the county fair and recreation board; and

41 (b) By an action for foreclosure against the property in the same  
42 manner as an action for foreclosure of any other lien, commenced  
43 within 2 years after the date of recording of the notice of the tax  
44 lien, and accompanied by appropriate notice to other lienholders.



1 8. The board of county commissioners may delegate the  
2 authority to enforce liens from taxes levied for the purposes of NRS  
3 244A.597 to 244A.655, inclusive, to the county fair and recreation  
4 board. If the authority is so delegated, the board of county  
5 commissioners shall revoke or suspend the license of a business  
6 upon certification by the county fair and recreation board that the  
7 license tax has become delinquent, and shall not reinstate the license  
8 until the tax is paid. Except as otherwise provided in NRS 239.0115  
9 and 244.3357, all information concerning license taxes levied by an  
10 ordinance authorized by this section or other information concerning  
11 the business affairs or operation of any licensee obtained as a result  
12 of the payment of such license taxes or as the result of any audit or  
13 examination of the books by any authorized employee of a county  
14 fair and recreation board of the county for any license tax levied for  
15 the purpose of NRS 244A.597 to 244A.655, inclusive, is  
16 confidential and must not be disclosed by any member, officer or  
17 employee of the county fair and recreation board or the county  
18 imposing the license tax unless the disclosure is authorized by the  
19 affirmative action of a majority of the members of the appropriate  
20 county fair and recreation board. Continuing disclosure may be so  
21 authorized under an agreement with the Department of Taxation or  
22 Secretary of State for the exchange of information concerning  
23 taxpayers.

24 9. ~~[A]~~ *Except as otherwise provided by regulations adopted by*  
25 *the Cannabis Compliance Board pursuant to section 12.9 of this*  
26 *act, a* board of county commissioners shall not license or otherwise  
27 allow a person to operate a business that allows cannabis, as defined  
28 in NRS 678A.085, or cannabis products, as defined in NRS  
29 678A.120, to be consumed on the premises of the business ~~[H]~~,  
30 *other than a cannabis consumption lounge, as defined in section 2*  
31 *of this act, in accordance with the provisions of chapter 678B of*  
32 *NRS.*

33 **Sec. 30.7.** NRS 268.095 is hereby amended to read as follows:

34 268.095 1. Except as otherwise provided in subsections 4 and  
35 9 and NRS 268.0951, 268.0977 and 268.0979, the city council or  
36 other governing body of each incorporated city in this State, whether  
37 organized under general law or special charter, may:

38 (a) Except as otherwise provided in subsection 2 and NRS  
39 268.0968 and 576.128, fix, impose and collect for revenues or for  
40 regulation, or both, a license tax on all character of lawful trades,  
41 callings, industries, occupations, professions and businesses  
42 conducted within its corporate limits.

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



1 (1) As a pledge as additional security for the payment of any  
2 general obligation bonds issued pursuant to NRS 244A.597 to  
3 244A.655, inclusive;

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

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

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

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

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

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

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

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

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

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

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

36 3. The proceeds of any tax imposed pursuant to this section  
37 that are pledged for the repayment of general obligations may be  
38 treated as "pledged revenues" for the purposes of NRS 350.020.

39 4. The city council or other governing body of an incorporated  
40 city shall not require a person to obtain a license or pay a license tax  
41 on the sole basis that the person is a professional. As used in this  
42 subsection, "professional" means a person who:

43 (a) Holds a license, certificate, registration, permit or similar  
44 type of authorization issued by a regulatory body as defined in



1 NRS 622.060 or who is regulated pursuant to the Nevada Supreme  
2 Court Rules; and

3 (b) Practices his or her profession for any type of compensation  
4 as an employee.

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

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

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

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

19 (a) Presents written evidence that:

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

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

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

30 7. Any license tax levied under the provisions of this section  
31 constitutes a lien upon the real and personal property of the business  
32 upon which the tax was levied until the tax is paid. The lien has the  
33 same priority as a lien for general taxes. The lien must be enforced:

34 (a) By recording in the office of the county recorder, within 6  
35 months following the date on which the tax became delinquent or  
36 was otherwise determined to be due and owing, a notice of the tax  
37 lien containing the following:

38 (1) The amount of tax due and the appropriate year;

39 (2) The name of the record owner of the property;

40 (3) A description of the property sufficient for identification;

41 and

42 (4) A verification by the oath of any member of the board of  
43 county commissioners or the county fair and recreation board; and

44 (b) By an action for foreclosure against such property in the  
45 same manner as an action for foreclosure of any other lien,



1 commenced within 2 years after the date of recording of the notice  
2 of the tax lien, and accompanied by appropriate notice to other  
3 lienholders.

4 8. The city council or other governing body of each  
5 incorporated city may delegate the power and authority to enforce  
6 such liens to the county fair and recreation board. If the authority is  
7 so delegated, the governing body shall revoke or suspend the license  
8 of a business upon certification by the board that the license tax has  
9 become delinquent, and shall not reinstate the license until the tax is  
10 paid. Except as otherwise provided in NRS 239.0115 and 268.0966,  
11 all information concerning license taxes levied by an ordinance  
12 authorized by this section or other information concerning the  
13 business affairs or operation of any licensee obtained as a result of  
14 the payment of those license taxes or as the result of any audit or  
15 examination of the books of the city by any authorized employee of  
16 a county fair and recreation board for any license tax levied for the  
17 purpose of NRS 244A.597 to 244A.655, inclusive, is confidential  
18 and must not be disclosed by any member, official or employee of  
19 the county fair and recreation board or the city imposing the license  
20 tax unless the disclosure is authorized by the affirmative action of a  
21 majority of the members of the appropriate county fair and  
22 recreation board. Continuing disclosure may be so authorized under  
23 an agreement with the Department of Taxation or the Secretary of  
24 State for the exchange of information concerning taxpayers.

25 9. ~~The~~ *Except as otherwise provided by regulations adopted*  
26 *by the Cannabis Compliance Board pursuant to section 12.9 of*  
27 *this act, the* city council or other governing body of an incorporated  
28 city shall not license or otherwise allow a person to operate a  
29 business that allows cannabis, as defined in NRS 678A.085, or  
30 cannabis products, as defined in NRS 678A.120, to be consumed on  
31 the premises of the business ~~it~~, *other than a cannabis*  
32 *consumption lounge, as defined in section 2 of this act, in*  
33 *accordance with the provisions of chapter 678B of NRS.*

34 10. The powers conferred by this section are in addition and  
35 supplemental to, and not in substitution for, and the limitations  
36 imposed by this section do not affect the powers conferred by, any  
37 other law. No part of this section repeals or affects any other law or  
38 any part thereof, it being intended that this section provide a  
39 separate method of accomplishing its objectives, and not an  
40 exclusive one.

41 **Sec. 30.9.** NRS 269.170 is hereby amended to read as follows:

42 269.170 1. Except as otherwise provided in subsections 5, 6  
43 and 7 and NRS 576.128, 598D.150 and 640C.100, the town board or  
44 board of county commissioners may, in any unincorporated town:





1 (a) Fix and collect a license tax on, and regulate, having due  
2 regard to the amount of business done by each person so licensed,  
3 and all places of business and amusement so licensed, as follows:

4 (1) Artisans, artists, assayers, auctioneers, bakers, banks and  
5 bankers, barbers, boilermakers, cellars and places where soft drinks  
6 are kept or sold, clothes cleaners, foundries, laundries, lumberyards,  
7 manufacturers of soap, soda, borax or glue, markets, newspaper  
8 publishers, pawnbrokers, funeral directors and wood and coal  
9 dealers.

10 (2) Bootmakers, cobblers, dressmakers, milliners,  
11 shoemakers and tailors.

12 (3) Boardinghouses, hotels, lodging houses, restaurants and  
13 refreshment saloons.

14 (4) Barrooms, gaming, manufacturers of liquors and other  
15 beverages, and saloons.

16 (5) Billiard tables, bowling alleys, caravans, circuses,  
17 concerts and other exhibitions, dance houses, melodeons,  
18 menageries, shooting galleries, skating rinks and theaters.

19 (6) Corrals, hay yards, livery and sale stables and wagon  
20 yards.

21 (7) Electric light companies, illuminating gas companies,  
22 power companies, telegraph companies, telephone companies and  
23 water companies.

24 (8) Carts, drays, express companies, freight companies, job  
25 wagons, omnibuses and stages.

26 (9) Brokers, commission merchants, factors, general agents,  
27 mercantile agents, merchants, traders and stockbrokers.

28 (10) Drummers, hawkers, peddlers and solicitors.

29 (11) Insurance analysts, adjusters and managing general  
30 agents and producers of insurance within the limitations and under  
31 the conditions prescribed in NRS 680B.020.

32 (b) Fix and collect a license tax upon all professions, trades or  
33 business within the town not specified in paragraph (a).

34 2. No license to engage in business as a seller of tangible  
35 personal property may be granted unless the applicant for the license  
36 presents written evidence that:

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

40 (b) Another regulatory agency of the State has issued or will  
41 issue a license required for this activity.

42 3. Any license tax levied for the purposes of NRS 244A.597 to  
43 244A.655, inclusive, constitutes a lien upon the real and personal  
44 property of the business upon which the tax was levied until the tax  
45 is paid. The lien must be enforced in the same manner as liens for ad



1 valorem taxes on real and personal property. The town board or  
2 other governing body of the unincorporated town may delegate the  
3 power to enforce such liens to the county fair and recreation board.

4 4. The governing body or the county fair and recreation board  
5 may agree with the Department of Taxation for the continuing  
6 exchange of information concerning taxpayers.

7 5. The town board or board of county commissioners shall not  
8 require a person to obtain a license or pay a license tax on the sole  
9 basis that the person is a professional. As used in this subsection,  
10 “professional” means a person who:

11 (a) Holds a license, certificate, registration, permit or similar  
12 type of authorization issued by a regulatory body as defined in  
13 NRS 622.060, or who is regulated pursuant to the Nevada Supreme  
14 Court Rules; and

15 (b) Practices his or her profession for any type of compensation  
16 as an employee.

17 6. The town board or board of county commissioners shall not  
18 require a person to obtain a license or pay a license tax pursuant to  
19 this section for a cannabis establishment, as defined in  
20 NRS 678A.095.

21 7. ~~The~~ *Except as otherwise provided by regulations adopted*  
22 *by the Cannabis Compliance Board pursuant to section 12.9 of*  
23 *this act, the* town board or board of county commissioners shall not  
24 license or otherwise allow a person to operate a business that allows  
25 cannabis, as defined in NRS 678A.085, or cannabis products, as  
26 defined in NRS 678A.120, to be consumed on the premises of the  
27 business ~~;~~ *, other than a cannabis consumption lounge, as*  
28 *defined in section 2 of this act, in accordance with the provisions*  
29 *of chapter 678B of NRS.*

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

32 *“Cannabis consumption lounge” has the meaning ascribed to*  
33 *it in section 2 of this act.*

34 **Sec. 32.** NRS 372A.200 is hereby amended to read as follows:  
35 372A.200 As used in NRS 372A.200 to 372A.380, inclusive,  
36 *and section 31 of this act*, unless the context otherwise requires, the  
37 words and terms defined in NRS 372A.205 to 372A.250, inclusive,  
38 *and section 31 of this act* have the meanings ascribed to them in  
39 those sections.

40 **Sec. 33.** NRS 372A.250 is hereby amended to read as follows:  
41 372A.250 “Taxpayer” means a:

- 42 1. Cannabis cultivation facility; ~~or~~
- 43 2. Adult-use cannabis retail store ~~;~~ *;* *or*
- 44 3. *Cannabis consumption lounge.*



**Sec. 34.** 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 cannabis cultivation facility.

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

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

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

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

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

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

5. The revenues collected from the excise tax imposed pursuant to subsection 2 must be distributed:

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

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

6. For the purpose of subsections 4 and 5, a total amount of \$5,000,000 of the revenues collected from the excise tax imposed pursuant to subsection 1 and the excise tax imposed pursuant to subsection 2 in each fiscal year shall be deemed sufficient to pay the



1 costs of all local governments to carry out the provisions of chapters  
2 678C and 678D of NRS. The Board shall, by regulation, determine  
3 the manner in which local governments may be reimbursed for the  
4 costs of carrying out the provisions of chapters 678C and 678D of  
5 NRS.

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

9 8. As used in this section:

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

12 (b) ~~["Adult use cannabis retail store" has the meaning ascribed~~  
13 ~~to it in NRS 678A.065.~~

14 ~~—(c)]~~ "Cannabis product" has the meaning ascribed to it in  
15 NRS 678A120.

16 ~~[(d)] (c)~~ "Local government" has the meaning ascribed to it in  
17 NRS 360.640.

18 ~~[(e)] (d)~~ "Medical cannabis cultivation facility" has the meaning  
19 ascribed to it in NRS 678A.170.

20 ~~[(f)] (e)~~ "Medical cannabis establishment" has the meaning  
21 ascribed to it in NRS 678A.180.

22 **Sec. 35.** NRS 387.1212 is hereby amended to read as follows:

23 387.1212 1. The State Education Fund is hereby created as a  
24 special revenue fund to be administered by the Superintendent of  
25 Public Instruction for the purpose of supporting the operation of the  
26 public schools in this State. The interest and income earned on the  
27 money in the Fund, after deducting any applicable charges, must be  
28 credited to the Fund.

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

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

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

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

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

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

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

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



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

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

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

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

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

14 (m) The money identified in paragraph (b) of subsection ~~3~~ 4 of  
15 NRS 678B.390;

16 (n) The portion of the proceeds of the excise tax imposed  
17 pursuant to subsection 1 of NRS 463.385 identified in paragraph (c)  
18 of subsection 5 of NRS 463.385;

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

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

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

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

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

29 3. In addition to money from any other source provided by law,  
30 support for the State Education Fund must be provided by direct  
31 legislative appropriation from the State General Fund in an amount  
32 determined by the Legislature to be sufficient to fund the operation  
33 of the public schools in this State for kindergarten through grade 12  
34 for the next ensuing biennium for the population reasonably  
35 estimated for that biennium. Money in the State Education Fund  
36 does not revert to the State General Fund at the end of a fiscal year,  
37 and the balance in the State Education Fund must be carried forward  
38 to the next fiscal year.

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

41 5. The Superintendent of Public Instruction may create one or  
42 more accounts in the State Education Fund for the purpose of  
43 administering any money received from the Federal Government for  
44 the support of education and any State money required to be  
45 administered separately to satisfy any requirement imposed by the



1 Federal Government. The money in any such account must not be  
2 considered when calculating the statewide base per pupil funding  
3 amount or appropriating money from the State Education Fund  
4 pursuant to NRS 387.1214. The interest and income earned on the  
5 money in any such account, after deducting any applicable charges,  
6 must be credited to the account.

7 **Sec. 36.** 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 2. If a person convicted of violating this section has previously  
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.

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

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

25 (b) *Any cannabis consumption lounge, as defined in section 2*  
26 *of this act, whose activities are confined to those authorized in title*  
27 *56 of NRS.*

28 (c) *Any person who opens or maintains any public place in*  
29 *which a person is authorized to consume cannabis, as defined in*  
30 *NRS 678A.085, or cannabis products, as defined in NRS*  
31 *678A.120, pursuant to regulations adopted by the Cannabis*  
32 *Compliance Board pursuant to section 12.9 of this act, and whose*  
33 *activities are confined to those authorized by such regulations.*

34 **Sec. 36.1.** Section 246 of chapter 595, Statutes of Nevada  
35 2019, at page 3896, is hereby amended to read as follows:

36 Sec. 246. 1. This section and sections 199.3, 216.3  
37 and 239.5 of this act become effective upon passage and  
38 approval.

39 2. Sections 197.5 and 198.5 of this act become effective  
40 upon passage and approval . ~~and expire by limitation on~~  
41 ~~June 30, 2021.~~

42 3. Section 216.7 of this act becomes effective on  
43 November 23, 2019.



1 4. Sections 1 to 197, inclusive, 198, 199, 199.5, 201 to  
2 216, inclusive, 217 to 239, inclusive, and 240 to 245,  
3 inclusive, of this act become effective:

4 (a) Upon passage and approval for the purposes of  
5 adopting regulations and performing any other preparatory  
6 tasks that are necessary to carry out the provisions of this act;  
7 and

8 (b) On July 1, 2020, for all other purposes.

9 5. ~~Section 199.7 of this act becomes effective on July 1,~~  
10 ~~2021.~~

11 ~~6.1~~ Sections 108 and 109 of this act expire by limitation  
12 on the date 2 years after the date on which the provisions of  
13 42 U.S.C. § 666 requiring each state to establish procedures  
14 under which the state has authority to withhold or suspend, or  
15 to restrict the use of professional, occupational and  
16 recreational licenses of persons who:

17 (a) Have failed to comply with a subpoena or warrant  
18 relating to a proceeding to determine the paternity of a child  
19 or to establish or enforce an obligation for the support of a  
20 child; or

21 (b) Are in arrears in the payment for the support of one or  
22 more children,

23 and are repealed by the Congress of the United States.

24 **Sec. 36.3.** 1. The Cannabis Compliance Board shall provide  
25 to each person who, on July 1, 2021, holds an adult-use cannabis  
26 establishment license for an adult-use cannabis retail store a written  
27 notification informing the person that the person may be eligible to  
28 hold an adult-use cannabis establishment license for a retail  
29 cannabis consumption lounge.

30 2. The notification required to be provided pursuant to  
31 subsection 1 must include, without limitation:

32 (a) A statement indicating that the person may be limited to  
33 holding one adult-use cannabis establishment license for a retail  
34 cannabis consumption lounge pursuant to section 12.7 of this act;  
35 and

36 (b) A description of the procedures and requirements for the  
37 issuance of an adult-use cannabis establishment license for a retail  
38 cannabis consumption lounge, as set forth in chapter 678B of NRS,  
39 as amended by this act, and the regulations adopted pursuant  
40 thereto.

41 **Sec. 36.5.** 1. On or before January 1, 2023, the Cannabis  
42 Compliance Board shall prepare and submit to the Director of the  
43 Legislative Counsel Bureau for transmission to the Legislature, a  
44 report regarding the effect of violations of NRS 598A.060 on  
45 independent cannabis consumption lounges. The report must include



1 any recommendations for legislation that the Cannabis Compliance  
2 Board determines is necessary to ensure that such violations do not  
3 inhibit the growth of independent cannabis consumption lounges in  
4 this State.

5 2. As used in this section, "independent cannabis consumption  
6 lounge" has the meaning ascribed to it in section 3 of this act.

7 **Sec. 36.7.** Section 199.7 of chapter 595, Statutes of Nevada  
8 2019, at page 3863 is hereby repealed.

9 **Sec. 36.9.** 1. This section and sections 36.1, 36.3 and 36.7 of  
10 this act become effective upon passage and approval.

11 2. Sections 1 to 36, inclusive, and 36.5 of this act become  
12 effective on October 1, 2021.

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**TEXT OF REPEALED SECTION**

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**Section 199.7 of chapter 595, Statutes of Nevada 2019:**

Sec. 199.7. NRS 269.170 is hereby amended to read as follows:

269.170 1. Except as otherwise provided in subsections 5 ~~6~~ and 6 ~~and 7~~ and NRS 269.183, 576.128, 598D.150 and 640C.100, the town board or board of county commissioners may, in any unincorporated town:

(a) Fix and collect a license tax on, and regulate, having due regard to the amount of business done by each person so licensed, and all places of business and amusement so licensed, as follows:

(1) Artisans, artists, assayers, auctioneers, bakers, banks and bankers, barbers, boilermakers, cellars and places where soft drinks are kept or sold, clothes cleaners, foundries, laundries, lumberyards, manufacturers of soap, soda, borax or glue, markets, newspaper publishers, pawnbrokers, funeral directors and wood and coal dealers.

(2) Bootmakers, cobblers, dressmakers, milliners, shoemakers and tailors.

(3) Boardinghouses, hotels, lodging houses, restaurants and refreshment saloons.

(4) Barrooms, gaming, manufacturers of liquors and other beverages, and saloons.

(5) Billiard tables, bowling alleys, caravans, circuses, concerts and other exhibitions, dance houses, melodeons, menageries, shooting galleries, skating rinks and theaters.





(6) Corrals, hay yards, livery and sale stables and wagon yards.

(7) Electric light companies, illuminating gas companies, power companies, telegraph companies, telephone companies and water companies.

(8) Carts, drays, express companies, freight companies, job wagons, omnibuses and stages.

(9) Brokers, commission merchants, factors, general agents, mercantile agents, merchants, traders and stockbrokers.

(10) Drummers, hawkers, peddlers and solicitors.

(11) Insurance analysts, adjusters and managing general agents and producers of insurance within the limitations and under the conditions prescribed in NRS 680B.020.

(b) Fix and collect a license tax upon all professions, trades or business within the town not specified in paragraph (a).

2. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

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

(b) Another regulatory agency of the State has issued or will issue a license required for this activity.

3. Any license tax levied for the purposes of NRS 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien must be enforced in the same manner as liens for ad valorem taxes on real and personal property. The town board or other governing body of the unincorporated town may delegate the power to enforce such liens to the county fair and recreation board.

4. The governing body or the county fair and recreation board may agree with the Department of Taxation for the continuing exchange of information concerning taxpayers.

5. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060, or who is regulated pursuant to the Nevada Supreme Court Rules; and



(b) Practices his or her profession for any type of compensation as an employee.

6. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax pursuant to this section for a cannabis establishment, as defined in section 22 of this act.

~~[7. The town board or board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in section 18 of this act, or cannabis products, as defined in section 27 of this act, to be consumed on the premises of the business.]~~

