



# Medical Marijuana Program



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# Program Overview

## Statutory Mandate:

- Nevada Constitution, Article 4, Section 38. Use of plant of genus Cannabis for medical purposes. Codified in NRS Chapter 453A, Medical Use of Marijuana.

## Program Description

- The Nevada Medical Marijuana Program is a state registry and licensing program. The role of the program is to administer the provisions of the Medical Use of Marijuana law.
- The program is to provide regulations for all aspects of medical marijuana registry cardholders and establishments.



# Medical Marijuana Program Description

- Individuals can apply for the registry and if found eligible, they are issued an identification card to show approval for use of the Cannabis plant for medicinal purposes.
- Medical marijuana establishments include independent testing laboratories, cultivation facilities, facilities for the production of edible marijuana products or marijuana-infused products, and medical marijuana dispensaries.
- A medical marijuana dispensary is a business that supplies or dispenses marijuana and educational materials to holders of valid registry identification cards. They will not be open to the public.



# History of the Program

- Nevada Legislature passed medical marijuana legislation in 2001 with amendments in the 2003, 2009 and 2013 sessions.
- The program has been administered by both the Division of Public and Behavioral Health (Division) and the Department of Agriculture.
- The program moved to the Division of Public and Behavioral Health (formally Nevada State Health Division) in 2006.





## History of the Program (cont.)



- On June 12, 2013, S.B. 374 was signed into law. This new law provides for appropriate methods of supply for medical marijuana.
- The Division adopted the regulation related to SB 374 and they went into effect April 1, 2014.



# New Medical Marijuana Program Structure

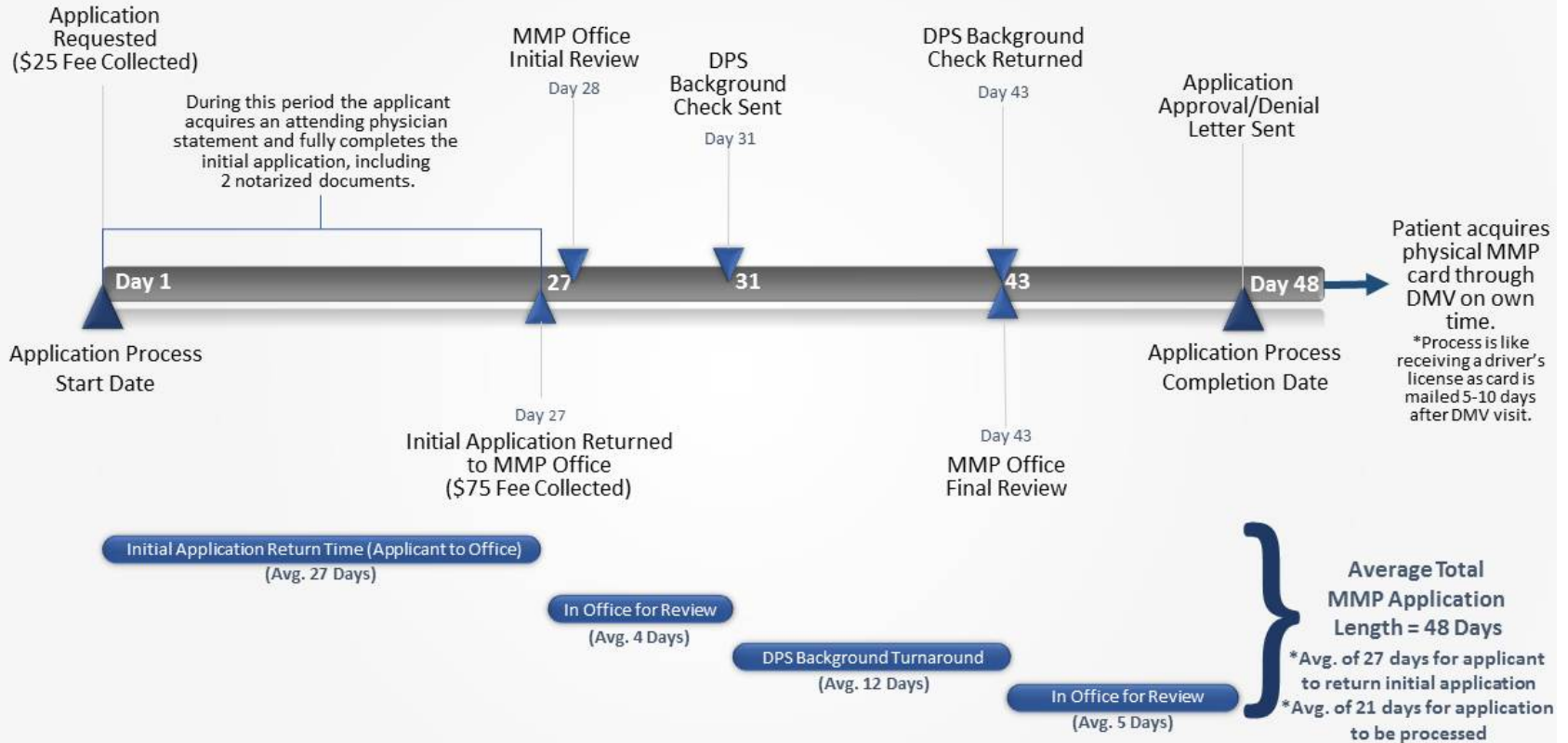
With the passage of S.B. 374, the Medical Marijuana Program is now comprised of two authorized groups.

**Medical Marijuana  
Cardholders**

**Medical Marijuana  
Establishments  
(MME)**



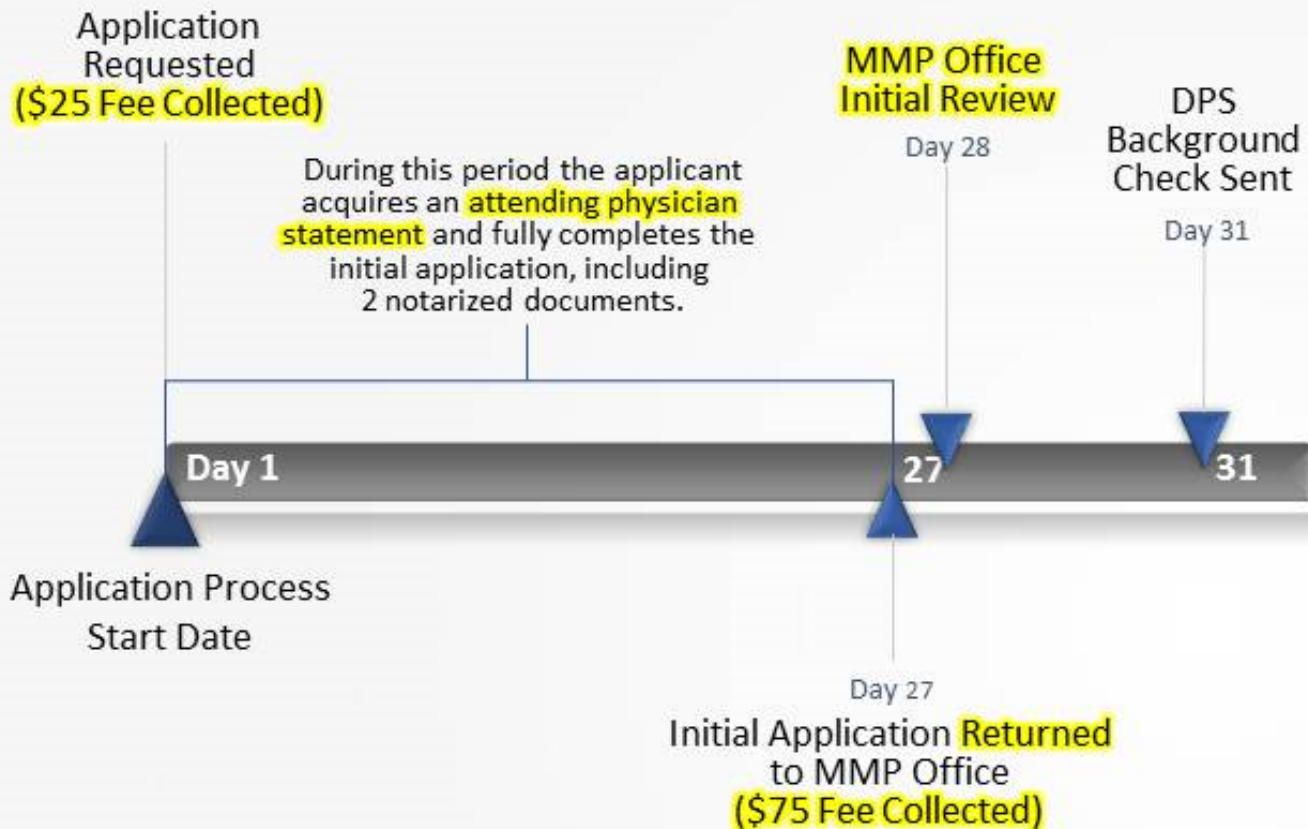
# Getting a Medical Marijuana Card, Overview



\*Averages are as of 6/26/2014

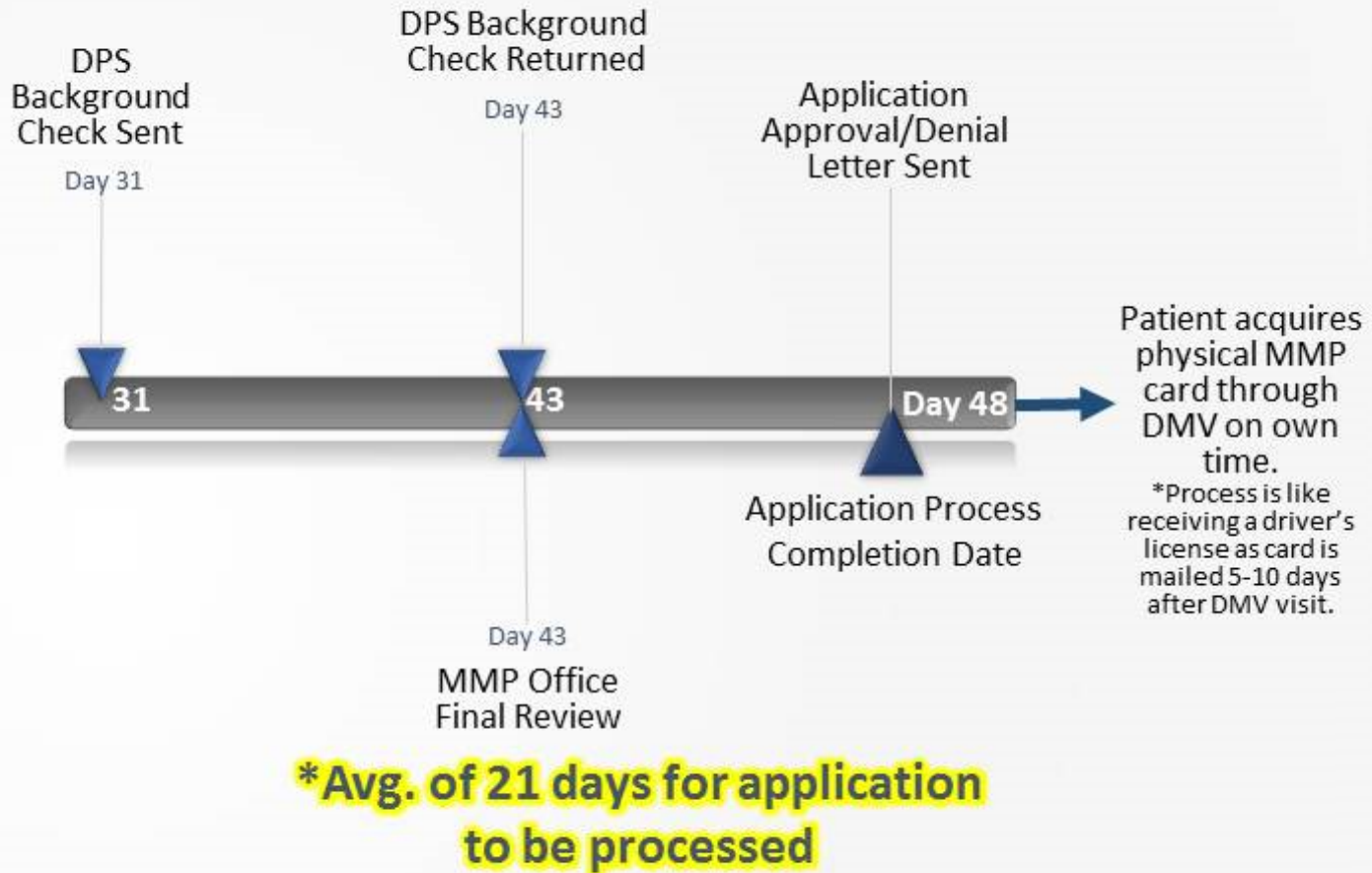


# Getting a Medical Marijuana Card, Part 1





## Getting a Medical Marijuana Card, Part 2





# Cardholder Program

- Pursuant to **NAC 453A.100**, if the applicant is under 18 years of age, the program requires a minor release form signed by the designated primary caregiver of the minor.
- The program currently has a number of cardholders that fall into this category.
- Medical marijuana has been reported to reduce the severity and number of seizures in children, according to health care professionals.



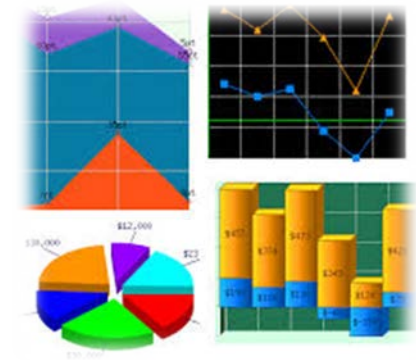
# Confidentiality and Medical Marijuana Cardholders

NRS 453A.700 Duties of Division concerning confidentiality; certain items of information not subject to subpoena, discovery or inspection.

1. Except as otherwise provided in this section, NRS 239.0115 and subsection 4 of NRS 453A.210, the Division and any designee of the Division **shall maintain the confidentiality of and shall not disclose:**

**(a) The contents of any applications, records or other written documentation that the Division or its designee creates or receives pursuant to the provisions of this chapter ....**

→ Legal Interpretation: Any data obtained from applications to the Division and resultant documents we create are confidential.





# Confidentiality and Medical Marijuana Cardholders (continued)

The Division has been supported to share statistics on population centers of the State, but not by zip code, thereby ensuring confidentiality.

Medical Marijuana Program Statistics July 1, 2014	
Number of active patient cards	6328
Number of active caregiver cards	335
Number of patient cardholders per region	
Clark County	4564
Washoe County	747
Balance of State	1017

*Should the law be changed so only applications are confidential, and the Division can release statistical information?*



# Building the MME Program



## SB 374 Regulation Process

- The Division was tasked with establishing regulations by April 1, 2014.
- The regulatory process was transparent and inclusive of all stakeholders, including local governments.
- After an extensive public process, including seven public meetings and several amendments, regulations received final approval from the Legislative Commission on March 28, 2014.
- The regulations are thorough and comprehensive.



# Program Building (cont.)

## Adopted Regulation R004-14

- The regulation addressed in this new industry is a privileged industry, as outlined in NRS 453A.320.
- The regulation provide processes for:
  - Accepting and renewing applications.
  - Awarding medical marijuana certificates.
  - Registering agents who work in the establishments.
  - Establishing requirements for each of the four types of medical marijuana establishments.
  - Regulating establishments that have been awarded certificates.





# NAC 453A Adopted Regulations R004-14

The Regulation was conceived with the focus on marijuana as a medicine and on public safety.

- Nevada will require that medical marijuana be tested at harvest and when it changes form.
- Testing will only be allowed by Nevada certified independent testing laboratories.
- Strict guidelines on labeling and packaging.





## NAC 453A Adopted Regulation R004-14 Section 25, MME Applications

- The Division has issued a request for applications to operate a medical marijuana establishment.
- The Division will accept applications for all 4 establishment types for one 10-working-day-period each year.

→ starting August 5, 2014



# Essential Elements of the MME Application Process

- The Division must accept all applications it receives from potential applicants.
- Medical marijuana registration certificates will be issued pursuant to a merit based application process.
- The Division will rank the applications in a respective jurisdiction.
- The top candidate(s) will be issued a provisional certificate and the Division will forward the candidate to the appropriate local government.



## MME Program Partnerships with Local Governments

- In a county whose population is 100,000 or more, the Division shall ensure that not more than 25 percent of the total number of dispensaries that may be certified in the county, are located in any one local governmental jurisdiction within the county (per NRS 453A.326).
- The board of county commissioners of the county may increase the percentage if it determines that to do so is necessary to ensure that the more populous areas of the county have access to sufficient distribution of marijuana for medical use (per NRS 453A.326).



# Should the Number of Cultivation Facilities Be Limited?

- The supply of medicine to the patients **must** be sufficient.
- If the Supply is Far Greater than the Demand, the Risk of Illegal Diversion is Greater.
- NAC 453A Adopted Regulation R004-14 Section 131:  
The Division may, upon findings made following a public hearing that the public interest will be supported by limiting the cultivation of medical marijuana in this State, limit the amount of marijuana in production within this State.



# Will Ranking of MME Applicants be Public Information?

Yes, but the Division is mindful to maintain confidentiality compliance with NRS 453A.700.

*Applicants are being asked to sign a release of information.*

The Division will be releasing the following publicly:

- Applicants who are issued provisional certification, including their final ranking and scores, by jurisdiction.
- Applicants who are not issued provisional certificates, their final ranking and scores, by jurisdiction.
- For Applicants who don't sign, their ranking and score won't be announced.



# Highlights of NAC 453A, R004-14

- Establishment's location will not be within 1,000 feet of a public or private school.
- Establishment's location will not be within 300 feet of a community facility.
- Revenue for this program is primarily provided by assessing fees for applications and annual program participation.





## Inspections per Regulation R004-14, Section 37

- Certification of an establishment constitutes permission for entry to and reasonable inspection of the establishment with or without notice.
- Upon receipt of a complaint, an inspector may conduct an investigation on the premises, facilities, qualifications of personnel, methods of operation, policies, procedures and records.
- The Division will not investigate the following complaints: cost of services, efficacy or related to customer service issues.
- Inspections conducted at least annually.



# Regulation Regarding Establishment Security

- A visitors Log is Required for persons other than those authorized to be on the premises.
- Each regular, seasonal or temporary employee or volunteer must obtain an agent registration card or a visitor ID badge or they may not be authorized to be on the premises.
- Required Security Devices:
  - Exterior lighting
- Devices or a series of devices to detect intrusion
  - Electronic monitoring
  - Immediate automatic or electronic notification to alert local law enforcement



# Medical Marijuana Packaging

Products will have strict guidelines on labeling and packaging

- Packaged in child-resistant packaging in accordance with federal standards or the standards specified in the regulations.





# Edible Medicine

Baked Goods

Infused Spreads,  
and Drinks



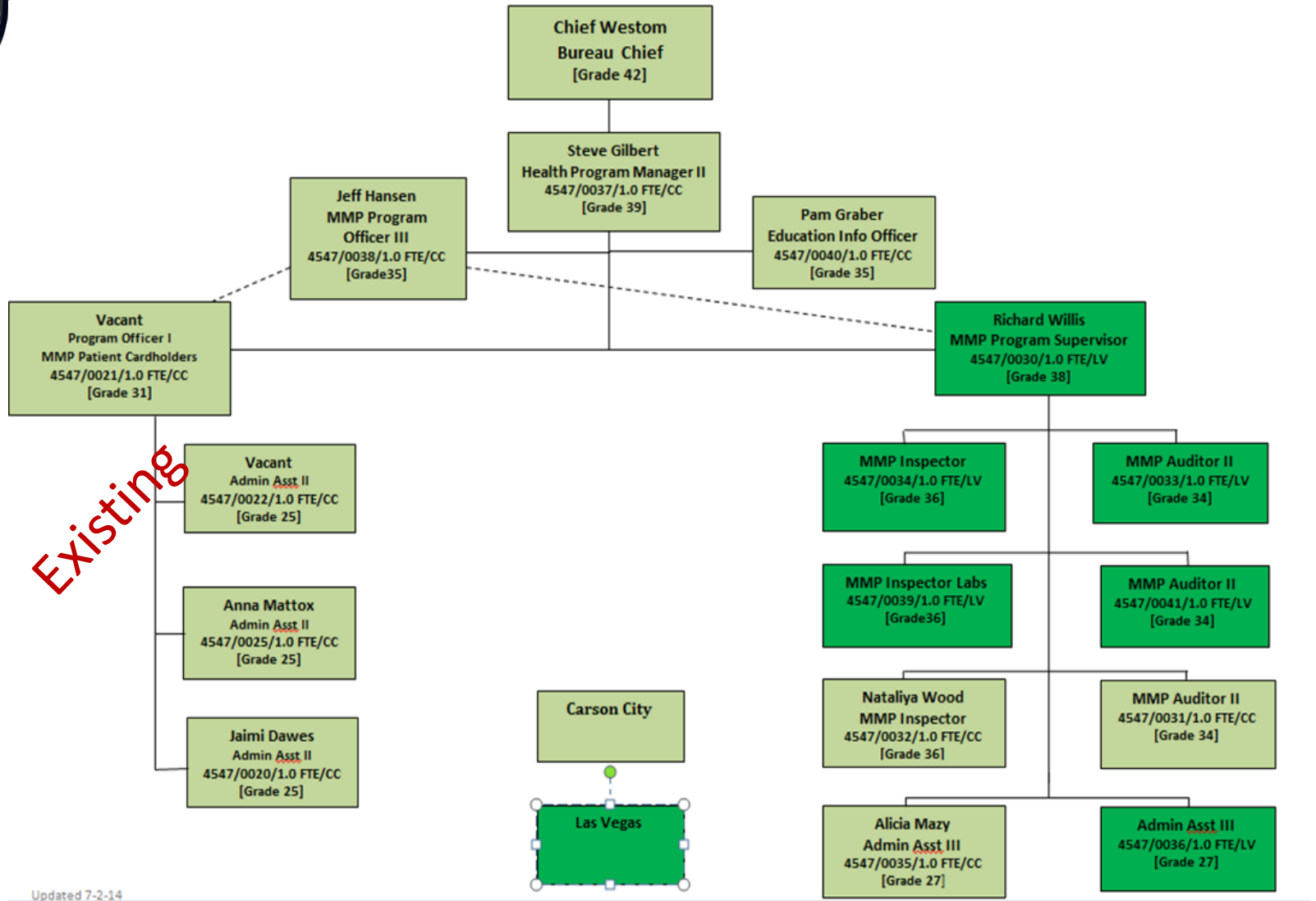


# Edible Marijuana Packaging

Packaged and labeled in a way not attractive to children.



“For use only by the person named on the label of the dispensed product. Keep out of the reach of children.” Is one of several warnings required to be included at the time of sale.



Existing

Updated 7-2-14



## Implementation Status of SB 374

- For the twelve (12) new positions ---as of July 7<sup>th</sup> --- six (50%) have started with the Division. The remaining six positions already have a July start date or a hire packet submitted with a hire date anticipated in July.
- Fifteen (15) contracted employees were authorized to assist the Division in reviewing the MME applications starting on August 5<sup>th</sup>. One contractor is already on board. As of July 7<sup>th</sup>, the remaining fourteen (14) contractor hire packets have been submitted. We plan for all contractors to report to work and start training on July 14<sup>th</sup>.



## Implementation Status of SB374 (continued)

- In preparation for receiving MME application on August 5<sup>th</sup>, the Division has finished over 40 evaluation processes and forms, including scoring and ranking.
- Three MME training modules have been developed to train State MME employees and contractors, in advance of the MME application period.
- Course 101 gives an overview of the program and the laws and regulations. Course 201 will train State employees and the contractors on how to properly evaluate and process the MME applications. Course 301 is a train-the trainer course related to the first two modules.
- The first round of training occurred two weeks ago.



## Implementation Status of SB374 (continued)

- On June 19<sup>th</sup>, the Interim Finance Committee approved the \$5.4 Million budget for the MME program for SFY15.
- Over \$2 Million is designated for transfer to the State Treasurer for the State Distributive School Account.
- The work program established authority to regulate the Dispensaries, Cultivation Facilities, Production Facilities, Laboratories and Agents.
- Equips the Division to process and print the Agent cards.
- Two MSA programmers and a project manager were authorized for the support, development and integration of systems for reporting and tracking of this program under the Division.



# Medical Marijuana Program Contacts

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# Medical Marijuana Program

## Concluding Remarks

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## Questions?

