

PROPOSED AMENDMENT TO SB 69

Purpose of Amendment: Delete the original Bill in its entirety and replace it with this Amendment.

Submitted by:

Cannabis Working Group (made up of industry representatives and Cannabis Compliance Board Representative at the request of Governor Lombardo)

Blue bold italics = New Language

~~Strikethrough~~ = Deleted Language

CONCEPT 1

PROPOSED AMENDMENT TO NRS 678A.005:

NRS 678A.005 Legislative findings and declarations. The Legislature hereby finds, and declares to be the public policy of this State, that:

1. The cannabis industry is ~~beneficial~~ *significant* to the economy of the State ~~and the general welfare of its residents~~ *Nevada*.

2. *The cannabis industry is important to the general welfare of its residents as it provides access to legal cannabis and cannabis products in a safe manner. Whereas cannabis and cannabis products obtained from the illegal market are not tested, can be associated with violent crime, and are often targeted at minors.*

~~2.3.~~ The continued growth and success of the cannabis industry is dependent upon public confidence, ~~and and~~ trust, *and an understanding* that:

(a) Nevada seeks to emulate the successes of its other privileged licensed and strictly regulated industries insofar as they are similar or that those approaches are compatible;

~~(#)(b)~~ Residents who suffer from chronic or debilitating medical conditions will be able to obtain medical cannabis safely and conveniently;

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

~~(e)(d)~~ Cannabis establishments do not unduly impact the quality of life enjoyed by residents of the surrounding neighborhoods;

~~(d)(e)~~ Cannabis licenses and registration cards are issued in a fair and equitable manner;

~~(e)(f)~~ The holders of cannabis licenses and registration cards are representative of their communities; and

~~(f)(g) The cannabis industry is free from criminal and corruptive elements. A well-regulated cannabis industry benefits the state welfare and economy and runs contrary to the criminal and corruptive elements contained in an unregulated and illegal market.~~

~~3.4.~~ Public confidence and trust can only be maintained by strict, *but fair and equitable* regulation of all persons, locations, practices, associations and activities related to the operation of cannabis establishments.

~~4.5.~~ All cannabis establishments and cannabis establishment agents must ~~therefore~~ be licensed, controlled and assisted to protect the public health, safety, morals, good order and general

welfare of the inhabitants of the State, to foster the stability and success of the cannabis industry and to preserve the competitive economy and policies of free competition of the State of Nevada.

(Added to NRS by [2019, 3769](#))

CONCEPT 2

PROPOSED AMENDMENT TO NRS 678A.350:

NRS 678A.350 Creation; number of members. The Cannabis Compliance Board, consisting of five members appointed by the Governor, is hereby created. *The Cannabis Compliance Board adopts and sets cannabis regulation policy, within the public policy statutes enacted by the Nevada Legislature, by a majority vote of Board members.*

(Added to NRS by [2019, 3776](#))

CONCEPT 3

PROPOSED AMENDMENT TO NRS 678A.360:

NRS 678A.360 Members: Qualifications and eligibility.

1. Each member of the Board must be a resident of the State of Nevada.
2. No member of the Legislature, no person holding any elective office in the State Government, nor any officer or official of any political party is eligible for appointment to the Board.
3. Not more than three of the five members of the Board may be of the same political party.
4. It is the intention of the Legislature that the Board be composed of the most qualified persons available.
5. One member of the Board must:
 - ~~— (a) Be a certified public accountant certified or licensed by this State or another state of the United States or a public accountant qualified to practice public accounting under the provisions of chapter 628 of NRS, have 5 years of progressively responsible experience in general accounting and have a comprehensive knowledge of the principles and practices of corporate finance; or~~
 - (b)(a) *Must* Possess the qualifications of an expert in the fields of corporate finance and auditing, *inventory*, general finance or economics, *with special reference to his or her knowledge, skill and expertise in representing businesses in manufacturing, distribution, retail, or agriculture.*
6. One member of the Board must be selected with special reference to his or her training and experience in the fields of investigation or law enforcement, *including in the area of illegal and unlicensed cannabis activities.*
7. One member of the Board must be an attorney licensed to practice in this State and selected with special reference to his or her knowledge, skill and experience in *representing businesses in licensing matters or* regulatory compliance.
8. One member of the Board must be selected with special reference to his or her knowledge, skill and experience in the cannabis industry. *In order to attract qualified persons, this person shall not be subject to [NRS 281A.410\(1\)](#) or [NRS281A.550\(3\)](#).*

9. One member of the Board must be a physician licensed pursuant to [chapter 630](#) or [633](#) of NRS and have knowledge, skill and experience in the area of public health or be a psychologist, clinical professional counselor, alcohol and drug counselor or social worker *or an individual with expertise in laboratory sciences*, with *special reference to his or her* knowledge, skill and experience in the area of ~~education and prevention of abuse relating to~~ *the benefits and detriments of*-cannabis.

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

(Added to NRS by [2019, 3776](#))

CONCEPT 4

PROPOSED AMENDMENT TO NRS 678A.370:

NRS 678A.370 Members: Term; Chair; Vice Chair; removal.
~~each member of the Board is 4 years, commencing on the last Monday in January.~~

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

2.1. The Governor shall appoint the members of the Board and designate one member to serve as Chair, who shall preside over all official activities of the Board, and one member as Vice Chair who shall conduct the enumerated duties. After 2 years from the time of designation of the Chair, the Governor may appoint a different member as Chair. If the Governor does not reappoint the same person as Chair, or appoint a different Chair, then the Vice Chair automatically becomes the Chair.

2. The term of the members appointed pursuant to paragraphs subsections 5, 6, and 7, of NRS 678A.360 is 4 years and shall commence on [_____] of an odd-numbered year.

3. The term of the members appointed pursuant to paragraphs subsections 8 and 9 of NRS 678A.360 is 4 years and shall commence on [_____] of an even-numbered year.

~~3.4.~~ The Governor may remove any member for misfeasance, malfeasance, *neglect of duty*, or nonfeasance in office. Removal may be made after:

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

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

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

5. Prior to commencement of the term of office, each Board member shall receive the same or similar training that is required pursuant to regulation before a cannabis establishment agent is permitted to work or volunteer at a cannabis establishment.

(Added to NRS by [2019, 3777](#))

CONCEPT 5

PROPOSED AMENDMENT TO NRS 678A.420:

NRS 678A.420 Executive Director: Appointment; duties; other employment prohibited; salary.

1. The position of Executive Director of the Cannabis Compliance Board is hereby created.
2. The Executive Director:
 - (a) Is appointed by the ~~Board~~ *Governor, with consideration to his or her skill or experience in regulated industries in agriculture or manufacturing, distribution or retail* and may be removed by the ~~Board~~ *Governor*;
 - (b) Is responsible for the conduct of the administrative matters of the Board; and
 - (c) Shall, except as otherwise provided in [NRS 284.143](#), devote his or her entire time and attention to the business of the office of Executive Director and shall not pursue any other business or occupation or hold any other office for profit.
3. The Executive Director is entitled to an annual salary in the amount specified by the Board within the limits of legislative appropriations or authorizations.
(Added to NRS by [2019, 3778](#))

CONCEPT 6

PROPOSED AMENDMENT TO NRS 678A.440:

NRS 678A.440 Board: General powers. In addition to any other powers granted by this title, the Board has the power to:

1. Enter into interlocal agreements pursuant to [NRS 277.080](#) to [277.180](#), inclusive.
2. Establish and amend a plan of organization for the Board, including, without limitation, organizations of divisions or sections with leaders for such divisions or sections.
3. Appear on its own behalf before governmental agencies of the State or any of its political subdivisions.
4. Apply for and accept any gift, donation, bequest, grant or other source of money to carry out the provisions of this title.
5. Execute all instruments necessary or convenient for carrying out the provisions of this title.
6. Prepare, publish and distribute such studies, reports, bulletins and other materials as the Board deems appropriate.
7. *Commit resources and take action to address unlicensed and illegal cannabis activities including but not limited to the following:*
 - (a) Investigate and refer unlicensed cannabis activities for further investigation and criminal prosecution. to the appropriate state or local law enforcement agency including the Investigation Division of the Nevada Department of Public Safety and the Attorney General;*
 - (b) Educate the public on the dangers and illegality of unlicensed cannabis activities and importance of regulated and licensed cannabis establishments through different mediums of public outreach and communications;*
 - (c) Create a confidential means for the public, licensees and registrants to report on unlicensed cannabis activities; and*
 - (d) Establish a disciplinary and civil penalty system for unlicensed cannabis -activities including the seizure and destruction of cannabis and cannabis products related to the unlicensed cannabis activities.*
8. Maintain an official Internet website for the Board.

9. Monitor federal activity regarding cannabis and report its findings to the Legislature.
10. Employ the services of such persons the Board considers necessary for the purposes of hearing disciplinary proceedings.

(Added to NRS by [2019, 3779](#); A [2021, 3147](#))

CONCEPT 7

PROPOSED AMENDMENT TO NRS 678A.450:

NRS 678A.450 Board: Regulations.

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

(a) Financial requirements for licensees.

(b) Establishing such *education, outreach*, investigative and enforcement mechanisms as the Board deems necessary to ensure the compliance of a licensee or registrant with the provisions of this title, which shall include and be subject to the following requirements:

i. A system to educate, train and certify employees of the Board prior to commencing inspections, investigations and audits;

ii. A system to educate and advise licensee and registrant on items of general compliance without being subjected to disciplinary action; and

iii. Establish specific grounds for disciplinary action on a licensee or registrant based upon intentional, grossly negligent, unlawful or criminal acts or acts and omissions that pose an imminent threat to public health and safety.

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

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

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

(f) Policies and procedures governing the disclosure of shareholders and annual reporting and disclosures required for cannabis establishments that are publicly traded companies.

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

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

(hi) Requirements relating to the packaging and labeling of cannabis and cannabis products.

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

- (a) Owner and manager of a cannabis establishment.
- (b) Holder of a cannabis establishment agent registration card.

3. The Board shall adopt regulations providing for the enforcement, investigation and discipline of unlicensed cannabis activities and referral to the appropriate state or local law enforcement agency for the criminal prosecution of such activities.

~~34.~~ The Board shall transmit the information gathered and maintained pursuant to subsection 2 to the Director of the Legislative Counsel Bureau for transmission to the Legislature on or before January 1 of each odd-numbered year.

~~45.~~ The Board shall, by regulation, establish a pilot program for identifying opportunities for an emerging small cannabis business to participate in the cannabis industry. As used in this subsection, “emerging small cannabis business” means a cannabis-related business that:

- (a) Is in existence, operational and operated for a profit;
- (b) Maintains its principal place of business in this State; and
- (c) Satisfies requirements for the number of employees and annual gross revenue established by the Board by regulation.

(Added to NRS by [2019, 3779](#); A [2021, 742](#))

CONCEPT 8

PROPOSED AMENDMENT TO NRS 372A.290:

NRS 372A.290 Imposition and amount of tax on wholesale sales and retail sales; distribution of revenue collected; manner of payment of costs of Cannabis Compliance Board and local governments from revenue collected; regulations.

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 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, *the Department of Public Safety, Attorney General* 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 Department of Public Safety and Attorney General to pay the costs in carrying out the investigation and prosecution of crimes involving unlicensed cannabis activities*; 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, *the Department of Public Safety, Attorney General* 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 Department of Public Safety and Attorney General to pay the costs in carrying out the investigation and prosecution of crimes involving unlicensed cannabis activities*; 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) A total~~ *An amount of \$5,000,000-~~\$2,500,000~~ of the revenues collected from the excise tax imposed pursuant to subsection 1 and the excise tax imposed pursuant to subsection 2 in each fiscal year shall be deemed sufficient to pay the costs of all local governments to carry out the provisions of [chapters 678C](#) and [678D](#) of NRS. The Board shall, by regulation, determine the manner in which local governments may be reimbursed for the costs of carrying out the provisions of [chapters 678C](#) and [678D](#) of NRS;*

(b) An amount of \$2,000,000 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 distributed to the Department of Public Safety for the purpose of investigating crimes involving unlicensed cannabis activities; and

(c) An amount of \$500,000 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 distributed to the Attorney General for the purpose of prosecuting crimes involving unlicensed cannabis activities.

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

8. As used in this section:

(a) “Adult-use cannabis cultivation facility” has the meaning ascribed to it in [NRS 678A.025](#).

(b) “Cannabis product” has the meaning ascribed to it in [NRS 678A.120](#).

(c) “Local government” has the meaning ascribed to it in [NRS 360.640](#).

(d) “Medical cannabis cultivation facility” has the meaning ascribed to it in [NRS 678A.170](#).

(e) “Medical cannabis establishment” has the meaning ascribed to it in [NRS 678A.180](#).

(f) “Wholesale sale” means a sale or transfer of cannabis by a cannabis cultivation facility to another cannabis establishment. The term does not include a transfer of cannabis by a cannabis cultivation facility to another cannabis cultivation facility when both cannabis cultivation facilities share identical ownership.

(Added to NRS by [2013, 3726](#); A [2015, 2262](#); [2017, 3730](#); [2019, 3269, 3873, 4244](#); [2021, 1970, 2385](#))

CONCEPT 9

PROPOSED AMENDMENTS TO NRS 244.35253 AND NRS 268.0977

NRS 244.35253 Powers of commissioners to license, tax and regulate cannabis and cannabis products, production, registries and establishments.

1. Except as otherwise provided in this section, a board of county commissioners shall not fix, impose or collect a license tax for revenue or for regulation, or for both revenue and regulation, on a cannabis establishment located in the county.

2. Except as otherwise provided in subsection 3, a board of county commissioners may fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on a cannabis establishment located in the county outside of the limits of incorporated cities as a:

- (a) Flat fee;
- (b) Percentage of the gross revenue of the cannabis establishment; or
- (c) Combination of a flat fee and a percentage of gross revenue of the cannabis establishment.

3. The total amount of a license tax imposed on a cannabis establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the cannabis establishment, as applicable.

4. The board of county commissioners shall determine and set aside a portion of the proceeds from the license tax imposed on cannabis establishments pursuant to subsection 2 to educate the public on the dangers and illegality of unlicensed cannabis activities and importance of regulated and licensed cannabis establishments through different mediums of public outreach and communications.

45. In addition to any amount of money collected as a license tax pursuant to subsection 2, a board of county commissioners may fix, impose and collect:

- (a) Any fees required pursuant to [chapter 278](#) of NRS;
- (b) A one-time flat fee for an application for the issuance of a business license for a cannabis establishment located in the county outside of the limits of incorporated cities in an amount that does not exceed any similar fee imposed on a business pursuant to this chapter and [chapter 369](#) of NRS; and
- (c) A licensing tax for a business activity engaged in by a cannabis establishment located in the county outside of the limits of incorporated cities for which licensing pursuant to [chapter 678B](#) of NRS is not required only if:
 - (1) The board of county commissioners is granted the authority to require such a license by some other provision of law; and
 - (2) The amount of the licensing tax does not exceed the amount imposed by the board of county commissioners on other similar businesses.

56. A board of county commissioners shall not enact or enforce any ordinance which is more restrictive than or conflicts with a law or regulation of this State relating to:

- (a) The packaging, labeling, testing, dosage or potency of cannabis or cannabis products;
- (b) The kinds of cannabis or cannabis products authorized to be sold pursuant to title 56 of NRS;
- (c) The use of pesticides in the cultivation of cannabis;
- (d) The tracking of cannabis from seed to sale;
- (e) The transportation of cannabis or cannabis products other than the direct transportation of cannabis or cannabis products to a consumer and a requirement to notify the county of any transportation of cannabis or cannabis products;
- (f) The issuance or verification of a registry identification card, letter of approval or written documentation;

(g) The training or certification of cannabis establishment agents or employees of a cannabis establishment;

(h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of cannabis establishments or holders of a registry identification card or letter of approval; or

(i) The content of any advertisement used by a cannabis establishment unless the ordinance sets forth specific prohibited content for such an advertisement.

67. A person who obtains a business license described in this section is subject to all other licensing and permitting requirements of the State and any other counties and cities in which the person does business.

78. As used in this section:

(a) “Cannabis establishment” has the meaning ascribed to it in [NRS 678A.095](#).

(b) “Cannabis establishment agent” has the meaning ascribed to it in [NRS 678A.100](#).

(c) “Cannabis products” has the meaning ascribed to it in [NRS 678A.120](#).

(d) “Letter of approval” has the meaning ascribed to it in [NRS 678C.070](#).

(e) “Registry identification card” has the meaning ascribed to it in [NRS 678C.080](#).

(f) “Written documentation” has the meaning ascribed to it in [NRS 678C.110](#).

(Added to NRS by [2017, 3669, 3712, 3733](#); A [2019, 2346, 3854](#))

NRS 268.0977 Cannabis establishments: License taxes; fees; exceptions.

1. Except as otherwise provided in this section, the governing body of an incorporated city, whether organized under general law or special charter, shall not fix, impose or collect for revenues or for regulation, or both, a license tax on a cannabis establishment located within its corporate limits.

2. Except as otherwise provided in subsection 3, the governing body of an incorporated city, whether organized under general law or special charter, may fix, impose and collect for revenues or for regulation, or both, a license tax on a cannabis establishment located within its corporate limits as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the cannabis establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the cannabis establishment.

3. The total amount of a license tax imposed on a cannabis establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the cannabis establishment, as applicable.

4. The governing body of an incorporated city shall determine and set aside a portion of the proceeds from the license tax imposed on cannabis establishments pursuant to subsection 2 to educate the public on safely purchasing cannabis from licensed cannabis establishments as well as safe consumption and use of cannabis products, utilizing different mediums of public outreach and communications.

45. In addition to any amount of money collected as a license tax pursuant to subsection 2, the governing body of an incorporated city, whether organized under general law or special charter, may fix, impose and collect:

(a) Any fees required pursuant to [chapter 278](#) of NRS;

(b) A one-time flat fee for an application for the issuance of a business license for a cannabis establishment located within its corporate limits in an amount that does not exceed any similar fee imposed on a business pursuant to this chapter and [chapter 369](#) of NRS; and

(c) A licensing tax for a business activity engaged in by a cannabis establishment located within its corporate limits for which licensing pursuant to [chapter 678B](#) of NRS is not required only if:

(1) The governing body is granted the authority to require such a license by some other provision of law; and

(2) The amount of the licensing tax does not exceed the amount imposed by the governing body on other similar businesses.

56. The governing body of an incorporated city, whether organized under general law or special charter, shall not enact or enforce any ordinance which is more restrictive than or conflicts with a law or regulation of this State relating to:

(a) The packaging, labeling, testing, dosage or potency of cannabis or cannabis products;

(b) The kinds of cannabis products authorized to be sold pursuant to title 56 of NRS;

(c) The use of pesticides in the cultivation of cannabis;

(d) The tracking of cannabis from seed to sale;

(e) The transportation of cannabis or cannabis products other than the direct transportation of cannabis or cannabis products to a consumer and a requirement to notify the city of any transportation of cannabis or cannabis products;

(f) The issuance or verification of a registry identification card, letter of approval or written documentation;

(g) The training or certification of cannabis establishment agents; or

(h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of cannabis establishments or holders of a registry identification card or letter of approval; or

(i) The content of any advertisement used by a cannabis establishment unless the ordinance sets forth specific prohibited content for such an advertisement.

67. A person who obtains a business license described in this section is subject to all other licensing and permitting requirements of the State and any other counties and cities in which the person does business.

78. As used in this section:

(a) “Cannabis establishment” has the meaning ascribed to it in [NRS 678A.095](#).

(b) “Cannabis establishment agent” has the meaning ascribed to it in [NRS 678A.100](#).

(c) “Cannabis products” has the meaning ascribed to it in [NRS 678A.120](#).

(d) “Letter of approval” has the meaning ascribed to it in [NRS 678C.070](#).

(e) “Registry identification card” has the meaning ascribed to it in [NRS 678C.080](#).

(f) “Written documentation” has the meaning ascribed to it in [NRS 678C.110](#).

(Added to NRS by [2017, 3671, 3715, 3736](#); A [2019, 2348, 3859](#))

CONCEPT 10

PROPOSED AMENDMENT TO NRS 453.321:

NRS 453.321 Offer, attempt or commission of unauthorized act relating to controlled or counterfeit substance unlawful; penalties; prohibition against probation or suspension of sentence for certain repeat offenders unless mitigating circumstances exist.

1. Except as authorized by the provisions of NRS 453.011 to 453.552, inclusive, it is unlawful for a person to:

(a) Import, transport, sell, exchange, barter, supply, prescribe, dispense, give away or administer a controlled or counterfeit substance:

(b) Manufacture or compound a counterfeit substance; or

(c) Offer or attempt to do any act set forth in paragraph (a) or (b).

2. Unless a greater penalty is provided in NRS 453.333 or 453.334, if a person violates subsection 1 and the controlled substance is classified in schedule I or II, the person shall be punished:

(a) For the first offense, for a category C felony as provided in NRS 193.130.

(b) For a second offense, or if, in the case of a first conviction under this subsection, the offender has previously been convicted of an offense under this section or of any offense under the laws of the United States or any state, territory or district which, if committed in this State, would amount to an offense under this section, for a category B felony by imprisonment in the state prison for a minimum term of not less than 2 years and a maximum term of not more than 10 years, and may be further punished by a fine of not more than \$20,000.

(c) For a third or subsequent offense, or if the offender has previously been convicted two or more times under this section or of any offense under the laws of the United States or any state, territory or district which, if committed in this State, would amount to an offense under this section, for a category B felony by imprisonment in the state prison for a minimum term of not less than 3 years and a maximum term of not more than 15 years, and may be further punished by a fine of not more than \$20,000 for each offense.

3. Unless mitigating circumstances exist that warrant the granting of probation, the court shall not grant probation to or suspend the sentence of a person convicted under subsection 2 and punishable pursuant to paragraph (b) or (c) of subsection 2.

4. Unless a greater penalty is provided in NRS 453.333 or 453.334, if a person violates subsection 1, and the controlled substance is classified in schedule III, IV or V, the person shall be punished:

(a) For the first offense, for a category D felony as provided in NRS 193.130.

(b) For a second offense, or if, in the case of a first conviction of violating this subsection, the offender has previously been convicted of violating this section or of any offense under the laws of the United States or any state, territory or district which, if committed in this State, would amount to a violation of this section, for a category C felony as provided in NRS 193.130.

(c) For a third or subsequent offense, or if the offender has previously been convicted two or more times of violating this section or of any offense under the laws of the United States or any state, territory or district which, if committed in this State, would amount to a violation of this section, for a category B felony by imprisonment in the state prison for a minimum term of not less than 2 years and a maximum term of not more than 10 years, and may be further punished by a fine of not more than \$15,000 for each offense.

5. Any person who possesses with the intent to sell, import, transport, sell, exchange, barter, supply, prescribe, dispense, give away, or administer marijuana in a way not specifically authorized by Title 56 of the Nevada Revised Statutes shall be punished for a category D felony as provided in NRS 193.130.

56. Unless mitigating circumstances exist that warrant the granting of probation, the court shall not grant probation to or suspend the sentence of a person convicted under subsection 4 and punishable pursuant to paragraph (b) or (c) of subsection 4.