

Amendment No. 333

Senate Amendment to Senate Bill No. 374	(BDR 15-89)
Proposed by: Senate Committee on Judiciary	
Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 374 (§§ 12, 19.6).

ASSEMBLY ACTION			Initial and Date		SENATE ACTION			Initial and Date	
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold underlining is newly added transitory language.

MSM/BJE



Date: 4/22/2013

S.B. No. 374—Provides for the registration of nonprofit dispensaries authorized to dispense marijuana and products containing marijuana to persons authorized to engage in the medical use of marijuana.
(BDR 15-89)



SENATE BILL NO. 374—SENATORS
SEGERBLOM; AND MANENDO

MARCH 18, 2013

JOINT SPONSORS: ASSEMBLYMEN AIZLEY;
HOGAN AND SWANK

Referred to Committee on Judiciary

SUMMARY—Provides for the registration of ~~nonprofit dispensaries~~ **medical marijuana establishments** authorized to **cultivate or** dispense marijuana ~~and~~ **or manufacture** products containing marijuana **for sale** to persons authorized to engage in the medical use of marijuana. (BDR 15-89)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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 medical marijuana; providing for the registration of ~~nonprofit dispensaries~~ **medical marijuana establishments** authorized to **cultivate or** dispense marijuana ~~and~~ **or manufacture** products containing marijuana **for sale** to persons authorized to engage in the medical use of marijuana; setting forth the manner in which such ~~dispensaries~~ **establishments** must **register and** operate; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, the State of Nevada provides immunity from state and local
2 prosecution for possessing, delivering and producing marijuana in certain limited amounts for
3 patients with qualifying medical conditions, and their designated primary caregivers, who
4 apply to and receive from the Health Division of the Department of Health and Human
5 Services a registry identification card. Existing law does not specify the manner in which
6 qualifying patients and their designated primary caregivers are to obtain marijuana. (Chapter
7 453A of NRS)

8 This bill: (1) states that it is an unlawful act, punishable as a ~~misdemeanor~~ **category E**
9 **felony**, to forge, counterfeit or attempt to forge or counterfeit a registry identification card; (2)
10 provides for the registration of ~~nonprofit~~ medical marijuana **establishments, the three types**
11 **of which are cultivation facilities, facilities for the production of edible marijuana**
12 **products and medical marijuana** dispensaries; (3) provides for the registration of
13 ~~nonprofit~~ medical marijuana ~~dispensary~~ **establishment** agents; (4) sets forth the crimes
14 and acts which disqualify a person from serving as the ~~principal~~ **owner**, officer, board

15 member or agent of such ~~dispensary~~ an establishment; (5) enumerates the acts for which
 16 a ~~dispensary~~ medical marijuana establishment registration certificate and ~~dispensary~~ a
 17 medical marijuana establishment agent registration card are immediately revocable; (6)
 18 establishes that it is a privilege and not a right to hold a ~~dispensary~~ medical marijuana
 19 establishment registration certificate or ~~dispensary~~ a medical marijuana establishment
 20 agent registration card; (7) sets forth the maximum fees which may be charged by the Health
 21 Division for the initial issuance and renewal of such certificates and cards; (8) sets forth the
 22 basic requirements for operating a ~~nonprofit~~ medical marijuana ~~dispensary~~
 23 establishment; and (9) directs the Health Division to adopt necessary regulations. This bill
 24 also increases the amounts of usable marijuana and live marijuana plants that a holder of a
 25 registry identification card and his or her designated primary caregiver are allowed to possess
 26 at any one time, matching the amounts allowed under the laws of the State of Arizona.

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

1 **Section 1.** Chapter 207 of NRS is hereby amended by adding thereto a new
 2 section to read as follows:

3 *1. It is unlawful for any person to counterfeit or forge or attempt to*
 4 *counterfeit or forge a registry identification card.*

5 *2. Any person who violates the provisions of subsection 1 is guilty of a*
 6 ~~*misdeemeanor*~~ *category E felony and shall be punished as provided in NRS*
 7 *193.130.*

8 *3. As used in this section, "registry identification card" has the meaning*
 9 *ascribed to it in NRS 453A.140.*

10 **Sec. 2.** Chapter 453A of NRS is hereby amended by adding thereto the
 11 provisions set forth as sections 3 to 20, inclusive, of this act.

12 **Sec. 3. "Crime of violence" means any felony:**

13 *1. Involving the use or threatened use of force or violence against the*
 14 *person or property of another; or*

15 *2. For which there is a substantial risk that force or violence may be used*
 16 *against the person or property of another in the commission of the felony.*

17 **Sec. 3.5. "Cultivation facility" means a business that:**

18 *1. Is registered with the Division pursuant to section 10 of this act; and*

19 *2. Acquires, possesses, cultivates, delivers, transfers, transports, supplies or*
 20 *sells marijuana and related supplies to:*

21 *(a) Medical marijuana dispensaries;*

22 *(b) Facilities for the production of edible marijuana products; or*

23 *(c) Other cultivation facilities.*

24 **Sec. 4. ~~"Dispensary agent registration card" means a registration card~~**
 25 ~~*that is issued by the Division pursuant to section 13 of this act to authorize a*~~
 26 ~~*person to volunteer or work at a nonprofit medical marijuana dispensary.*~~
 27 **(Deleted by amendment.)**

28 **Sec. 5. ~~"Dispensary registration certificate" means a registration~~**
 29 ~~*certificate that is issued by the Division pursuant to section 10 of this act to*~~
 30 ~~*authorize the operation of a nonprofit medical marijuana dispensary.*~~
 31 **(Deleted by amendment.)**

32 **Sec. 5.3. "Edible marijuana products" means products that:**

33 *1. Contain marijuana or an extract thereof;*

34 *2. Are intended for human consumption; and*

35 *3. Are presented in the form of foodstuffs, extracts, oils, tinctures and other*
 36 *similar products.*

1 Sec. 5.5. “Electronic verification system” means an electronic database
2 that:

- 3 1. Keeps track of data in real time; and
4 2. Is accessible by the Division and by registered medical marijuana
5 establishments.

6 Sec. 6. “Enclosed, locked facility” means a closet, display case, room,
7 greenhouse or other enclosed area that meets the requirements of section 19.4 of
8 this act and is equipped with locks or other security devices which allow access
9 only by a medical marijuana establishment agent and the holder of a valid
10 registry identification card.

11 Sec. 7. 1. “Excluded felony offense” means:

- 12 (a) A crime of violence; or
13 (b) A violation of a state or federal law pertaining to controlled substances, if
14 the law was punishable as a felony in the jurisdiction where the person was
15 convicted.

16 2. The term does not include:

- 17 (a) A criminal offense for which the sentence, including any term of
18 probation, incarceration or supervised release, was completed within the 10
19 previous years; or

20 (b) An offense involving conduct that would be immune from arrest,
21 prosecution or penalty pursuant to sections 10 to 20, inclusive, of this act, except
22 that the conduct occurred before January 1, 2014, or was prosecuted by an
23 authority other than the State of Nevada.

24 Sec. 7.3. “Facility for the production of edible marijuana products” means
25 a business that:

- 26 1. Is registered with the Division pursuant to section 10 of this act; and
27 2. Acquires, possesses, manufactures, delivers, transfers, transports,
28 supplies or sells edible marijuana products to medical marijuana dispensaries.

29 Sec. 7.7. “Inventory control system” means a process, device or other
30 contrivance that may be used to monitor the chain of custody of marijuana used
31 for medical purposes from the point of cultivation to the end consumer.

32 Sec. 8. ~~“Nonprofit medical”~~ “Medical marijuana dispensary” means ~~an~~
33 ~~entity~~ a business that:

- 34 1. Is registered with the Division pursuant to section 10 of this act; and
35 2. Acquires, possesses, ~~cultivates, manufactures,~~ delivers, transfers,
36 transports, supplies, sells or dispenses marijuana or related supplies and
37 educational materials to the holder of a valid registry identification card.

38 Sec. 8.3. “Medical marijuana establishment” means:

- 39 1. A cultivation facility;
40 2. A facility for the production of edible marijuana products;
41 3. A medical marijuana dispensary; or
42 4. A business that has registered with the Division and paid the requisite
43 fees to act as more than one of the types of businesses listed in subsections 1, 2
44 and 3.

45 Sec. 8.5. “Medical marijuana establishment agent” means an owner,
46 officer, board member, employee or volunteer of a medical marijuana
47 establishment.

48 Sec. 8.6. “Medical marijuana establishment agent registration card”
49 means a registration card that is issued by the Division pursuant to section 13 of
50 this act to authorize a person to volunteer or work at a medical marijuana
51 establishment.

1 Sec. 8.7. “Medical marijuana establishment registration certificate” means
2 a registration certificate that is issued by the Division pursuant to section 10 of
3 this act to authorize the operation of a medical marijuana establishment.

4 Sec. 8.8. “THC” means delta-9-tetrahydrocannabinol, which is the primary
5 active ingredient in marijuana.

6 Sec. 9. ~~“Nonprofit medical marijuana dispensary agent” means a~~
7 ~~principal officer, board member, employee or volunteer of a nonprofit medical~~
8 ~~marijuana dispensary.~~ (Deleted by amendment.)

9 Sec. 10. 1. Each ~~nonprofit~~ medical marijuana ~~dispensary~~
10 establishment must register with the Division.

11 2. A person who wishes to operate a ~~nonprofit~~ medical marijuana
12 ~~dispensary must~~ establishment:

13 (a) Must submit to the Division an application on a form prescribed by the
14 Division ~~and~~; and

15 (b) Must have been a resident of the State of Nevada for at least 3 years
16 immediately preceding the date on which he or she submits the application.

17 3. Except as otherwise provided in sections 11 and 16 of this act, not later
18 than 90 days after receiving an application to operate a ~~nonprofit~~ medical
19 marijuana ~~dispensary~~ establishment, the Division shall register the ~~nonprofit~~
20 medical marijuana ~~dispensary~~ establishment and issue a ~~dispensary~~ medical
21 marijuana establishment registration certificate and a random 20-digit
22 alphanumeric identification number if:

23 (a) The person who wishes to operate the proposed ~~nonprofit~~ medical
24 marijuana ~~dispensary~~ establishment has submitted to the Division all of the
25 following:

26 (1) The application fee, as set forth in section 12 of this act;

27 (2) An application, which must include:

28 (I) The legal name of the proposed ~~nonprofit~~ medical marijuana
29 ~~dispensary~~ establishment;

30 (II) The physical address where the proposed ~~nonprofit~~ medical
31 marijuana ~~dispensary~~ establishment will be located and the physical address of
32 ~~one~~ any co-owned additional location, if any, where marijuana will be
33 cultivated, neither or otherwise associated medical marijuana establishments,
34 the locations of which ~~locations~~ may not be within ~~500~~ 1,000 feet of a public
35 or private school that provides formal education traditionally associated with
36 preschool or kindergarten through grade 12, and that existed on the date on
37 which the application for the proposed ~~nonprofit~~ medical marijuana
38 ~~dispensary~~ establishment was submitted to the Division;

39 (III) Evidence that the applicant controls not less than \$150,000 in
40 liquid assets to cover the initial expenses of opening the proposed ~~nonprofit~~
41 medical marijuana ~~dispensary~~ establishment and complying with the provisions
42 of sections 10 to 20, inclusive, of this act;

43 (IV) Evidence that the applicant owns the property on which the
44 proposed ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment will be
45 located or has the written permission of the property owner to operate the
46 proposed ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment on that
47 property;

48 (V) For the applicant and each person who will be ~~a principal~~ an
49 owner, officer or board member of the proposed ~~nonprofit~~ medical marijuana
50 ~~dispensary~~ establishment, a complete set of the person’s fingerprints and
51 written permission of the person authorizing the Division to forward the
52 fingerprints to the Central Repository for Nevada Records of Criminal History
53 for submission to the Federal Bureau of Investigation for its report;

1 ~~(VI) [The name and credentials of the physician licensed in this State~~
2 ~~who will serve as the medical director of the proposed nonprofit medical~~
3 ~~marijuana dispensary.]~~

4 ~~(VII) The name, address and date of birth of each person who will~~
5 ~~be [a principal] an owner, officer or board member of the proposed [nonprofit]~~
6 ~~medical marijuana [dispensary] establishment; and~~

7 ~~[(VIII)] (VII) The name, address and date of birth of each person~~
8 ~~who will be employed by or otherwise provide labor at the proposed [nonprofit]~~
9 ~~medical marijuana [dispensary] establishment as a [nonprofit] medical~~
10 ~~marijuana [dispensary] establishment agent;~~

11 (3) Operating procedures consistent with rules of the Division for
12 oversight of the proposed [nonprofit] medical marijuana [dispensary]
13 establishment, including, without limitation, ~~[procedures]~~ ;

14 (I) Procedures to ensure [accurate recordkeeping and] the use of
15 adequate security measures; and

16 (II) The use of an electronic verification system and an inventory
17 control system, pursuant to sections 19.1 and 19.2 of this act;

18 (4) If the proposed [nonprofit] medical marijuana [dispensary]
19 establishment will sell or deliver ~~[marijuana-infused] edible [food] marijuana~~
20 ~~products, [marijuana-infused tinctures or other similar products] proposed~~
21 ~~operating procedures for handling such [goods] products which must be~~
22 ~~preapproved by the Division;~~

23 (5) If the city, town or county in which the proposed [nonprofit] medical
24 marijuana [dispensary] establishment will be located has enacted zoning
25 restrictions, a sworn statement certifying that the proposed [nonprofit] medical
26 marijuana [dispensary] establishment is in compliance with those restrictions;
27 and

28 (6) Such other information as the Division may require by regulation;

29 (b) None of the persons who would be ~~[principal] owners~~, officers or board
30 members of the proposed [nonprofit] medical marijuana [dispensary]
31 establishment have been convicted of an excluded felony offense;

32 (c) None of the persons who would be ~~[principal] owners~~, officers or board
33 members of the proposed [nonprofit] medical marijuana [dispensary]
34 establishment have:

35 (1) Served as ~~[a principal] an owner~~, officer or board member for a
36 ~~[nonprofit] medical marijuana [dispensary] establishment that has had its~~
37 ~~[dispensary] medical marijuana establishment registration certificate revoked; or~~

38 (2) Previously had a ~~[dispensary] medical marijuana establishment agent~~
39 registration card revoked; and

40 (d) None of the persons who would be ~~[principal] owners~~, officers or board
41 members of the proposed [nonprofit] medical marijuana [dispensary]
42 establishment are under 21 years of age.

43 4. For each person who submits an application pursuant to this section, and
44 each person who would be ~~[a principal] an owner~~, officer or board member of a
45 proposed [nonprofit] medical marijuana [dispensary] establishment, the Division
46 shall submit the fingerprints of the person to the Central Repository for Nevada
47 Records of Criminal History for submission to the Federal Bureau of
48 Investigation to determine the criminal history of that person.

49 5. If an application for registration as a ~~[nonprofit] medical marijuana~~
50 ~~[dispensary] establishment satisfies the requirements of this section and the~~
51 ~~[dispensary] establishment is not disqualified from being registered as a~~
52 ~~[nonprofit] medical marijuana [dispensary] establishment pursuant to this~~
53 ~~section or other applicable law, the Division shall issue to the [dispensary]~~

1 establishment a ~~(dispensary)~~ medical marijuana establishment registration
 2 certificate. A ~~(dispensary)~~ medical marijuana establishment registration
 3 certificate expires 1 year after the date of issuance and may be renewed upon:

- 4 (a) Resubmission of the information set forth in this section; and
 5 (b) Payment of the renewal fee set forth in section 12 of this act.

6 Sec. 10.5. Each medical marijuana establishment must:

- 7 1. Be located in a separate building or facility;
 8 2. Comply with local zoning ordinances and rules;
 9 3. Have an appearance, both as to the interior and exterior, that is
 10 professional, orderly, dignified and consistent with the traditional style of
 11 pharmacies and medical offices; and
 12 4. Have discreet and professional signage that is consistent with the
 13 traditional style of signage for pharmacies and medical offices.

14 Sec. 11. 1. Except as otherwise provided in this ~~(subsection)~~ section, the
 15 Division shall ~~not~~ issue ~~(dispensary)~~ medical marijuana establishment
 16 registration certificates for medical marijuana dispensaries in ~~(such a quantity)~~
 17 the following quantities for applicants who qualify pursuant to section 10 of this
 18 act:

- 19 (a) In a county whose population is 700,000 or more, 40 certificates;
 20 (b) In a county whose population is 100,000 or more but less than 700,000,
 21 10 certificates;
 22 (c) In a county whose population is 55,000 or more but less than 100,000, 2
 23 certificates; and
 24 (d) In each other county, 1 certificate.

25 2. Notwithstanding the provisions of subsection 1, the Division shall not
 26 issue medical marijuana establishment registration certificates for medical
 27 marijuana dispensaries in such a quantity as to cause the existence within the
 28 applicable county of more than one ~~(nonprofit)~~ medical marijuana dispensary for
 29 every 10 pharmacies that have been licensed in the county pursuant to chapter
 30 639 of NRS, ~~(and are operating within this State).~~ The Division may issue
 31 ~~(dispensary)~~ medical marijuana establishment registration certificates for
 32 medical marijuana dispensaries in excess of the ratio otherwise allowed pursuant
 33 to this subsection if to do so is necessary to ensure that the Division issues at least
 34 one ~~(dispensary)~~ medical marijuana establishment registration certificate in each
 35 county of this State in which the Division has approved an application for such an
 36 establishment to operate.

37 ~~(2)~~ 3. With respect to medical marijuana establishments that are not
 38 medical marijuana dispensaries, the Division shall determine the appropriate
 39 number of such establishments as are necessary to serve and supply the medical
 40 marijuana dispensaries to which the Division has granted medical marijuana
 41 establishment registration certificates.

42 4. The Division shall not, for more than a total of 10 ~~(consecutive)~~ business
 43 days in any 1 calendar year, accept applications to operate ~~(nonprofit)~~ medical
 44 marijuana ~~(dispensaries).~~

45 ~~3. Before adopting regulations to carry out the provisions of sections 10 to~~
 46 ~~20, inclusive, of this act, the Division shall issue such questionnaires and conduct~~
 47 ~~such meetings and studies as may be necessary to determine the number of~~
 48 ~~nonprofit medical marijuana dispensaries that can reasonably be operated in~~
 49 ~~each county, city and town in this State with a view toward ensuring that the~~
 50 ~~number of dispensaries is neither excessive nor insufficient to serve the~~
 51 ~~population of patients who are valid registry identification cardholders in that~~
 52 ~~county, city or town. If the Division determines that the likely number of~~
 53 ~~applicants who wish to register a nonprofit medical marijuana dispensary in a~~

1 ~~given county, city or town exceeds the number of dispensaries reasonably~~
2 ~~necessary to serve the population of that county, city or town, the Division shall~~
3 ~~implement a lottery system to select the successful registrants from among the~~
4 ~~applications submitted.] establishments.~~

5 ~~Sec. 12. [The]~~

6 1. Except as otherwise provided in subsection 2, the Division shall collect
7 not more than the following maximum fees:

- 8
- 9 For the initial issuance of a ~~[dispensary]~~ medical
- 10 marijuana establishment registration certificate
- 11 for a medical marijuana dispensary.....~~[\$5,000]~~ \$2,000
- 12 For the renewal of a ~~[dispensary]~~ medical marijuana
- 13 establishment registration certificate for a medical
- 14 marijuana dispensary.....~~[1,000]~~ 5,000
- 15 For the ~~[change of address of a nonprofit]~~ initial
- 16 issuance of a medical marijuana ~~[dispensary or a]~~
- 17 establishment registration certificate for a cultivation
- 18 ~~[site of such a dispensary]~~ facility.....~~[2,500]~~ 3,000
- 19 For the renewal of a medical marijuana establishment
- 20 registration certificate for a cultivation facility..... 1,000
- 21 For the initial issuance of a medical marijuana
- 22 establishment registration certificate for a facility for
- 23 the production of edible marijuana products..... 2,000
- 24 For the renewal of a medical marijuana establishment
- 25 registration certificate for a facility for the production
- 26 of edible marijuana products..... 750
- 27 For the initial issuance of a ~~[dispensary]~~ medical
- 28 marijuana establishment agent registration card..... 500
- 29 For the renewal of a ~~[dispensary]~~ medical marijuana
- 30 establishment agent registration card..... 500
- 31

32 2. In addition to the fees described in subsection 1, each applicant for a
33 medical marijuana establishment registration certificate must pay to the Division:

- 34 (a) A one-time, nonrefundable application fee of \$5,000; and
- 35 (b) The actual costs incurred by the Division in processing the application,
- 36 including, without limitation, conducting background checks.

37 3. Any revenue generated from the fees imposed pursuant to this section:

- 38 (a) Must be expended first to pay the costs of the Division in carrying out the
- 39 provisions of sections 10 to 20, inclusive of this act; and
- 40 (b) If any excess revenue remains after paying the costs described in
- 41 paragraph (a), such excess revenue must be paid over to the State Treasurer to be
- 42 deposited to the credit of the State Distributive School Account in the State
- 43 General Fund.

44 Sec. 13. 1. A person shall not volunteer or work at a ~~[nonprofit]~~ medical
45 marijuana ~~[dispensary]~~ establishment as a ~~[nonprofit]~~ medical marijuana
46 ~~[dispensary]~~ establishment agent unless the person is registered with the Division
47 pursuant to this section.

48 2. A ~~[nonprofit]~~ medical marijuana ~~[dispensary]~~ establishment that wishes
49 to retain as a volunteer or employ a ~~[nonprofit]~~ medical marijuana ~~[dispensary]~~
50 establishment agent shall submit to the Division an application on a form
51 prescribed by the Division. The application must be accompanied by:

- 52 (a) The name, address and date of birth of the prospective ~~[nonprofit]~~
- 53 medical marijuana ~~[dispensary]~~ establishment agent;

1 (b) A statement signed by the prospective ~~nonprofit~~ medical marijuana
2 ~~dispensary~~ establishment agent pledging not to dispense or otherwise divert
3 marijuana to any person who is not authorized to possess marijuana in
4 accordance with the provisions of this chapter;

5 (c) A statement signed by the prospective ~~nonprofit~~ medical marijuana
6 ~~dispensary~~ establishment agent asserting that he or she has not previously had a
7 ~~dispensary~~ medical marijuana establishment agent registration card revoked;

8 (d) A complete set of the fingerprints and written permission of the
9 prospective ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment agent
10 authorizing the Division to forward the fingerprints to the Central Repository for
11 Nevada Records of Criminal History for submission to the Federal Bureau of
12 Investigation for its report;

13 (e) The application fee, as set forth in section 12 of this act; and

14 (f) Such other information as the Division may require by regulation.

15 3. A ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment shall notify
16 the Division within 10 days after a ~~nonprofit~~ medical marijuana ~~dispensary~~
17 establishment agent ceases to be employed by or volunteer at the ~~nonprofit~~
18 medical marijuana dispensary establishment.

19 4. A person who:

20 (a) Has been convicted of an excluded felony offense; or

21 (b) Is less than 21 years of age,

22 \rightarrow shall not serve as a ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment
23 agent.

24 5. The Division shall submit the fingerprints of an applicant for registration
25 as a ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment agent to the
26 Central Repository for Nevada Records of Criminal History for submission to the
27 Federal Bureau of Investigation to determine the criminal history of the
28 applicant.

29 6. The provisions of this section do not require a person who is ~~a principal~~
30 an owner, officer or board member of a ~~nonprofit~~ medical marijuana
31 ~~dispensary~~ establishment to resubmit information already furnished to the
32 Division at the time the ~~dispensary~~ establishment was registered with the
33 Division.

34 7. If an applicant for registration as a ~~nonprofit~~ medical marijuana
35 ~~dispensary~~ establishment agent satisfies the requirements of this section and is
36 not disqualified from serving as such an agent pursuant to this section or any
37 other applicable law, the Division shall issue to the person a ~~dispensary~~ medical
38 marijuana establishment agent registration card. A ~~dispensary~~ medical
39 marijuana establishment agent registration card expires 1 year after the date of
40 issuance and may be renewed upon:

41 (a) Resubmission of the information set forth in this section; and

42 (b) Payment of the renewal fee set forth in section 12 of this act.

43 Sec. 14. 1. In addition to any other requirements set forth in this chapter,
44 an applicant for the issuance or renewal of a ~~dispensary~~ medical marijuana
45 establishment agent registration card or ~~dispensary~~ medical marijuana
46 establishment registration certificate shall:

47 (a) Include the social security number of the applicant in the application
48 submitted to the Division.

49 (b) Submit to the Division the statement prescribed by the Division of
50 Welfare and Supportive Services of the Department of Health and Human
51 Services pursuant to NRS 425.520. The statement must be completed and signed
52 by the applicant.

1 2. The Division shall include the statement required pursuant to subsection
2 I in:

3 (a) The application or any other forms that must be submitted for the
4 issuance or renewal of the ~~dispensary~~ medical marijuana establishment agent
5 registration card or ~~dispensary~~ medical marijuana establishment registration
6 certificate; or

7 (b) A separate form prescribed by the Division.

8 3. A ~~dispensary~~ medical marijuana establishment agent registration card
9 or ~~dispensary~~ medical marijuana establishment registration certificate may not
10 be issued or renewed by the Division if the applicant:

11 (a) Fails to submit the statement required pursuant to subsection I; or

12 (b) Indicates on the statement submitted pursuant to subsection I that the
13 applicant is subject to a court order for the support of a child and is not in
14 compliance with the order or a plan approved by the district attorney or other
15 public agency enforcing the order for the repayment of the amount owed
16 pursuant to the order.

17 4. If an applicant indicates on the statement submitted pursuant to
18 subsection I that the applicant is subject to a court order for the support of a
19 child and is not in compliance with the order or a plan approved by the district
20 attorney or other public agency enforcing the order for the repayment of the
21 amount owed pursuant to the order, the Division shall advise the applicant to
22 contact the district attorney or other public agency enforcing the order to
23 determine the actions that the applicant may take to satisfy the arrearage.

24 Sec. 15. 1. If the Division receives a copy of a court order issued pursuant
25 to NRS 425.540 that provides for the suspension of all professional, occupational
26 and recreational licenses, certificates and permits issued to a person who is the
27 holder of a ~~dispensary~~ medical marijuana establishment agent registration card
28 or ~~dispensary~~ medical marijuana establishment registration certificate, the
29 Division shall deem the card or certificate issued to that person to be suspended
30 at the end of the 30th day after the date on which the court order was issued
31 unless the Division receives a letter issued to the holder of the card or certificate
32 by the district attorney or other public agency pursuant to NRS 425.550 stating
33 that the holder of the card or certificate has complied with the subpoena or
34 warrant or has satisfied the arrearage pursuant to NRS 425.560.

35 2. The Division shall reinstate a ~~dispensary~~ medical marijuana
36 establishment agent registration card or ~~dispensary~~ medical marijuana
37 establishment registration certificate that has been suspended by a district court
38 pursuant to NRS 425.540 if the Division receives a letter issued by the district
39 attorney or other public agency pursuant to NRS 425.550 to the person whose
40 card or certificate was suspended stating that the person whose card or certificate
41 was suspended has complied with the subpoena or warrant or has satisfied the
42 arrearage pursuant to NRS 425.560.

43 Sec. 16. The following acts constitute grounds for immediate revocation of
44 ~~the registration certificate of a nonprofit medical marijuana dispensary~~
45 establishment registration certificate:

46 1. Dispensing, delivering or otherwise transferring marijuana to a person
47 other than a ~~nonprofit~~ medical marijuana dispensary establishment agent,
48 another ~~nonprofit~~ medical marijuana dispensary establishment, a patient who
49 holds a valid registry identification card or the designated primary caregiver of
50 such a patient.

51 2. Acquiring usable marijuana or mature marijuana plants from any
52 person other than a ~~nonprofit~~ medical marijuana dispensary establishment
53 agent, another ~~nonprofit~~ medical marijuana dispensary establishment, a

1 patient who holds a valid registry identification card or the designated primary
2 caregiver of such a patient.

3 3. Violating a regulation of the Division, the violation of which is stated to
4 be grounds for immediate revocation of a ~~dispensary~~ medical marijuana
5 establishment registration certificate.

6 Sec. 17. The following acts constitute grounds for the immediate revocation
7 of the ~~dispensary~~ medical marijuana establishment agent registration card of a
8 ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment agent:

9 1. Having committed or committing any excluded felony offense.

10 2. Dispensing, delivering or otherwise transferring marijuana to a person
11 other than a ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment agent,
12 another ~~nonprofit~~ medical marijuana ~~dispensary agent~~ establishment, a
13 patient who holds a valid registry identification card or the designated primary
14 caregiver of such a patient.

15 3. Violating a regulation of the Division, the violation of which is stated to
16 be grounds for immediate revocation of a ~~dispensary~~ medical marijuana
17 establishment agent registration card.

18 Sec. 18. The purpose for registering ~~nonprofit~~ medical marijuana
19 ~~dispensaries~~ establishments and ~~nonprofit~~ medical marijuana ~~dispensary~~
20 establishment agents is to protect the public health and safety and the general
21 welfare of the people of this State. Any ~~dispensary~~ medical marijuana
22 establishment registration certificate issued pursuant to section 10 of this act and
23 any ~~dispensary~~ medical marijuana establishment agent registration card issued
24 pursuant to section 13 of this act is a revocable privilege and the holder of such a
25 certificate or card, as applicable, does not acquire thereby any vested right.

26 Sec. 19. 1. ~~A nonprofit medical marijuana dispensary must be operated~~
27 ~~on a not for profit basis. The bylaws of a nonprofit medical marijuana dispensary~~
28 ~~must contain such provisions relative to the disposition of revenues and receipts~~
29 ~~to establish and maintain its nonprofit character. A nonprofit medical marijuana~~
30 ~~dispensary~~

31 ~~— (a) Need not be recognized as tax exempt by the Internal Revenue Service;~~
32 ~~and~~

33 ~~— (b) Is not required to be organized pursuant to chapter 82 of NRS;~~

34 ~~2. The operating documents of a nonprofit medical marijuana~~
35 ~~dispensary establishment must include procedures:~~

36 (a) For the oversight of the ~~nonprofit~~ medical marijuana dispensary; and

37 (b) To ensure accurate recordkeeping ~~;~~

38 ~~3. , including, without limitation, the provisions of sections 19.1 and 19.2 of~~
39 ~~this act.~~

40 2. A ~~nonprofit~~ medical marijuana ~~dispensary~~ establishment must have a
41 single secure entrance and shall implement ~~appropriate~~ strict security measures
42 to deter and prevent the theft of marijuana and unauthorized entrance into areas
43 containing marijuana.

44 ~~1. 3. A nonprofit medical marijuana dispensary establishment is~~
45 ~~prohibited from acquiring, possessing, cultivating, manufacturing, delivering,~~
46 ~~transferring, transporting, supplying or dispensing marijuana for any purpose~~
47 ~~except to:~~

48 (a) Directly or indirectly assist patients who possess valid registry
49 identification cards; and

50 (b) Assist patients who possess valid registry identification cards by way of
51 those patients' designated primary caregivers.

52 ~~5. 4. All cultivation or production of marijuana that a nonprofit medical~~
53 ~~marijuana dispensary cultivation facility carries out or causes to be carried out~~

1 must take place in an enclosed, locked facility at the physical address provided to
2 the Division during the registration process for the ~~[dispensary]~~ cultivation
3 facility. Such an enclosed, locked facility must be accessible only by ~~[nonprofit]~~
4 medical marijuana ~~[dispensary]~~ establishment agents who are lawfully associated
5 with the ~~[nonprofit medical marijuana dispensary]~~.

6 ~~6.] cultivation facility, except that limited access by persons necessary to~~
7 ~~perform construction or repairs or provide other labor is permissible if such~~
8 ~~persons are supervised by a medical marijuana establishment agent.~~

9 5. A ~~[nonprofit]~~ medical marijuana dispensary and a cultivation facility
10 may acquire usable marijuana or marijuana plants from a patient who holds a
11 valid registry identification card, or the designated primary caregiver of such a
12 patient. ~~[only if]~~ Except as otherwise provided in this subsection, the patient or
13 caregiver, as applicable, ~~[receives]~~ must receive no compensation for the
14 marijuana.

15 ~~7.] A patient who holds a valid registry identification card, and the designated~~
16 ~~primary caregiver of such a patient, may sell usable marijuana to a medical~~
17 ~~marijuana dispensary one time and may sell marijuana plants to a cultivation~~
18 ~~facility one time.~~

19 6. A ~~[nonprofit]~~ medical marijuana ~~[dispensary]~~ establishment shall not
20 allow any person to consume marijuana on the property or premises of the
21 ~~[dispensary]~~.

22 ~~8. Nonprofit medical]~~ establishment.

23 7. Medical marijuana ~~[dispensaries]~~ establishments are subject to
24 reasonable inspection by the Division ~~[. The Division shall give reasonable notice~~
25 ~~of an inspection under this subsection.~~

26 ~~9. Nothing in this section prohibits a nonprofit medical marijuana~~
27 ~~dispensary from receiving payment or other compensation, provided that such~~
28 ~~payment or compensation is used by the dispensary only to cover costs incurred~~
29 ~~in the operation of the dispensary.] at any time, and a person who holds a~~
30 ~~medical marijuana establishment registration certificate must make himself or~~
31 ~~herself, or a designee thereof, available and present for any inspection by the~~
32 ~~Division of the establishment.~~

33 Sec. 19.1. 1. Each medical marijuana establishment, in consultation with
34 the Division, shall maintain an electronic verification system.

35 2. The electronic verification system required pursuant to subsection 1 must
36 be able to monitor and report information, including, without limitation:

37 (a) Whether a person holds a valid registry identification card, including,
38 without limitation:

39 (1) The date on which the card was issued;

40 (2) The date on which the card will expire; and

41 (3) The name and contact information of the attending physician who
42 advised the person that the medical use of marijuana may mitigate the symptoms
43 or effects of the person's medical condition;

44 (b) Whether a medical marijuana establishment agent holds a valid medical
45 marijuana establishment agent registration card;

46 (c) Whether another medical marijuana establishment is registered validly in
47 accordance with sections 10 to 20, inclusive, of this act;

48 (d) Whether the registry identification card, or equivalent thereof, possessed
49 or presented by a person who is not a resident of Nevada, is genuine and valid;
50 and

51 (e) Such other information as the Division may require.

52 3. Nothing in this section prohibits more than one medical marijuana
53 establishment from co-owning an electronic verification system in cooperation

1 with other medical marijuana establishments, or sharing the information
2 obtained therefrom.

3 4. A medical marijuana establishment must exercise reasonable care to
4 ensure that the personal identifying information of persons who hold registry
5 identification cards which is contained in an electronic verification system is
6 encrypted, protected and not divulged for any purpose not specifically authorized
7 by law.

8 Sec. 19.2. 1. Each medical marijuana establishment, in consultation with
9 the Division, shall maintain an inventory control system.

10 2. The inventory control system required pursuant to subsection 1 must be
11 able to monitor and report information, including, without limitation:

12 (a) Insofar as is practicable, the chain of custody and current whereabouts,
13 in real time, of medical marijuana from the point that it is harvested at a
14 cultivation facility until it is sold at a medical marijuana dispensary and, if
15 applicable, if it is processed at a facility for the production of edible marijuana
16 products;

17 (b) The name of each person or other medical marijuana establishment, or
18 both, to which the establishment sold marijuana;

19 (c) In the case of a medical marijuana dispensary, the date on which it sold
20 marijuana to a person who holds a registry identification card and, if any, the
21 quantity of edible marijuana products sold, measured both by weight and
22 potency; and

23 (d) Such other information as the Division may require.

24 3. Nothing in this section prohibits more than one medical marijuana
25 establishment from co-owning an inventory control system in cooperation with
26 other medical marijuana establishments, or sharing the information obtained
27 therefrom.

28 4. A medical marijuana establishment must exercise reasonable care to
29 ensure that the personal identifying information of persons who hold registry
30 identification cards which is contained in an inventory control system is
31 encrypted, protected and not divulged for any purpose not specifically authorized
32 by law.

33 Sec. 19.3. Each medical marijuana dispensary shall ensure all of the
34 following:

35 1. The weight, concentration and content of THC in all marijuana and
36 edible marijuana products that the dispensary sells is clearly and accurately
37 stated on the product sold.

38 2. That the dispensary does not sell to a person, in any one 14-day period,
39 an amount of marijuana for medical purposes that exceeds the limits set forth in
40 NRS 453A.200.

41 3. That, posted clearly and conspicuously within the dispensary, are the
42 legal limits on the possession of marijuana for medical purposes, as set forth in
43 NRS 453A.200.

44 4. That, posted clearly and conspicuously within the dispensary, is a sign
45 stating unambiguously the legal limits on the possession of marijuana for
46 medical purposes, as set forth in NRS 453A.200.

47 Sec. 19.4. 1. At each medical marijuana establishment, medical
48 marijuana must be stored only in an enclosed, locked facility.

49 2. Except as otherwise provided in subsection 3, at each medical marijuana
50 dispensary, medical marijuana must be stored in a secure, locked device, display
51 case, cabinet or room within the enclosed, locked facility. The secure, locked
52 device, display case, cabinet or room must be protected by a lock or locking

1 mechanism that meets at least the security rating established by Underwriters
2 Laboratories for key locks.

3 3. At a medical marijuana dispensary, medical marijuana may be removed
4 from the secure setting described in subsection 2:

5 (a) Only for the purpose of dispensing the marijuana;

6 (b) Only immediately before the marijuana is dispensed; and

7 (c) Only by a medical marijuana establishment agent who is employed by or
8 volunteers at the dispensary.

9 Sec. 19.5. 1. The State of Nevada and the medical marijuana dispensaries
10 in this State which hold valid medical marijuana establishment registration
11 certificates will recognize a nonresident card only under the following
12 circumstances:

13 (a) The state or jurisdiction from which the holder or bearer obtained the
14 nonresident card grants an exemption from criminal prosecution for the medical
15 use of marijuana;

16 (b) The state or jurisdiction from which the holder or bearer obtained the
17 nonresident card requires, as a prerequisite to the issuance of such a card, that a
18 physician advise the person that the medical use of marijuana may mitigate the
19 symptoms or effects of the person's medical condition;

20 (c) The nonresident card has an expiration date and has not yet expired;

21 (d) The state or jurisdiction from which the holder or bearer obtained the
22 nonresident card maintains a database which preserves such information as may
23 be necessary to verify the authenticity and validity of the nonresident card;

24 (e) The state or jurisdiction from which the holder or bearer obtained the
25 nonresident card allows the Division and medical marijuana dispensaries in this
26 State to access the database described in paragraph (d);

27 (f) The Division determines that the database described in paragraph (d) is
28 able to provide to medical marijuana dispensaries in this State information that is
29 sufficiently accurate, current and specific as to allow those dispensaries to verify
30 that a person who holds or bears a nonresident card is entitled lawfully to do so;
31 and

32 (g) The holder or bearer of the nonresident card agrees to abide by, and does
33 abide by, the legal limits on the possession of marijuana for medical purposes in
34 this State, as set forth in NRS 453A.200.

35 2. For the purposes of the reciprocity described in this section:

36 (a) The amount of medical marijuana that the holder or bearer of a
37 nonresident card is entitled to possess in his or her state of residence is not
38 relevant; and

39 (b) Under no circumstances, while in this State, may the holder or bearer of
40 a nonresident card possess marijuana for medical purposes in excess of the limits
41 set forth in NRS 453A.200.

42 3. As used in this section, "nonresident card" means a card or other
43 identification that:

44 (a) Is issued by a state or jurisdiction other than Nevada; and

45 (b) Is the functional equivalent of a registry identification card, as
46 determined by the Division.

47 Sec. 19.6. 1. Each medical marijuana dispensary shall, at the time of
48 making a sale of marijuana or edible marijuana products, or both, collect a flat
49 fee of \$10 for deposit in the State General Fund.

50 2. The fee described in subsection 1 is to be applied in addition to any
51 overhead or administrative costs of the medical marijuana dispensary in making
52 the sale, and in addition to any profit made by the medical marijuana dispensary
53 on the sale.

1 3. As used in this section, "sale" means a single completed purchase,
2 regard of the number of individual items included in the purchase.

3 Sec. 19.7. Each medical marijuana dispensary and facility for the
4 production of edible marijuana products shall, in consultation with the Division,
5 cooperate to ensure that all edible marijuana products offered for sale:

6 1. Are labeled clearly and unambiguously as medical marijuana.

7 2. Are not presented in packaging that is appealing to children.

8 3. Are regulated and sold on the basis of the concentration of THC in the
9 products and not by weight.

10 4. Are packaged and labeled in such a manner as to allow tracking by way
11 of an inventory control system.

12 Sec. 19.8. 1. If a law enforcement agency legally and justly seizes
13 evidence from a medical marijuana establishment on a basis that, in
14 consideration of due process and viewed in the manner most favorable to the
15 establishment, would lead a reasonable person to believe that a crime has been
16 committed, the relevant provisions of NRS 179.1156 to 179.121, inclusive, apply
17 insofar as they do not conflict with the provisions of this chapter.

18 2. As used in this section, "law enforcement agency" has the meaning
19 ascribed to it in NRS 239C.065.

20 Sec. 19.9. 1. The Division shall establish or cause to be established an
21 independent testing laboratory.

22 2. The independent testing laboratory must determine, with respect to
23 marijuana and edible marijuana products that are sold or will be sold at medical
24 marijuana dispensaries in this State:

25 (a) The concentration therein of THC and cannabidiol.

26 (b) Whether the tested material is organic or non-organic.

27 (c) The presence and identification of molds and fungus.

28 (d) The presence and concentration of fertilizers and other nutrients.

29 3. The cost of establishing the independent testing laboratory must be paid
30 from the revenues described in paragraph (a) of subsection 3 of section 12 of this
31 act.

32 Sec. 20. The Division shall adopt such regulations as it determines to be
33 necessary or advisable to carry out the provisions of sections 10 to 20, inclusive,
34 of this act. Such regulations are in addition to any requirements set forth in
35 statute and must, without limitation:

36 1. Prescribe the form and any additional required content of registration
37 and renewal applications submitted pursuant to sections 10 and 13 of this act.

38 2. Set forth rules pertaining to the safe and healthful operation of
39 ~~nonprofit~~ medical marijuana ~~dispensaries,~~ establishments, including, without
40 limitation:

41 (a) The manner of protecting against diversion and theft without imposing
42 an undue burden on ~~nonprofit~~ medical marijuana ~~dispensaries,~~ establishments
43 or compromising the confidentiality of the holders of registry identification cards.

44 (b) Minimum requirements for the oversight of ~~nonprofit~~ medical
45 marijuana ~~dispensaries,~~ establishments.

46 (c) Minimum requirements for the keeping of records by ~~nonprofit~~ medical
47 marijuana ~~dispensaries,~~ establishments.

48 (d) Provisions for the security of ~~nonprofit~~ medical marijuana
49 ~~dispensaries,~~ establishments, including, without limitation, requirements for the
50 protection by a fully operational security alarm system of each ~~nonprofit~~
51 medical marijuana ~~dispensary and, if applicable, any associated site at which~~
52 activities of production or cultivation are conducted, establishment.

1 3. Establish circumstances and procedures pursuant to which the maximum
2 fees set forth in section 12 of this act may be reduced over time:

3 (a) To ensure that the fees imposed pursuant to section 12 of this act are,
4 insofar as may be practicable, revenue neutral; and

5 (b) To reflect gifts and grants received by the Division pursuant to NRS
6 453A.720.

7 4. Set forth the amount of usable marijuana that a ~~nonprofit~~ medical
8 marijuana dispensary may dispense to a person who holds a valid registry
9 identification card, or the designated primary caregiver of such a person, in any
10 one 14-day period. Such an amount must not exceed the limits set forth in NRS
11 453A.200.

12 5. As far as possible while maintaining accountability, protect the identity
13 and personal identifying information of each person who receives, facilitates or
14 delivers services in accordance with this chapter.

15 6. In cooperation with the Board of Medical Examiners and the State Board
16 of Osteopathic Medicine, establish a system to:

17 (a) Register and track attending physicians who advise their patients that the
18 medical use of marijuana may mitigate the symptoms or effects of the patient's
19 medical condition;

20 (b) Insofar as is possible, track and quantify the number of times an
21 attending physician described in paragraph (a) makes such an advisement; and

22 (c) Provide for the progressive discipline of attending physicians who advise
23 the medical use of marijuana at a rate at which the Division and Board determine
24 and agree to be unreasonably high.

25 7. Establish different categories of medical marijuana establishment agent
26 registration cards, including, without limitation, criteria for training and
27 certification, for each of the different types of medical marijuana establishments
28 at which such an agent may be employed or volunteer.

29 Sec. 21. NRS 453A.010 is hereby amended to read as follows:

30 453A.010 As used in this chapter, unless the context otherwise requires, the
31 words and terms defined in NRS 453A.020 to 453A.170, inclusive, **and sections 3**
32 **to 9, inclusive, of this act** have the meanings ascribed to them in those sections.

33 Sec. 21.5. **NRS 453A.100 is hereby amended to read as follows:**

34 453A.100 ~~“Drug paraphernalia” has the meaning ascribed to it in NRS~~
35 ~~453.554.~~ **“Paraphernalia” means accessories, devices and other equipment that**
36 **is necessary or useful for a person to engage in the medical use of marijuana.**

37 Sec. 22. NRS 453A.200 is hereby amended to read as follows:

38 453A.200 1. Except as otherwise provided in this section and NRS
39 453A.300, a person who holds a valid registry identification card issued to the
40 person pursuant to NRS 453A.220 or 453A.250 is exempt from state prosecution
41 for:

42 (a) Possession, delivery or production of marijuana;

43 (b) Possession or delivery of ~~drug~~ paraphernalia;

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

46 (d) Aiding and abetting another in the possession or delivery of ~~drug~~
47 paraphernalia;

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

50 (f) Any other criminal offense in which the possession, delivery or production
51 of marijuana or the possession or delivery of ~~drug~~ paraphernalia is an element.

52 2. In addition to the provisions of ~~subsection~~ **subsections 1** ~~+~~ **and 5**, no
53 person may be subject to state prosecution for constructive possession, conspiracy

1 or any other criminal offense solely for being in the presence or vicinity of the
2 medical use of marijuana in accordance with the provisions of this chapter.

3 3. The exemption from state prosecution set forth in subsection 1 applies only
4 to the extent that a person who holds a registry identification card issued to the
5 person pursuant to paragraph (a) of subsection 1 of NRS 453A.220 and the
6 designated primary caregiver, if any, of such a person:

7 (a) Engage in or assist in, as applicable, the medical use of marijuana in
8 accordance with the provisions of this chapter as justified to mitigate the symptoms
9 or effects of the person's chronic or debilitating medical condition; and

10 (b) Do not, at any one time, collectively possess, deliver or produce more than:

11 (1) ~~One ounce~~ *Two and one-half ounces* of usable marijuana ~~+~~ *in any*
12 *one 14-day period; and*

13 (2) ~~Three mature~~ *Twelve* marijuana plants ~~+~~ *and*

14 ~~Four immature marijuana plants.~~ *, irrespective of whether the*
15 *marijuana plants are mature or immature.*

16 *↳ The persons described in this subsection must ensure that the usable*
17 *marijuana and marijuana plants described in this subsection are safeguarded in*
18 *an enclosed, locked facility ~~+~~ pursuant to the requirements of section 19.4 of this*
19 *act.*

20 4. If the persons described in subsection 3 possess, deliver or produce
21 marijuana in an amount which exceeds the amount described in paragraph (b) of
22 that subsection, those persons:

23 (a) Are not exempt from state prosecution for possession, delivery or
24 production of marijuana.

25 (b) May establish an affirmative defense to charges of possession, delivery or
26 production of marijuana, or any combination of those acts, in the manner set forth
27 in NRS 453A.310.

28 5. *A person who holds a valid ~~dispensary~~ medical marijuana*
29 *establishment registration certificate issued to the person pursuant to section 10*
30 *of this act or a valid ~~dispensary~~ medical marijuana establishment agent*
31 *registration card issued to the person pursuant to section 13 of this act, and who*
32 *confines his or her activities to those authorized by sections 10 to 20, inclusive, of*
33 *this act and the regulations adopted by the Division pursuant thereto, is exempt*
34 *from state prosecution for:*

35 (a) *Possession, delivery or production of marijuana;*

36 (b) *Possession or delivery of ~~drug~~ paraphernalia;*

37 (c) *Aiding and abetting another in the possession, delivery or production of*
38 *marijuana;*

39 (d) *Aiding and abetting another in the possession or delivery of ~~drug~~*
40 *paraphernalia;*

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

43 (f) *Any other criminal offense in which the possession, delivery or*
44 *production of marijuana or the possession or delivery of ~~drug~~ paraphernalia is*
45 *an element.*

46 6. *Notwithstanding any other provision of law and except as otherwise*
47 *provided in this subsection, after a medical marijuana dispensary opens in the*
48 *county of residence of a person who holds a registry identification card or his or*
49 *her designated primary caregiver, if any, such persons are not authorized to*
50 *cultivate, grow or produce marijuana. The provisions of this subsection do not*
51 *apply if:*

1 (a) All the medical marijuana dispensaries in the county of residence of the
2 person who holds the registry identification card or his or her designated primary
3 caregiver, if any, close or are unable to supply marijuana for medical use.

4 (b) Because of illness or lack of transportation, the person who holds the
5 registry identification card and his or her designated primary caregiver, if any,
6 are unable reasonably to travel to a medical marijuana dispensary.

7 7. As used in this section, "marijuana" includes, without limitation, edible
8 marijuana products.

9 Sec. 22.5. NRS 453A.300 is hereby amended to read as follows:

10 453A.300 1. A person who holds a registry identification card issued to him
11 or her pursuant to NRS 453A.220 or 453A.250 is not exempt from state prosecution
12 for, nor may the person establish an affirmative defense to charges arising from,
13 any of the following acts:

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

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

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

21 (d) Possessing marijuana in violation of NRS 453.336 or possessing ~~drug~~
22 paraphernalia in violation of NRS 453.560 or 453.566, if the possession of the
23 marijuana or ~~drug~~ paraphernalia is discovered because the person engaged or
24 assisted in the medical use of marijuana in:

25 (1) Any public place or in any place open to the public or exposed to
26 public view; or

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

30 (e) Delivering marijuana to another person who he or she knows does not
31 lawfully hold a registry identification card issued by the Division or its designee
32 pursuant to NRS 453A.220 or 453A.250.

33 (f) Delivering marijuana for consideration to any person, regardless of whether
34 the recipient lawfully holds a registry identification card issued by the Division or
35 its designee pursuant to NRS 453A.220 or 453A.250.

36 2. Except as otherwise provided in NRS 453A.225 and in addition to any
37 other penalty provided by law, if the Division determines that a person has willfully
38 violated a provision of this chapter or any regulation adopted by the Division to
39 carry out the provisions of this chapter, the Division may, at its own discretion,
40 prohibit the person from obtaining or using a registry identification card for a
41 period of up to 6 months.

42 Sec. 23. NRS 453A.400 is hereby amended to read as follows:

43 453A.400 1. The fact that a person possesses a registry identification card
44 issued to the person by the Division or its designee pursuant to NRS 453A.220 or
45 453A.250 ~~, a ~~dispensary~~ medical marijuana establishment registration~~
46 ~~certificate issued to the person by the Division or its designee pursuant to section~~
47 ~~10 of this act or a ~~dispensary~~ medical marijuana establishment agent~~
48 ~~registration card issued to the person by the Division or its designee pursuant to~~
49 ~~section 13 of this act~~ does not, alone:

50 (a) Constitute probable cause to search the person or the person's property; or

51 (b) Subject the person or the person's property to inspection by any
52 governmental agency.

1 2. Except as otherwise provided in this subsection, if officers of a state or
2 local law enforcement agency seize marijuana, ~~(drug)~~ paraphernalia or other related
3 property from a person engaged *in, facilitating* or assisting in the medical use of
4 marijuana:

5 (a) The law enforcement agency shall ensure that the marijuana, ~~(drug)~~
6 paraphernalia or other related property is not destroyed while in the possession of
7 the law enforcement agency.

8 (b) Any property interest of the person from whom the marijuana, ~~(drug)~~
9 paraphernalia or other related property was seized must not be forfeited pursuant to
10 any provision of law providing for the forfeiture of property, except as part of a
11 sentence imposed after conviction of a criminal offense.

12 (c) Upon a determination by the district attorney of the county in which the
13 marijuana, ~~(drug)~~ paraphernalia or other related property was seized, or the district
14 attorney's designee, that the person from whom the marijuana, ~~(drug)~~ paraphernalia
15 or other related property was seized is engaging in or assisting in the medical use of
16 marijuana in accordance with the provisions of this chapter, the law enforcement
17 agency shall immediately return to that person any usable marijuana, marijuana
18 plants, ~~(drug)~~ paraphernalia or other related property that was seized.

19 ~~↳~~ The provisions of this subsection do not require a law enforcement agency to
20 care for live marijuana plants.

21 3. For the purposes of paragraph (c) of subsection 2, the determination of a
22 district attorney or the district attorney's designee that a person is engaging in or
23 assisting in the medical use of marijuana in accordance with the provisions of this
24 chapter shall be deemed to be evidenced by:

25 (a) A decision not to prosecute;

26 (b) The dismissal of charges; or

27 (c) Acquittal.

28 **Sec. 24.** NRS 453A.740 is hereby amended to read as follows:

29 453A.740 The Administrator of the Division shall adopt such regulations as
30 the Administrator determines are necessary to carry out the provisions of this
31 chapter. The regulations must set forth, without limitation:

32 1. Procedures pursuant to which the Division will, in cooperation with the
33 Department of Motor Vehicles, cause a registry identification card to be prepared
34 and issued to a qualified person as a type of identification card described in NRS
35 483.810 to 483.890, inclusive. The procedures described in this subsection must
36 provide that the Division will:

37 (a) Issue a registry identification card to a qualified person after the card has
38 been prepared by the Department of Motor Vehicles; or

39 (b) Designate the Department of Motor Vehicles to issue a registry
40 identification card to a person if:

41 (1) The person presents to the Department of Motor Vehicles valid
42 documentation issued by the Division indicating that the Division has approved the
43 issuance of a registry identification card to the person; and

44 (2) The Department of Motor Vehicles, before issuing the registry
45 identification card, confirms by telephone or other reliable means that the Division
46 has approved the issuance of a registry identification card to the person.

47 2. ~~(Criteria for determining whether a marijuana plant is a mature marijuana~~
48 ~~plant or an immature marijuana plant.~~

49 ~~—3—~~ Fees for:

50 (a) Providing to an applicant an application for a registry identification card,
51 which fee must not exceed \$50; and

52 (b) Processing and issuing a registry identification card, which fee must not
53 exceed \$150.

1 **Sec. 24.3. NRS 453A.800 is hereby amended to read as follows:**

2 453A.800 The provisions of this chapter do not:

3 1. Require an insurer, organization for managed care or any person or entity
4 who provides coverage for a medical or health care service to pay for or reimburse
5 a person for costs associated with the medical use of marijuana.

6 2. Require any employer to ~~accommodate~~ allow the medical use of
7 marijuana in the workplace.

8 **3. Require an employer to modify the job or working conditions of a person**
9 **who engages in the medical use of marijuana that are based upon the reasonable**
10 **business purposes of the employer but the employer must attempt to make**
11 **reasonable accommodations for the medical needs of an employee who engages**
12 **in the medical use of marijuana if the employee holds a valid registry**
13 **identification card, provided that such reasonable accommodation would not pose**
14 **a threat of harm or danger to persons or property or impose an undue hardship**
15 **on the employer.**

16 **Sec. 24.5. NRS 372A.060 is hereby amended to read as follows:**

17 372A.060 1. This chapter does not apply to ~~any~~ :

18 **(a) Any person who is registered or exempt from registration pursuant to NRS**
19 **453.226 or any other person who is lawfully in possession of a controlled substance**
20 **†; or**

21 **(b) Any person who acquires, possesses, cultivates, manufactures, delivers,**
22 **transfers, transports, supplies, sells or dispenses marijuana for the medical use of**
23 **marijuana as authorized pursuant to chapter 453A of NRS.**

24 2. Compliance with this chapter does not immunize a person from criminal
25 prosecution for the violation of any other provision of law.

26 **Sec. 24.7. NRS 372A.070 is hereby amended to read as follows:**

27 372A.070 1. A person shall not sell, offer to sell or possess with the intent
28 to sell a controlled substance unless he or she first:

29 (a) Registers with the Department as a dealer in controlled substances and pays
30 an annual fee of \$250; and

31 (b) Pays a tax on:

32 (1) ~~Each gram of marijuana, or portion thereof, of \$100;~~

33 ~~(2)~~ Each gram of ~~any other~~ a controlled substance, or portion thereof, of
34 \$1,000; and

35 ~~(3)~~ (2) Each 50 dosage units of a controlled substance that is not sold by
36 weight, or portion thereof, of \$2,000.

37 2. For the purpose of calculating the tax imposed by ~~subparagraphs~~
38 **subparagraph** (1) ~~and (2)~~ of paragraph (b) of subsection 1, the controlled
39 substance must be measured by the weight of the substance in the dealer's
40 possession, including the weight of any material, compound, mixture or preparation
41 that is added to the controlled substance.

42 3. The Department shall not require a registered dealer to give his or her
43 name, address, social security number or other identifying information on any
44 return submitted with the tax.

45 4. Any person who violates subsection 1 is subject to a civil penalty of 100
46 percent of the tax in addition to the tax imposed by subsection 1. Any civil penalty
47 imposed pursuant to this subsection must be collected as part of the tax.

48 5. The district attorney of any county in which a dealer resides may institute
49 and conduct the prosecution of any action for violation of subsection 1.

50 6. Property forfeited or subject to forfeiture pursuant to NRS 453.301 must
51 not be used to satisfy a fee, tax or penalty imposed by this section.

52 **7. As used in this section, "controlled substance" does not include**
53 **marijuana.**

1 **Sec. 25.** On or before January 1, 2014, the Health Division of the Department
2 of Health and Human Services shall adopt the regulations required pursuant to
3 section 20 of this act.

4 **Sec. 26.** 1. This act becomes effective upon passage and approval for the
5 purpose of adopting regulations and on January 1, 2014, for all other purposes.

6 2. Sections 14 and 15 of this act expire by limitation on the date on which the
7 provisions of 42 U.S.C. § 666 requiring each state to establish procedures under
8 which the state has authority to withhold or suspend, or to restrict the use of
9 professional, occupational and recreational licenses of persons who:

10 (a) Have failed to comply with a subpoena or warrant relating to a proceeding
11 to determine the paternity of a child or to establish or enforce an obligation for the
12 support of a child; or

13 (b) Are in arrears in the payment for the support of one or more children,
14 ↪ are repealed by the Congress of the United States.