

Assembly Bill No. 164—Assemblyman Yeager

CHAPTER.....

AN ACT relating to marijuana; imposing certain requirements relating to advertising by a marijuana establishment and a medical marijuana establishment; revising provisions relating to medical marijuana establishment agents; providing for the registration of agents who work or volunteer at or contract with a marijuana establishment; revising provisions relating to disciplinary action against a medical marijuana establishment agent and a marijuana establishment agent; authorizing civil penalties for certain violations relating to advertising; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Department of Taxation to adopt regulations governing medical marijuana establishments and marijuana establishments. (NRS 453A.370, 453D.200) Existing regulations prohibit a medical marijuana establishment from using a name, logo, sign or advertisement and a marijuana establishment from using a name, logo, sign, advertisement or packaging without obtaining the approval of the Department prior to use. (NAC 453A.402, 453D.473) **Sections 4 and 11** of this bill prohibit the Department from requiring a medical marijuana establishment or a marijuana establishment to obtain the approval of the Department before using a logo, sign or advertisement, thereby voiding the conflicting regulatory provisions.

Existing law that becomes effective January 1, 2020, imposes restrictions on advertising by a marijuana establishment. One such restriction prohibits a marijuana establishment from placing an advertisement at a sports or entertainment event to which persons who are less than 21 years of age are allowed entry. (NRS 453D.310) **Section 12** of this bill authorizes a marijuana establishment to place an advertisement at such an entertainment event if it is reasonably estimated that less than 30 percent of the persons who will attend that entertainment event are less than 21 years of age. Existing law also prohibits a marijuana establishment from advertising on certain mediums if 30 percent or more of the audience of that medium is reasonably expected to be persons who are less than 21 years of age. (NRS 453D.310) **Section 12** requires a marijuana establishment that engages in advertising for which it is required to determine the percentage of persons less than 21 years of age that may reasonably be expected to view or hear the advertisement to maintain certain documentation relating to the manner in which it determined the reasonably expected age of the audience for that advertisement. **Section 12** also authorizes the Department to impose a civil penalty on a marijuana establishment for violating certain provisions relating to advertising. **Section 4** imposes similar restrictions on advertising by a medical marijuana establishment and authorizes the Department to impose a civil penalty on a medical marijuana establishment for violating such provisions. **Sections 4, 12, 12.3 and 12.7** of this bill authorize a local government to adopt an ordinance regulating the content of advertisements used by a marijuana establishment or medical marijuana establishment if such an ordinance sets forth specific prohibited content for such advertisements.

Existing law prohibits a person from volunteering or working at, contracting to provide labor to or being employed by an independent contractor to provide labor



to a medical marijuana establishment unless the person is registered with the Department and issued a medical marijuana establishment agent registration card. (NRS 453A.332) **Section 6** of this bill establishes a similar prohibition for marijuana establishments.

Existing law establishes the application process and fees required to obtain a medical marijuana establishment agent registration card. (NRS 453A.332) Existing regulations provide for a similar application process and similar fees to obtain a marijuana establishment agent registration card. (NAC 453D.340) **Section 6** establishes this process in statute. **Section 6:** (1) transfers, from regulation to statute, existing authority to collect a fee; and (2) limits the amount of that fee to the amount currently authorized by existing regulations. **Section 1** of this bill removes provisions authorizing a medical marijuana establishment to submit the application and fees for a medical marijuana registration card on behalf of a prospective agent.

Existing law requires each applicant for registration as a medical marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission authorizing the Department to submit the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report. (NRS 453A.332) **Section 1** of this bill eliminates this requirement and instead authorizes the Department to impose this requirement on an applicant or conduct and accept any background check the Department determines to be reliable and expedient. **Section 6** makes a similar change concerning applicants for registration as a marijuana establishment agent.

Existing law outlines the procedure, in accordance with federal law, for the suspension of a medical marijuana establishment agent registration card in the event that the holder fails to comply with certain requirements pertaining to the payment of child support. (NRS 453A.336, 453A.338) **Sections 7 and 8** of this bill provide a similar procedure for the suspension of a marijuana establishment agent registration card.

Existing law specifies acts which constitute grounds for the immediate revocation of a medical marijuana establishment agent registration card. (NRS 453A.342) **Section 3** of this bill expands the grounds for revocation to include: (1) having been electronically recorded stealing marijuana, edible marijuana products or marijuana-infused products; (2) having been convicted of any crime involving the theft of marijuana or such other marijuana products; (3) having been electronically recorded consuming marijuana on the premises of a marijuana establishment; and (4) intentionally submitting false documents to the Department or a local government. **Section 9** of this bill establishes similar grounds for revoking a marijuana establishment agent registration card.

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

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

Section 1. NRS 453A.332 is hereby amended to read as follows:

453A.332 1. Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a



medical marijuana establishment as a medical marijuana establishment agent unless the person is registered with the Department pursuant to this section.

2. A person who wishes to volunteer or work at a medical marijuana establishment ~~[, or a medical marijuana establishment that wishes to retain as a volunteer or employ such a person,]~~ shall submit to the Department an application on a form prescribed by the Department. The application must be accompanied by:

(a) The name, address and date of birth of the prospective medical marijuana establishment agent;

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

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

(d) ~~[A complete set of the fingerprints and written permission of the prospective medical marijuana establishment agent authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;~~

~~—(e)]~~ The application fee, as set forth in NRS 453A.344; and

~~[(f)]~~ (e) Such other information as the Department may require by regulation.

3. A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment ~~[, or a medical marijuana establishment that wishes to contract with such a person,]~~ shall submit to the Department an application on a form prescribed by the Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a medical marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective medical marijuana establishment agent has a state business license, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent;

(c) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert



marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective medical marijuana establishment agent asserting that it has not previously had a medical marijuana establishment agent registration card revoked and that none of its employees who will provide labor as a medical marijuana establishment agent have previously had a medical marijuana establishment agent registration card revoked;

~~(e) [A complete set of the fingerprints of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent and written permission of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;~~

~~—(f)]~~ The application fee, as set forth in NRS 453A.344; and

~~[(g)]~~ (f) Such other information as the Department may require by regulation.

4. The Department may conduct any investigation of a prospective medical marijuana establishment agent and, for an independent contractor, each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent, that the Department deems appropriate. In connection with such an investigation, the Department may:

(a) Conduct or accept any background check the Department determines to be reliable and expedient to determine the criminal history of the prospective medical marijuana establishment agent or the employee;

(b) Require a prospective medical marijuana establishment agent, if a natural person, and each employee of a prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and

(c) If the Department imposes the requirement described in paragraph (b), submit the fingerprints of the prospective medical



marijuana establishment agent and each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

5. A medical marijuana establishment shall notify the Department within 10 days after a medical marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a medical marijuana establishment agent to the medical marijuana establishment.

~~5.~~ 6. A person who:

- (a) Has been convicted of an excluded felony offense; or
- (b) Is less than 21 years of age,

↳ shall not serve as a medical marijuana establishment agent.

~~[6. The Department shall submit the fingerprints of an applicant for registration as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of the applicant.]~~

7. The provisions of this section do not require a person who is an owner, officer or board member of a medical marijuana establishment to resubmit information already furnished to the Department at the time the establishment was registered with the Department.

8. If an applicant for registration as a medical marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a medical marijuana establishment agent, a medical marijuana establishment agent registration card. If the Department does not act upon an application for a medical marijuana establishment agent registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the Department acts upon the application. A medical marijuana establishment agent registration card expires 1 year after the date of issuance and may be renewed upon:

- (a) Resubmission of the information set forth in this section; and
- (b) Payment of the renewal fee set forth in NRS 453A.344.

9. A medical marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an



employee of an independent contractor authorizes the independent contractor or employee to provide labor to any medical marijuana establishment in this State.

10. A medical marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a medical marijuana establishment authorizes the person to volunteer or work at any medical marijuana establishment in this State for which the category of the medical marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a medical marijuana establishment agent is deemed temporarily registered as a medical marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a medical marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 2. NRS 453A.332 is hereby amended to read as follows:

453A.332 1. Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment as a medical marijuana establishment agent unless the person is registered with the Department pursuant to this section.

2. A person who wishes to volunteer or work at a medical marijuana establishment shall submit to the Department an application on a form prescribed by the Department. The application must be accompanied by:

(a) The name, address and date of birth of the prospective medical marijuana establishment agent;

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

(c) A statement signed by the prospective medical marijuana establishment agent asserting that he or she has not previously had a medical marijuana establishment agent registration card *or marijuana establishment agent registration card, as defined in NRS 453D.030*, revoked;

(d) The application fee, as set forth in NRS 453A.344; and

(e) Such other information as the Department may require by regulation.



3. A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment shall submit to the Department an application on a form prescribed by the Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a medical marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective medical marijuana establishment agent has a state business license, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent;

(c) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective medical marijuana establishment agent asserting that it has not previously had a medical marijuana establishment agent registration card *or marijuana establishment agent registration card, as defined in NRS 453D.030*, revoked and that none of its employees who will provide labor as a medical marijuana establishment agent have previously had a medical marijuana establishment agent registration card *or marijuana establishment agent registration card, as defined in NRS 453D.030*, revoked;

(e) The application fee, as set forth in NRS 453A.344; and

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

4. The Department may conduct any investigation of a prospective medical marijuana establishment agent and, for an independent contractor, each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent, that the Department deems appropriate. In connection with such an investigation, the Department may:

(a) Conduct or accept any background check the Department determines to be reliable and expedient to determine the criminal history of the prospective medical marijuana establishment agent or the employee;



(b) Require a prospective medical marijuana establishment agent, if a natural person, and each employee of a prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and

(c) If the Department imposes the requirement described in paragraph (b), submit the fingerprints of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

5. A medical marijuana establishment shall notify the Department within 10 days after a medical marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a medical marijuana establishment agent to the medical marijuana establishment.

6. A person who:

- (a) Has been convicted of an excluded felony offense; or
- (b) Is less than 21 years of age,

→ shall not serve as a medical marijuana establishment agent.

7. The provisions of this section do not require a person who is an owner, officer or board member of a medical marijuana establishment to resubmit information already furnished to the Department at the time the establishment was registered with the Department.

8. If an applicant for registration as a medical marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a medical marijuana establishment agent, a medical marijuana establishment agent registration card. If the Department does not act upon an application for a medical marijuana establishment agent registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the Department acts upon the application. A medical marijuana



establishment agent registration card expires 1 year after the date of issuance and may be renewed upon:

- (a) Resubmission of the information set forth in this section; and
- (b) Payment of the renewal fee set forth in NRS 453A.344.

9. A medical marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any medical marijuana establishment in this State.

10. A medical marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a medical marijuana establishment authorizes the person to volunteer or work at any medical marijuana establishment in this State for which the category of the medical marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a medical marijuana establishment agent is deemed temporarily registered as a medical marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a medical marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 3. NRS 453A.342 is hereby amended to read as follows:

453A.342 The following acts constitute grounds for the immediate revocation of the medical marijuana establishment agent registration card of a medical marijuana establishment agent:

1. Having committed or committing any excluded felony offense.

2. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver.

3. *Having been electronically recorded by a video monitoring system stealing marijuana, edible marijuana products or marijuana-infused products.*

4. *Having been convicted of any crime involving the theft of marijuana, edible marijuana products or marijuana-infused products.*

5. *Having been electronically recorded by a video monitoring system smoking or otherwise consuming marijuana on the premises of a medical marijuana establishment.*



6. Intentionally submitting to the Department or a local government any document required under the provisions of this chapter which is false or contains any material misstatement of fact.

7. Violating a regulation of the Department, the violation of which is stated to be grounds for immediate revocation of a medical marijuana establishment agent registration card.

Sec. 4. NRS 453A.360 is hereby amended to read as follows:

453A.360 1. Each medical marijuana dispensary and facility for the production of edible marijuana products or marijuana-infused products shall, in consultation with the Department, cooperate to ensure that all edible marijuana products and marijuana-infused products offered for sale:

(a) Are labeled clearly and unambiguously:

(1) As medical marijuana with the words "THIS IS A MEDICAL MARIJUANA PRODUCT" in bold type; and

(2) As required by NRS 453A.320 to 453A.370, inclusive, and any regulations adopted pursuant thereto.

(b) Are not presented in packaging that contains an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the facility for the production of edible marijuana products or marijuana-infused products which produced the product.

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

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

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

(f) Are labeled in a manner which indicates the amount of THC in the product, measured in milligrams, and includes a statement that the product contains marijuana and its potency was tested with an allowable variance of the amount determined by the Department by regulation.

(g) Are not labeled or marketed as candy.

2. A facility for the production of edible marijuana products or marijuana-infused products shall not produce edible marijuana products in any form that:

(a) Is or appears to be a lollipop.

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



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

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

3. A facility for the production of edible marijuana products or marijuana-infused products shall:

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

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

(1) The words "Keep out of reach of children";

(2) A list of all ingredients used in the edible marijuana product;

(3) A list of all allergens in the edible marijuana product; and

(4) The total weight of marijuana contained in the edible marijuana product or an equivalent measure of THC concentration.

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

(d) Require each person who handles edible marijuana products to wear a hair net and clean clothing and keep his or her fingernails neatly trimmed.

(e) Package all edible marijuana products or marijuana-infused products produced by the facility for the production of edible marijuana products or marijuana-infused products on the premises of the facility for the production of edible marijuana products or marijuana-infused products.

4. A medical marijuana dispensary or facility for the production of edible marijuana products or marijuana-infused products shall not engage in advertising that in any way makes marijuana, edible marijuana products or marijuana-infused products appeal to children, including without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.

5. Each medical marijuana dispensary shall offer for sale containers for the storage of marijuana, edible marijuana products and marijuana-infused products which lock and are designed to prohibit children from unlocking and opening the container.

6. A medical marijuana dispensary shall:



(a) Include a written notification with each sale of marijuana, edible marijuana products or marijuana-infused products which advises the purchaser:

(1) To keep marijuana, edible marijuana products and marijuana-infused products out of the reach of children;

(2) That edible marijuana products can cause severe illness in children;

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

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

(5) That pregnant women should consult with a physician before ingesting marijuana or edible marijuana products;

(6) That ingesting marijuana or edible marijuana products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;

(7) That marijuana or edible marijuana products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of marijuana or edible marijuana products; and

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

(b) Enclose all marijuana, edible marijuana products and marijuana-infused products in opaque, child-resistant packaging upon sale.

7. A medical marijuana dispensary shall allow any person who is at least 21 years of age to enter the premises of the medical marijuana dispensary, regardless of whether such a person holds a valid registry identification card or letter of approval.

8. If the health authority, as defined in NRS 446.050, where a facility for the production of edible marijuana products or marijuana-infused products or medical marijuana dispensary which sells edible marijuana products is located requires persons who handle food at a food establishment to obtain certification, the facility for the production of edible marijuana products or



marijuana-infused products or medical marijuana dispensary shall ensure that at least one employee maintains such certification.

9. A medical marijuana establishment:

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

(1) Is false or misleading;

(2) Promotes overconsumption of marijuana, edible marijuana products or marijuana-infused products;

(3) Depicts the actual consumption of marijuana, edible marijuana products or marijuana-infused products; or

(4) Depicts a child or other person who is less than 21 years of age consuming marijuana, edible marijuana products or marijuana-infused products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any other depiction which is designed in any manner to be appealing to or encourage consumption of marijuana, edible marijuana products or marijuana-infused products by a person who is less than 21 years of age.

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

(c) Shall not place an advertisement:

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

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

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

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

(d) Shall not advertise or offer any marijuana, edible marijuana product or marijuana-infused product as “free” or “donated” without a purchase.

(e) Shall ensure that all advertising by the medical marijuana establishment contains such warnings as may be prescribed by the Department, which must include, without limitation, the following words:

(1) “Keep out of reach of children”; and



(2) *“For use only by adults 21 years of age and older.”*

10. *If a medical marijuana establishment engages in advertising for which it is required to determine the percentage of persons who are less than 21 years of age and who may reasonably be expected to view or hear the advertisement, the medical marijuana establishment shall maintain documentation for not less than 5 years after the date on which the advertisement is first broadcasted, published or otherwise displayed that demonstrates the manner in which the medical marijuana establishment determined the reasonably expected age of the audience for that advertisement.*

11. *Nothing in subsection 9 shall be construed to prohibit a local government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an ordinance for the regulation of advertising relating to marijuana which is more restrictive than the provisions of subsection 9 relating to:*

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

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

(c) *Any stationary or moving display that is located on or near the premises of a medical marijuana establishment; and*

(d) *The content of any advertisement used by a medical marijuana establishment if the ordinance sets forth specific prohibited content for such an advertisement.*

12. *The Department shall not require a medical marijuana establishment to obtain the approval of the Department before using a logo, sign or advertisement.*

13. *In addition to any other penalties provided for by law, the Department may impose a civil penalty upon a medical marijuana establishment that violates the provisions of subsection 9 or 10 as follows:*

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

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

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

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



14. As used in this section, “motor vehicle used for public transportation” does not include a taxicab, as defined in NRS 706.124.

Sec. 5. Chapter 453D of NRS is hereby amended by adding thereto the provisions set forth as sections 6 to 9, inclusive, of this act.

Sec. 6. 1. *Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a marijuana establishment as a marijuana establishment agent unless the person is registered with the Department pursuant to this section.*

2. A person who wishes to volunteer or work at a marijuana establishment shall submit to the Department an application on a form prescribed by the Department. The application must be accompanied by:

(a) The name, address and date of birth of the prospective marijuana establishment agent;

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

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

(d) An application fee not to exceed \$75; and

(e) Such other information as the Department may require by regulation.

3. A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a marijuana establishment shall submit to the Department an application on a form prescribed by the Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective marijuana establishment agent has a state business license, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective marijuana establishment agent who will provide labor as a marijuana establishment agent;



(c) A statement signed by the prospective marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective marijuana establishment agent asserting that it has not previously had a marijuana establishment agent registration card or medical marijuana agent registration card revoked and none of its employees who will provide labor as a marijuana establishment agent have previously had a medical marijuana establishment agent registration card or marijuana establishment registration card revoked;

(e) An application fee not to exceed \$75 for the prospective marijuana establishment agent and for each employee of the prospective marijuana establishment who will provide labor as a marijuana establishment agent; and

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

4. The Department may conduct any investigation of a prospective marijuana establishment agent and, for an independent contractor, each employee of the prospective marijuana establishment agent who will provide labor as a marijuana establishment agent, that the Department deems appropriate. In connection with such an investigation, the Department may:

(a) Conduct or accept any background check the Department determines to be reliable and expedient to determine the criminal history of the prospective marijuana establishment agent or the employee;

(b) Require a prospective marijuana establishment agent, if a natural person, and each employee of a prospective marijuana establishment agent who will provide labor as a marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and

(c) If the Department imposes the requirement described in paragraph (b), submit the fingerprints of the prospective marijuana establishment agent and each employee of the prospective marijuana establishment agent who will provide labor



as a marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

5. A marijuana establishment shall notify the Department within 10 days after a marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a marijuana establishment agent to the marijuana establishment.

6. A person who:

- (a) Has been convicted of an excluded felony offense; or*
- (b) Is less than 21 years of age,*

↳ shall not serve as a marijuana establishment agent.

7. The provisions of this section do not require a person who is an owner, officer or board member of a marijuana establishment to resubmit information already furnished to the Department at the time the establishment was registered with the Department.

8. If an applicant for registration as a marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a marijuana establishment agent, a marijuana establishment agent registration card. If the Department does not act upon an application for a marijuana establishment registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the Department acts upon the application. A marijuana establishment agent registration card expires 1 year after the date of issuance and may be renewed upon:

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

(b) Payment of a renewal fee not to exceed \$75.

9. A marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any marijuana establishment in this State.

10. A marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a marijuana establishment authorizes the person to volunteer or work at any marijuana establishment in this State for



which the category of the marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a marijuana establishment agent is deemed temporarily registered as a marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 7. 1. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a marijuana establishment agent registration card shall:

(a) Include the social security number of the applicant in the application submitted to the Department.

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

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

(a) The application or any other forms that must be submitted for the issuance or renewal of the marijuana establishment agent registration card; or

(b) A separate form prescribed by the Department.

3. A marijuana establishment agent registration card may not be issued or renewed by the Department if the applicant:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Department shall advise the applicant to contact the district attorney or other public agency enforcing the



order to determine the actions that the applicant may take to satisfy the arrearage.

Sec. 8. *1. If the Department receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a marijuana establishment agent registration card, the Department shall deem the card issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Department receives a letter issued to the holder of the card by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the card has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.*

2. The Department shall reinstate a marijuana establishment agent registration card that has been suspended by a district court pursuant to NRS 425.540 if the Department receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose card was suspended stating that the person whose card was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 9. *The following acts constitute grounds for the immediate revocation of the marijuana establishment agent registration card of a marijuana establishment agent:*

1. Having committed or committing any excluded felony offense.

2. Dispensing, delivering or otherwise transferring marijuana to a person who is not authorized by law to possess marijuana in accordance with the provisions of this chapter.

3. Having been electronically recorded by a video monitoring system stealing marijuana or marijuana products.

4. Having been convicted of any crime involving the theft of marijuana or marijuana products.

5. Having been electronically recorded by a video monitoring system smoking or otherwise consuming marijuana on the premises of a marijuana establishment.

6. Intentionally submitting to the Department or a local government any document required under the provisions of this chapter which is false or contains any material misstatement of fact.



7. Violating a regulation of the Department, the violation of which is stated to be grounds for immediate revocation of a marijuana establishment agent registration card.

Sec. 10. NRS 453D.030 is hereby amended to read as follows:
453D.030 As used in this chapter, unless the context otherwise requires:

1. "Community facility" means a facility licensed to provide day care to children, a public park, a public playground, a public swimming pool, a center or facility the primary purpose of which is to provide recreational opportunities or services to children or adolescents, or a church, synagogue, or other building, structure, or place used for religious worship or other religious purpose.

2. "Concentrated marijuana" means the separated resin, whether crude or purified, obtained from marijuana.

3. "Consumer" means a person who is 21 years of age or older who purchases marijuana or marijuana products for use by persons 21 years of age or older, but not for resale to others.

4. "Department" means the Department of Taxation.

5. "Dual licensee" means a person or group of persons who possess a current, valid registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS and a license to operate a marijuana establishment under this chapter.

6. "Excluded felony offense" means a conviction of an offense that would constitute a category A felony if committed in Nevada or convictions for two or more offenses that would constitute felonies if committed in Nevada. "Excluded felony offense" does not include:

(a) A criminal offense for which the sentence, including any term of probation, incarceration, or supervised release, was completed more than 10 years ago; or

(b) An offense involving conduct that would be immune from arrest, prosecution, or penalty pursuant to chapter 453A of NRS, except that the conduct occurred before the effective date of chapter 453A of NRS (October 1, 2001), or was prosecuted by an authority other than the State of Nevada.

7. "Locality" means a city or town, or, in reference to a location outside the boundaries of a city or town, a county.

8. "Marijuana" means all parts of any plant of the genus Cannabis, whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Marijuana" does not include:



(a) The mature stems of the plant, fiber produced from the stems, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stems (except the resin extracted therefrom), fiber, oil, or cake, the sterilized seed of the plant which is incapable of germination; or

(b) The weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

9. “Marijuana cultivation facility” means an entity licensed to cultivate, process, and package marijuana, to have marijuana tested by a marijuana testing facility, and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

10. “Marijuana distributor” means an entity licensed to transport marijuana from a marijuana establishment to another marijuana establishment.

11. “Marijuana establishment” means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, or a retail marijuana store.

12. *“Marijuana establishment agent” means an owner, officer, board member, employee or volunteer of a marijuana establishment, an independent contractor who provides labor relating to the cultivation, processing or distribution of marijuana or the production of marijuana or marijuana products for a marijuana establishment or an employee of such an independent contractor.*

13. *“Marijuana establishment agent registration card” means a registration card that is issued by the Department pursuant to section 6 of this act to authorize a person to volunteer or work at a marijuana establishment.*

14. “Marijuana product manufacturing facility” means an entity licensed to purchase marijuana, manufacture, process, and package marijuana and marijuana products, and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

~~H3~~ 15. “Marijuana products” means products comprised of marijuana or concentrated marijuana and other ingredients that are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

~~H4~~ 16. “Marijuana paraphernalia” means any equipment, products, and materials of any kind which are used, intended for



use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, preparing, testing, analyzing, packaging, repacking, storing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

~~§5.1~~ **17.** “Marijuana testing facility” means an entity licensed to test marijuana and marijuana products, including for potency and contaminants.

~~§6.1~~ **18.** “Process” means to harvest, dry, cure, trim, and separate parts of the marijuana plant by manual or mechanical means, such as sieving or ice water separation, but not by chemical extraction or chemical synthesis.

~~§7.1~~ **19.** “Public place” means an area to which the public is invited or in which the public is permitted regardless of age. “Public place” does not include a retail marijuana store.

~~§8.1~~ **20.** “Retail marijuana store” means an entity licensed to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities and retail marijuana stores, and to sell marijuana and marijuana products to consumers.

~~§9.1~~ **21.** “Unreasonably impracticable” means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent businessperson.

Sec. 11. NRS 453D.200 is hereby amended to read as follows:

453D.200 1. Not later than January 1, 2018, the Department shall adopt all regulations necessary or convenient to carry out the provisions of this chapter. The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. The regulations shall include:

- (a) Procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana establishment;
- (b) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana establishment;
- (c) Requirements for the security of marijuana establishments;
- (d) Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under 21 years of age;
- (e) Requirements for the packaging of marijuana and marijuana products, including requirements for child-resistant packaging;



(f) Requirements for the testing and labeling of marijuana and marijuana products sold by marijuana establishments including a numerical indication of potency based on the ratio of THC to the weight of a product intended for oral consumption;

(g) Requirements for record keeping by marijuana establishments;

(h) Reasonable restrictions on signage, marketing, display, and advertising ~~§~~, *except that such restrictions must not require a marijuana establishment to obtain the approval of the Department before using a logo, sign or advertisement;*

(i) Procedures for the collection of taxes, fees, and penalties imposed by this chapter;

(j) Procedures and requirements to enable the transfer of a license for a marijuana establishment to another qualified person and to enable a licensee to move the location of its establishment to another suitable location;

(k) Procedures and requirements to enable a dual licensee to operate medical marijuana establishments and marijuana establishments at the same location;

(l) Procedures to establish the fair market value at wholesale of marijuana; and

(m) Civil penalties for the failure to comply with any regulation adopted pursuant to this section or for any violation of the provisions of NRS 453D.300.

2. The Department shall approve or deny applications for licenses pursuant to NRS 453D.210.

3. The Department may by motion or on complaint, after investigation, notice of the specific violation, and an opportunity for a hearing, pursuant to the provisions of chapter 233B of NRS, suspend, revoke, or fine a licensee for the violation of this chapter or for a violation of a regulation adopted by the Department pursuant to this section.

4. The Department may immediately suspend the license of any marijuana establishment if the marijuana establishment knowingly sells, delivers, or otherwise transfers marijuana in violation of this chapter or knowingly purchases marijuana from any person not licensed pursuant to this chapter or to chapter 453A of NRS. The Department must provide an opportunity for a hearing pursuant to the provisions of NRS 233B.121 within a reasonable time from a suspension pursuant to this subsection.

5. To ensure that individual privacy is protected:

(a) The Department shall not require a consumer to provide a retail marijuana store with identifying information other than



government-issued identification to determine the consumer's age; and

(b) A retail marijuana store must not be required to acquire and record personal information about consumers other than information typically acquired in a financial transaction conducted at a retail liquor store.

6. The Department shall conduct a background check of each prospective owner, officer, and board member of a marijuana establishment license applicant.

7. The Department shall inspect marijuana establishments as necessary to enforce this chapter or the regulations adopted pursuant to this section.

Sec. 12. NRS 453D.310 is hereby amended to read as follows:

453D.310 1. Each retail marijuana store and marijuana product manufacturing facility shall, in consultation with the Department, cooperate to ensure that all marijuana products offered for sale:

(a) Are labeled clearly and unambiguously:

(1) As marijuana with the words "THIS IS A MARIJUANA PRODUCT" in bold type; and

(2) As required by this chapter and any regulations adopted pursuant thereto.

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

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

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

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

(f) Are labeled in a manner which indicates the number of servings of THC in the product, measured in servings of a maximum of 10 milligrams per serving, and includes a statement that the product contains marijuana and its potency was tested with an allowable variance of the amount determined by the Department by regulation.

(g) Are not labeled or marketed as candy.

2. A marijuana product must be sold in a single package. A single package must not contain:



(a) For a marijuana product sold as a capsule, more than 100 milligrams of THC per capsule or more than 800 milligrams of THC per package.

(b) For a marijuana product sold as a tincture, more than 800 milligrams of THC.

(c) For a marijuana product sold as a food product, more than 100 milligrams of THC.

(d) For a marijuana product sold as a topical product, a concentration of more than 6 percent THC or more than 800 milligrams of THC per package.

(e) For a marijuana product sold as a suppository or transdermal patch, more than 100 milligrams of THC per suppository or transdermal patch or more than 800 milligrams of THC per package.

(f) For any other marijuana product, more than 800 milligrams of THC.

3. A marijuana product manufacturing facility shall not produce marijuana products in any form that:

(a) Is or appears to be a lollipop or ice cream.

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

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

(d) Is made by applying concentrated marijuana to a commercially available candy or snack food item other than dried fruit, nuts or granola.

4. A marijuana product manufacturing facility shall:

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

(b) Affix a label to each marijuana product intended for human consumption by oral ingestion which includes, without limitation, in a manner which must not mislead consumers, the following information:

(1) The words "Keep out of reach of children";

(2) A list of all ingredients used in the marijuana product;

(3) A list of all allergens in the marijuana product; and

(4) The total weight of marijuana contained in the marijuana product or an equivalent measure of THC concentration.

(c) Maintain a washing area with hot water, soap and a hand dryer or disposable towels which is located away from any area in which marijuana products intended for human consumption by oral ingestion are cooked or otherwise prepared.



(d) Require each person who handles marijuana products intended for human consumption by oral ingestion to wear a hair net and clean clothing and keep his or her fingernails neatly trimmed.

(e) Package all marijuana products produced by the marijuana product manufacturing facility on the premises of the marijuana product manufacturing facility.

5. A retail marijuana store or marijuana product manufacturing facility shall not engage in advertising that in any way makes marijuana or marijuana products appeal to children, including, without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.

6. Each retail marijuana store shall offer for sale containers for the storage of marijuana and marijuana products which lock and are designed to prohibit children from unlocking and opening the container.

7. A retail marijuana store shall:

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

(1) To keep marijuana and marijuana products out of the reach of children;

(2) That marijuana and marijuana products can cause severe illness in children;

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

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

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

(6) That ingesting marijuana or marijuana products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;

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



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

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

8. If the health authority, as defined in NRS 446.050, where a marijuana product manufacturing facility or retail marijuana store which sells marijuana products intended for human consumption by oral ingestion is located requires persons who handle food at a food establishment to obtain certification, the marijuana product manufacturing facility or retail marijuana store shall ensure that at least one employee maintains such certification.

9. A marijuana establishment:

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

(1) Is false or misleading;

(2) Promotes overconsumption of marijuana or marijuana products;

(3) Depicts the actual consumption of marijuana or marijuana products; or

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

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

(c) Shall not place an advertisement:

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

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

(3) At a sports ~~for entertainment~~ event to which persons who are less than 21 years of age are allowed entry ~~};~~ **or**



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

(d) Shall not advertise or offer any marijuana or marijuana product as “free” or “donated” without a purchase.

(e) Shall ensure that all advertising by the marijuana establishment contains such warnings as may be prescribed by the Department, which must include, without limitation, the following words:

(1) “Keep out of reach of children”; and

(2) “For use only by adults 21 years of age and older.”

10. *If a marijuana establishment engages in advertising for which it is required to determine the percentage of persons who are less than 21 years of age and who may reasonably be expected to view or hear the advertisement, the marijuana establishment shall maintain documentation for not less than 5 years after the date on which the advertisement is first broadcasted, published or otherwise displayed that demonstrates the manner in which the marijuana establishment determined the reasonably expected age of the audience for that advertisement.*

11. Nothing in subsection 9 shall be construed to prohibit a local government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an ordinance for the regulation of advertising relating to marijuana which is more restrictive than the provisions of subsection 9 relating to:

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

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

(c) Any stationary or moving display that is located on or near the premises of a marijuana establishment ~~and~~; *and*

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

12. *In addition to any other penalties provided for by law, the Department may impose a civil penalty upon a marijuana establishment that violates the provisions of subsection 9 or 10 as follows:*

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



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

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

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

13. As used in this section, "motor vehicle used for public transportation" does not include a taxicab, as defined in NRS 706.124.

Sec. 12.3. NRS 244.35253 is hereby amended to read as follows:

244.35253 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 marijuana establishment or medical marijuana 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 marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.

3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana 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 marijuana establishment or medical marijuana establishment, as applicable.

4. 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 marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns 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 marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns for which registration pursuant to chapter 453A of NRS or licensing pursuant to chapter 453D 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.

5. 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 marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(b) The kinds of marijuana, edible marijuana products, marijuana products and marijuana-infused products authorized to be sold pursuant to chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;

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

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

(e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the county of any transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products;

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

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

~~or~~

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

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



6. 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.

7. As used in this section:

(a) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.

(b) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.

(c) "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.

(d) "Marijuana products" has the meaning ascribed to it in NRS 453D.030.

(e) "Marijuana-infused products" has the meaning ascribed to it in NRS 453A.112.

(f) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.

(g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.

(h) "Registry identification card" has the meaning ascribed to it in NRS 453A.140.

(i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.

Sec. 12.7. NRS 268.0977 is hereby amended to read as follows:

268.0977 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 marijuana establishment or medical marijuana 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 marijuana establishment or medical marijuana establishment located within its corporate limits as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.



3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana 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 marijuana establishment or medical marijuana establishment, as applicable.

4. 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 marijuana establishment or medical marijuana 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 marijuana establishment or medical marijuana establishment located within its corporate limits for which registration pursuant to chapter 453A of NRS or licensing pursuant to chapter 453D 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.

5. 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 marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(b) The kinds of edible marijuana products, marijuana products and marijuana-infused products authorized to be sold pursuant to chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;

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

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

(e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the city of any transportation of



marijuana, edible marijuana products, marijuana products or marijuana-infused products;

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

(g) The training or certification of medical marijuana establishment agents or employees of a marijuana establishment; ~~for~~

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

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

6. 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.

7. As used in this section:

(a) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.

(b) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.

(c) "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.

(d) "Marijuana products" has the meaning ascribed to it in NRS 453D.030.

(e) "Marijuana-infused products" has the meaning ascribed to it in NRS 453A.112.

(f) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.

(g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.

(h) "Registry identification card" has the meaning ascribed to it in NRS 453A.140.

(i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.

Sec. 13. Any regulations adopted by the Department of Taxation that conflict with the amendatory provisions of this act are void. The Legislative Counsel shall remove those regulations from the Nevada Administrative Code as soon as practicable after January 2, 2020.



Sec. 14. 1. This section and sections 1, 3 and 13 of this act become effective on October 1, 2019.

2. Sections 2 and 4 to 12.7, inclusive, of this act become effective on January 2, 2020.

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

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

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

↪ are repealed by the Congress of the United States.

