

ASSEMBLY BILL NO. 164—ASSEMBLYMAN YEAGER

FEBRUARY 15, 2019

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to marijuana.
(BDR 40-619)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 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



18 than 21 years of age. Existing law also prohibits a marijuana establishment from
19 advertising on certain mediums if 30 percent or more of the audience of that
20 medium is reasonably expected to be persons who are less than 21 years of age.
21 (NRS 453D.310) **Section 12** requires a marijuana establishment that engages in
22 advertising for which it is required to determine the percentage of persons less than
23 21 years of age that may reasonably be expected to view or hear the advertisement
24 to maintain certain documentation relating to the manner in which it determined the
25 reasonably expected age of the audience for that advertisement. **Section 12** also
26 authorizes the Department to impose a civil penalty on a marijuana establishment
27 for violating certain provisions relating to advertising. **Section 4** imposes similar
28 restrictions on advertising by a medical marijuana establishment and authorizes the
29 Department to impose a civil penalty on a medical marijuana establishment for
30 violating such provisions. **Sections 4, 12, 12.3 and 12.7** of this bill authorize a local
31 government to adopt an ordinance regulating the content of advertisements used by
32 a marijuana establishment or medical marijuana establishment if such an ordinance
33 sets forth specific prohibited content for such advertisements.

34 Existing law prohibits a person from volunteering or working at, contracting to
35 provide labor to or being employed by an independent contractor to provide labor
36 to a medical marijuana establishment unless the person is registered with the
37 Department and issued a medical marijuana establishment agent registration card.
38 (NRS 453A.332) **Section 6** of this bill establishes a similar prohibition for
39 marijuana establishments.

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

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

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

65 Existing law specifies acts which constitute grounds for the immediate
66 revocation of a medical marijuana establishment agent registration card. (NRS
67 453A.342) **Section 3** of this bill expands the grounds for revocation to include: (1)
68 having been electronically recorded stealing marijuana, edible marijuana products
69 or marijuana-infused products; (2) having been convicted of any crime involving
70 the theft of marijuana or such other marijuana products; (3) having been
71 electronically recorded consuming marijuana on the premises of a marijuana
72 establishment; and (4) intentionally submitting false documents to the Department



73 or a local government. **Section 9** of this bill establishes similar grounds for
74 revoking a marijuana establishment agent registration card.

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

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

3 453A.332 1. Except as otherwise provided in this section, a
4 person shall not volunteer or work at, contract to provide labor to or
5 be employed by an independent contractor to provide labor to a
6 medical marijuana establishment as a medical marijuana
7 establishment agent unless the person is registered with the
8 Department pursuant to this section.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

42 (b) *Require a prospective medical marijuana establishment*
43 *agent, if a natural person, and each employee of a prospective*
44 *medical marijuana establishment agent who will provide labor as*
45 *a medical marijuana establishment agent to submit to the*



1 *Department a complete set of fingerprints and written permission*
2 *authorizing the Department to forward the fingerprints to the*
3 *Central Repository for Nevada Records of Criminal History for*
4 *submission to the Federal Bureau of Investigation for its report;*
5 *and*

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

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

18 ~~5.~~ 6. A person who:

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

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

21 ↪ shall not serve as a medical marijuana establishment agent.

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

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

32 8. If an applicant for registration as a medical marijuana
33 establishment agent satisfies the requirements of this section and is
34 not disqualified from serving as such an agent pursuant to this
35 section or any other applicable law, the Department shall issue to
36 the person and, for an independent contractor, to each person
37 identified in the independent contractor's application for registration
38 as an employee who will provide labor as a medical marijuana
39 establishment agent, a medical marijuana establishment agent
40 registration card. If the Department does not act upon an application
41 for a medical marijuana establishment agent registration card within
42 30 days after the date on which the application is received, the
43 application shall be deemed conditionally approved until such time
44 as the Department acts upon the application. A medical marijuana



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

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

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

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

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

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

25 453A.332 1. Except as otherwise provided in this section, a
26 person shall not volunteer or work at, contract to provide labor to or
27 be employed by an independent contractor to provide labor to a
28 medical marijuana establishment as a medical marijuana
29 establishment agent unless the person is registered with the
30 Department pursuant to this section.

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

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

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

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



1 (d) The application fee, as set forth in NRS 453A.344; and
2 (e) Such other information as the Department may require by
3 regulation.

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

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

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

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

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

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

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

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

43 (a) Conduct or accept any background check the Department
44 determines to be reliable and expedient to determine the criminal



1 history of the prospective medical marijuana establishment agent or
2 the employee;

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

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

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

23 6. A person who:

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

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

26 ↪ shall not serve as a medical marijuana establishment agent.

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

32 8. If an applicant for registration as a medical marijuana
33 establishment agent satisfies the requirements of this section and is
34 not disqualified from serving as such an agent pursuant to this
35 section or any other applicable law, the Department shall issue to
36 the person and, for an independent contractor, to each person
37 identified in the independent contractor's application for registration
38 as an employee who will provide labor as a medical marijuana
39 establishment agent, a medical marijuana establishment agent
40 registration card. If the Department does not act upon an application
41 for a medical marijuana establishment agent registration card within
42 30 days after the date on which the application is received, the
43 application shall be deemed conditionally approved until such time
44 as the Department acts upon the application. A medical marijuana



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

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

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

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

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

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

25 453A.342 The following acts constitute grounds for the
26 immediate revocation of the medical marijuana establishment agent
27 registration card of a medical marijuana establishment agent:

28 1. Having committed or committing any excluded felony
29 offense.

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

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

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

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

44 6. *Intentionally submitting to the Department or a local*
45 *government any document required under the provisions of this*



1 *chapter which is false or contains any material misstatement of*
2 *fact.*

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

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

7 453A.360 1. Each medical marijuana dispensary and facility
8 for the production of edible marijuana products or marijuana-
9 infused products shall, in consultation with the Department,
10 cooperate to ensure that all edible marijuana products and
11 marijuana-infused products offered for sale:

12 (a) Are labeled clearly and unambiguously:

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

39 6. A medical marijuana dispensary shall:

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

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



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

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

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

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

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

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

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

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

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

33 8. If the health authority, as defined in NRS 446.050, where a
34 facility for the production of edible marijuana products or
35 marijuana-infused products or medical marijuana dispensary which
36 sells edible marijuana products is located requires persons who
37 handle food at a food establishment to obtain certification, the
38 facility for the production of edible marijuana products or
39 marijuana-infused products or medical marijuana dispensary shall
40 ensure that at least one employee maintains such certification.

41 ***9. A medical marijuana establishment:***

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

44 ***(1) Is false or misleading;***



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

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

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

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

17 (c) Shall not place an advertisement:

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

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

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

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

30 (d) Shall not advertise or offer any marijuana, edible
31 marijuana product or marijuana-infused product as "free" or
32 "donated" without a purchase.

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

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

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

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



1 *demonstrates the manner in which the medical marijuana*
2 *establishment determined the reasonably expected age of the*
3 *audience for that advertisement.*

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

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

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

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

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

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

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

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

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

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

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

35 *14. As used in this section, "motor vehicle used for public*
36 *transportation" does not include a taxicab, as defined in*
37 *NRS 706.124.*

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

41 **Sec. 6. 1.** *Except as otherwise provided in this section, a*
42 *person shall not volunteer or work at, contract to provide labor to*
43 *or be employed by an independent contractor to provide labor to a*
44 *marijuana establishment as a marijuana establishment agent*



1 *unless the person is registered with the Department pursuant to*
2 *this section.*

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

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

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

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

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

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

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

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

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

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

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



1 *agent registration card or marijuana establishment registration*
2 *card revoked;*

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

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

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

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

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

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

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

39 *6. A person who:*

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

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

42 *➔ shall not serve as a marijuana establishment agent.*

43 *7. The provisions of this section do not require a person who*
44 *is an owner, officer or board member of a marijuana*
45 *establishment to resubmit information already furnished to the*



1 *Department at the time the establishment was registered with the*
2 *Department.*

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

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

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

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

26 *10. A marijuana establishment agent registration card issued*
27 *pursuant to this section to a person who wishes to volunteer or*
28 *work at a marijuana establishment authorizes the person to*
29 *volunteer or work at any marijuana establishment in this State for*
30 *which the category of the marijuana establishment agent*
31 *registration card authorizes the person to volunteer or work.*

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

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

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



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

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

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

10 (b) *A separate form prescribed by the Department.*

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

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

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

21 4. *If an applicant indicates on the statement submitted*
22 *pursuant to subsection 1 that the applicant is subject to a court*
23 *order for the support of a child and is not in compliance with the*
24 *order or a plan approved by the district attorney or other public*
25 *agency enforcing the order for the repayment of the amount owed*
26 *pursuant to the order, the Department shall advise the applicant to*
27 *contact the district attorney or other public agency enforcing the*
28 *order to determine the actions that the applicant may take to*
29 *satisfy the arrearage.*

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

42 2. *The Department shall reinstate a marijuana establishment*
43 *agent registration card that has been suspended by a district*
44 *court pursuant to NRS 425.540 if the Department receives a letter*
45 *issued by the district attorney or other public agency pursuant to*



1 *NRS 425.550 to the person whose card was suspended stating that*
2 *the person whose card was suspended has complied with the*
3 *subpoena or warrant or has satisfied the arrearage pursuant to*
4 *NRS 425.560.*

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

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

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

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

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

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

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

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

27 **Sec. 10.** NRS 453D.030 is hereby amended to read as follows:
28 453D.030 As used in this chapter, unless the context otherwise
29 requires:

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

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

38 3. "Consumer" means a person who is 21 years of age or older
39 who purchases marijuana or marijuana products for use by persons
40 21 years of age or older, but not for resale to others.

41 4. "Department" means the Department of Taxation.

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



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

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

9 (b) An offense involving conduct that would be immune from
10 arrest, prosecution, or penalty pursuant to chapter 453A of NRS,
11 except that the conduct occurred before the effective date of chapter
12 453A of NRS (October 1, 2001), or was prosecuted by an authority
13 other than the State of Nevada.

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

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

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

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

30 9. "Marijuana cultivation facility" means an entity licensed to
31 cultivate, process, and package marijuana, to have marijuana tested
32 by a marijuana testing facility, and to sell marijuana to retail
33 marijuana stores, to marijuana product manufacturing facilities, and
34 to other marijuana cultivation facilities, but not to consumers.

35 10. "Marijuana distributor" means an entity licensed to
36 transport marijuana from a marijuana establishment to another
37 marijuana establishment.

38 11. "Marijuana establishment" means a marijuana cultivation
39 facility, a marijuana testing facility, a marijuana product
40 manufacturing facility, a marijuana distributor, or a retail marijuana
41 store.

42 12. *"Marijuana establishment agent" means an owner,*
43 *officer, board member, employee or volunteer of a marijuana*
44 *establishment, an independent contractor who provides labor*
45 *relating to the cultivation, processing or distribution of marijuana*



1 *or the production of marijuana or marijuana products for a*
2 *marijuana establishment or an employee of such an independent*
3 *contractor.*

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

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

13 ~~13.~~ **15.** *“Marijuana products” means products comprised of*
14 *marijuana or concentrated marijuana and other ingredients that are*
15 *intended for use or consumption, such as, but not limited to, edible*
16 *products, ointments, and tinctures.*

17 ~~14.~~ **16.** *“Marijuana paraphernalia” means any equipment,*
18 *products, and materials of any kind which are used, intended for*
19 *use, or designed for use in planting, propagating, cultivating,*
20 *growing, harvesting, manufacturing, compounding, converting,*
21 *producing, preparing, testing, analyzing, packaging, repacking,*
22 *storing, or containing marijuana, or for ingesting, inhaling, or*
23 *otherwise introducing marijuana into the human body.*

24 ~~15.~~ **17.** *“Marijuana testing facility” means an entity licensed*
25 *to test marijuana and marijuana products, including for potency and*
26 *contaminants.*

27 ~~16.~~ **18.** *“Process” means to harvest, dry, cure, trim, and*
28 *separate parts of the marijuana plant by manual or mechanical*
29 *means, such as sieving or ice water separation, but not by chemical*
30 *extraction or chemical synthesis.*

31 ~~17.~~ **19.** *“Public place” means an area to which the public is*
32 *invited or in which the public is permitted regardless of age. “Public*
33 *place” does not include a retail marijuana store.*

34 ~~18.~~ **20.** *“Retail marijuana store” means an entity licensed to*
35 *purchase marijuana from marijuana cultivation facilities, to*
36 *purchase marijuana and marijuana products from marijuana product*
37 *manufacturing facilities and retail marijuana stores, and to sell*
38 *marijuana and marijuana products to consumers.*

39 ~~19.~~ **21.** *“Unreasonably impracticable” means that the*
40 *measures necessary to comply with the regulations require such a*
41 *high investment of risk, money, time, or any other resource or asset*
42 *that the operation of a marijuana establishment is not worthy of*
43 *being carried out in practice by a reasonably prudent*
44 *businessperson.*



1 **Sec. 11.** NRS 453D.200 is hereby amended to read as follows:
2 453D.200 1. Not later than January 1, 2018, the Department
3 shall adopt all regulations necessary or convenient to carry out the
4 provisions of this chapter. The regulations must not prohibit the
5 operation of marijuana establishments, either expressly or through
6 regulations that make their operation unreasonably impracticable.
7 The regulations shall include:

8 (a) Procedures for the issuance, renewal, suspension, and
9 revocation of a license to operate a marijuana establishment;

10 (b) Qualifications for licensure that are directly and
11 demonstrably related to the operation of a marijuana establishment;

12 (c) Requirements for the security of marijuana establishments;

13 (d) Requirements to prevent the sale or diversion of marijuana
14 and marijuana products to persons under 21 years of age;

15 (e) Requirements for the packaging of marijuana and marijuana
16 products, including requirements for child-resistant packaging;

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

21 (g) Requirements for record keeping by marijuana
22 establishments;

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

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

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

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

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

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

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

43 3. The Department may by motion or on complaint, after
44 investigation, notice of the specific violation, and an opportunity
45 for a hearing, pursuant to the provisions of chapter 233B of



1 NRS, suspend, revoke, or fine a licensee for the violation of this
2 chapter or for a violation of a regulation adopted by the Department
3 pursuant to this section.

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

12 5. To ensure that individual privacy is protected:

13 (a) The Department shall not require a consumer to provide a
14 retail marijuana store with identifying information other than
15 government-issued identification to determine the consumer's age;
16 and

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

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

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

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

28 453D.310 1. Each retail marijuana store and marijuana
29 product manufacturing facility shall, in consultation with the
30 Department, cooperate to ensure that all marijuana products offered
31 for sale:

32 (a) Are labeled clearly and unambiguously:

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

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

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

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

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



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

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

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

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

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

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

18 (c) For a marijuana product sold as a food product, more than
19 100 milligrams of THC.

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

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

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

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

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

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

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

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

39 4. A marijuana product manufacturing facility shall:

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

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



- 1 (1) The words “Keep out of reach of children”;
- 2 (2) A list of all ingredients used in the marijuana product;
- 3 (3) A list of all allergens in the marijuana product; and
- 4 (4) The total weight of marijuana contained in the marijuana
- 5 product or an equivalent measure of THC concentration.

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

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

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

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

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

25 7. A retail marijuana store shall:

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

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

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

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

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

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

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



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

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

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

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

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

19 9. A marijuana establishment:

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

22 (1) Is false or misleading;

23 (2) Promotes overconsumption of marijuana or marijuana
24 products;

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

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

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

38 (c) Shall not place an advertisement:

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

44 (2) On or inside of a motor vehicle used for public
45 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~~

(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.



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

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

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

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

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

12 244.35253 1. Except as otherwise provided in this section, a
13 board of county commissioners shall not fix, impose or collect a
14 license tax for revenue or for regulation, or for both revenue and
15 regulation, on a marijuana establishment or medical marijuana
16 establishment located in the county.

17 2. Except as otherwise provided in subsection 3, a board of
18 county commissioners may fix, impose and collect a license tax for
19 revenue or for regulation, or for both revenue and regulation, on a
20 marijuana establishment or medical marijuana establishment located
21 in the county outside of the limits of incorporated cities and towns
22 as a:

23 (a) Flat fee;

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

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

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

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

37 (a) Any fees required pursuant to chapter 278 of NRS;

38 (b) A one-time flat fee for an application for the issuance of a
39 business license for a marijuana establishment or medical marijuana
40 establishment located in the county outside of the limits of
41 incorporated cities and towns in an amount that does not exceed any
42 similar fee imposed on a business pursuant to this chapter and
43 chapter 369 of NRS; and

44 (c) A licensing tax for a business activity engaged in by a
45 marijuana establishment or medical marijuana establishment located



1 in the county outside of the limits of incorporated cities and towns
2 for which registration pursuant to chapter 453A of NRS or licensing
3 pursuant to chapter 453D of NRS is not required only if:

4 (1) The board of county commissioners is granted the
5 authority to require such a license by some other provision of law;
6 and

7 (2) The amount of the licensing tax does not exceed the
8 amount imposed by the board of county commissioners on other
9 similar businesses.

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

13 (a) The packaging, labeling, testing, dosage or potency of
14 marijuana, edible marijuana products, marijuana products or
15 marijuana-infused products;

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

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

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

22 (e) The transportation of marijuana, edible marijuana products,
23 marijuana products or marijuana-infused products other than the
24 direct transportation of marijuana, edible marijuana products,
25 marijuana products or marijuana-infused products to a consumer
26 and a requirement to notify the county of any transportation of
27 marijuana, edible marijuana products, marijuana products or
28 marijuana-infused products;

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

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

33 ~~or~~

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

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

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



1 7. As used in this section:

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

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

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

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

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

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

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

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

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

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

22 268.0977 1. Except as otherwise provided in this section, the
23 governing body of an incorporated city, whether organized under
24 general law or special charter, shall not fix, impose or collect for
25 revenues or for regulation, or both, a license tax on a marijuana
26 establishment or medical marijuana establishment located within its
27 corporate limits.

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

34 (a) Flat fee;

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

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

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



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

5 (a) Any fees required pursuant to chapter 278 of NRS;

6 (b) A one-time flat fee for an application for the issuance of a
7 business license for a marijuana establishment or medical marijuana
8 establishment located within its corporate limits in an amount that
9 does not exceed any similar fee imposed on a business pursuant to
10 this chapter and chapter 369 of NRS; and

11 (c) A licensing tax for a business activity engaged in by a
12 marijuana establishment or medical marijuana establishment located
13 within its corporate limits for which registration pursuant to chapter
14 453A of NRS or licensing pursuant to chapter 453D of NRS is not
15 required only if:

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

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

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

24 (a) The packaging, labeling, testing, dosage or potency of
25 marijuana, edible marijuana products, marijuana products or
26 marijuana-infused products;

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

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

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

33 (e) The transportation of marijuana, edible marijuana products,
34 marijuana products or marijuana-infused products other than the
35 direct transportation of marijuana, edible marijuana products,
36 marijuana products or marijuana-infused products to a consumer
37 and a requirement to notify the city of any transportation of
38 marijuana, edible marijuana products, marijuana products or
39 marijuana-infused products;

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

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

44 ~~(e)~~



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

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

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

13 7. As used in this section:

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

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

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

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

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

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

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

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

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

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

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

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

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



- 1 (a) Have failed to comply with a subpoena or warrant relating to
2 a proceeding to determine the paternity of a child or to establish or
3 enforce an obligation for the support of a child; or
4 (b) Are in arrears in the payment for the support of one or more
5 children,
6 ➔ are repealed by the Congress of the United States.

③

