

(§§ 17, 34)

**(Reprinted with amendments adopted on May 27, 2021)**

**SECOND REPRINT**

**A.B. 341**

ASSEMBLY BILL NO. 341—ASSEMBLYMAN YEAGER

MARCH 19, 2021

Referred to Committee on Judiciary

**SUMMARY**—Provides for the licensure and regulation of cannabis consumption lounges. (BDR 56-583)

**FISCAL NOTE:** Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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

AN ACT relating to cannabis; providing for the licensure and regulation by the Cannabis Compliance Board of cannabis consumption lounges; setting forth certain requirements for the licensure of cannabis consumption lounges; setting forth certain requirements for the operation of retail cannabis consumption lounges and independent cannabis consumption lounges; requiring the Board to adopt regulations establishing certain fees; revising provisions relating to certain cannabis products; revising provisions relating to the consumption of cannabis in a public place; establishing provisions relating to the civil liability of a person who serves, sells or furnishes cannabis or cannabis products to another person; revising provisions relating to the excise tax on retail sales of cannabis and cannabis products; exempting a cannabis consumption lounge from certain provisions prohibiting a person from maintaining a place for the purpose of unlawfully selling, giving away or using any controlled substance; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law provides for the licensure and regulation of persons and  
2 establishments in the cannabis industry in this State by the Cannabis Compliance  
3 Board. (Title 56 of NRS) Under existing law, a cannabis establishment is prohibited  
4 from allowing a person to consume cannabis on the property or premises of the  
5 establishment. (NRS 678B.510) Existing law also makes it a misdemeanor to  
6 consume cannabis or a cannabis product in a public place, in an adult-use cannabis



7 retail store or in a vehicle. (NRS 678D.310) This bill provides for the licensure and  
8 regulation by the Board of certain businesses at which the consumption of certain  
9 cannabis and cannabis products is allowed. **Section 2** of this bill designates such  
10 businesses generally as “cannabis consumption lounges.”

11 **Sections 3 and 5** of this bill designate two types of cannabis consumption  
12 lounges. **Section 5** of this bill defines “retail cannabis consumption lounge” to  
13 mean a business at which the consumption of single-use or ready-to-consume  
14 cannabis products is allowed and which is attached or immediately adjacent to an  
15 adult-use cannabis retail store. **Section 3** of this bill defines “independent cannabis  
16 consumption lounge” to mean a business at which the consumption of single-use or  
17 ready-to-consume cannabis products is allowed and which is not attached or  
18 immediately adjacent to an adult-use cannabis retail store.

19 **Section 5.5** of this bill defines “single-use cannabis product” to generally mean  
20 a type of cannabis or adult-use cannabis product that the Board has determined to  
21 be appropriate for consumption in a cannabis consumption lounge. **Section 4** of this  
22 bill defines “ready-to-consume cannabis product” to mean an adult-use edible  
23 cannabis product that is presented as a foodstuff or beverage and is intended for  
24 immediate consumption. **Section 28** of this bill requires the Board to adopt  
25 regulations designating types of cannabis and cannabis products as single-use  
26 cannabis products and establishing requirements for the preparation and sale of  
27 ready-to-consume cannabis products. **Sections 19 and 30** of this bill provide that  
28 certain requirements for cannabis products established under existing law do not  
29 apply to ready-to-consume cannabis products to the extent that such requirements  
30 are inconsistent with the regulations adopted by the Board.

31 Existing law prohibits a person from engaging in the business of an adult-use  
32 cannabis establishment unless the person has been issued an adult-use cannabis  
33 establishment license by the Board. Existing law sets forth certain requirements to  
34 obtain such a license. (NRS 678B.250) **Section 7** of this bill includes a retail  
35 cannabis consumption lounge and an independent cannabis consumption lounge  
36 within the definition of “adult-use cannabis establishment” provided under existing  
37 law, thereby requiring persons who wish to operate such establishments to obtain  
38 an adult-use cannabis establishment license in the manner provided in existing law.  
39 (NRS 678A.035)

40 **Sections 13.5 and 14** of this a bill prohibit a cannabis establishment, including  
41 a cannabis consumption lounge, from being located on the property of an airport.

42 **Section 10** of this bill prohibits the Board from issuing an adult-use cannabis  
43 establishment license for a retail cannabis consumption lounge unless: (1) the  
44 applicant holds an adult-use cannabis establishment license for an adult-use  
45 cannabis retail store; and (2) the location of the proposed retail cannabis  
46 consumption lounge is attached or immediately adjacent to the adult-use cannabis  
47 retail store. **Sections 10 and 14** of this bill exempt a proposed retail  
48 cannabis consumption lounge from certain restrictions relating to the location of an  
49 adult-use cannabis establishment.

50 **Section 11** of this bill requires the Board to adopt regulations establishing  
51 criteria to determine whether an applicant for the issuance or renewal of an adult-  
52 use cannabis establishment license for an independent cannabis consumption  
53 lounge qualifies as a social equity applicant, which is defined by **section 9** of this  
54 bill generally as an applicant that has been adversely affected by previous laws that  
55 criminalized activity relating to cannabis. **Section 12** of this bill requires the Board  
56 to adopt regulations establishing criteria of merit and scoring guidelines to be used  
57 in evaluating applications for an adult-use cannabis establishment license for a  
58 retail cannabis consumption lounge or an independent cannabis consumption  
59 lounge. **Section 17** of this bill establishes fees for the issuance and renewal of such  
60 licenses. **Section 17** authorizes the Board to reduce certain fees associated with an  
61 adult-use cannabis establishment license for an independent cannabis consumption



62 lounge for social equity applicants. **Section 16** of this bill makes a conforming  
63 change to reflect the addition of the requirements of **section 12**.

64 **Section 12.4** of this bill prohibits the Board, with certain exceptions, from  
65 issuing more than 20 adult-use cannabis establishment licenses for an independent  
66 cannabis consumption lounge. However, if on or before June 30, 2022, the Board  
67 issues 20 such licenses, **section 12.4** authorizes the Board to issue additional  
68 licenses, so long as the total number of adult-use cannabis establishment licenses  
69 for an independent cannabis consumption lounge does not, at any time, exceed the  
70 number of adult-use cannabis establishment licenses for a retail cannabis  
71 consumption lounge issued by the Board. **Section 12.4** also requires that at least 10  
72 of the first 20 adult-use cannabis establishment licenses for an independent  
73 cannabis consumption lounge issued by the Board be issued to social equity  
74 applicants. **Section 12.5** of this bill sets forth certain requirements for the issuance  
75 of adult-use cannabis establishment licenses for retail cannabis consumption  
76 lounges and independent cannabis consumption lounges in a local governmental  
77 jurisdiction that limits the number of business licenses issued to cannabis  
78 consumption lounges, which include, among other requirements, that a certain  
79 number of adult-use cannabis establishment licenses for independent cannabis  
80 consumption lounges be issued to social equity applicants.

81 Existing law prohibits the Board from issuing more than a certain number of  
82 adult-use cannabis establishment licenses to any one person, group of persons or  
83 entity in certain counties. (NRS 678B.270) **Section 15** of this bill provides that this  
84 prohibition does not apply to adult-use cannabis establishment licenses for retail  
85 cannabis consumption lounges or independent cannabis consumption lounges.  
86 Instead, **section 12.7** of this bill generally prohibits the Board from issuing more  
87 than one such license to any one person, group of persons or entity in any county.  
88 **Section 12.7** provides an exception to this prohibition for certain transfers of such  
89 licenses. **Section 12.3** of this bill prohibits the Board from issuing to any one  
90 person, group of persons or entity both an adult-use cannabis establishment license  
91 for an adult-use cannabis retail store and an adult-use cannabis establishment  
92 license for an independent cannabis consumption lounge.

93 Existing law requires the Board to adopt regulations regarding the transfer of  
94 licenses issued by the Board. (NRS 678B.380) **Section 16.5** of this bill requires  
95 those regulations to impose certain requirements and restrictions on the transfer an  
96 adult-use cannabis establishment license for an independent cannabis consumption  
97 lounge.

98 **Section 17.5** of this bill prohibits a local government from adopting or  
99 enforcing any ordinance or rule pertaining to zoning or land use which imposes  
100 restrictions on retail cannabis consumption lounges, unless such restrictions also  
101 apply to adult-use cannabis retail stores. **Section 30.3** of this bill makes a  
102 conforming change to reflect the addition of the provisions of **section 17.5**.

103 **Sections 22 and 24** of this bill set forth certain requirements and restrictions  
104 relating to the operation of a cannabis consumption lounge. **Section 24** prohibits,  
105 among other things, the consumption of any cannabis or cannabis product at a  
106 cannabis consumption lounge that is not a single-use cannabis product or ready-to-  
107 consume cannabis product. **Section 23** of this bill authorizes a cannabis  
108 consumption lounge to engage in certain activities. **Section 20** of this bill requires  
109 the Board to adopt certain regulations concerning cannabis consumption lounges.

110 **Section 25** of this bill authorizes a retail cannabis consumption lounge to obtain  
111 single-use cannabis products from the adult-use cannabis retail store to which the  
112 lounge is attached or adjacent and sell such products to customers of the lounge.  
113 **Section 25** also authorizes a retail cannabis consumption lounge to prepare and sell  
114 ready-to-consume cannabis products.

115 **Section 27** of this bill requires an independent cannabis consumption lounge to  
116 enter into a contract with one or more adult-use cannabis retail stores to obtain



117 single-use cannabis products for resale and cannabis or cannabis products for use in  
118 the preparation of ready-to-consume cannabis products. **Section 27** authorizes an  
119 independent cannabis consumption lounge that has entered into such a contract to:  
120 (1) sell single-use cannabis products to customers of the lounge; and (2) prepare and  
121 sell ready-to-consume cannabis products to customers of the lounge.

122 Existing law prohibits a board of county commissioners, the governing body of  
123 an incorporated city or a town board from licensing or otherwise allowing a person  
124 to operate a business that allows cannabis or cannabis products to be consumed on  
125 the premises of the business. (NRS 244.335, 268.095, 269.170) Existing law  
126 eliminates this prohibition effective July 1, 2021. (Section 246 of chapter 595,  
127 Statutes of Nevada 2019, at page 3896) **Sections 36.7 and 36.9** of this bill remove  
128 the prospective elimination of this prohibition. Instead, **sections 30.6-30.9** of this  
129 bill prohibit such a local government from licensing or otherwise allowing the  
130 operation of a business that allows cannabis or cannabis products to be consumed  
131 on the premises of the business, other than a cannabis consumption lounge, in  
132 accordance with the provisions of this bill.

133 **Section 30.5** of this bill establishes provisions relating to the civil liability of a  
134 person who serves, sells or furnishes cannabis or a cannabis product to another  
135 person for damages caused as a result of the consumption of the cannabis or  
136 cannabis product, which are based on similar provisions of existing law concerning  
137 alcoholic beverages. (NRS 41.1305)

138 Existing law imposes an excise tax on each retail sale of cannabis or cannabis  
139 products by an adult-use cannabis retail store. (NRS 372A.290) **Section 34** of this  
140 bill applies this excise tax to retail sales of cannabis and cannabis products by a  
141 cannabis consumption lounge. **Sections 31 and 33** of this bill make conforming  
142 changes to reflect the imposition of the excise tax on such sales.

143 **Sections 18 and 29** of this bill revise provisions of existing law prohibiting the  
144 consumption of cannabis and cannabis products in a public place or in a cannabis  
145 establishment for the purpose of authorizing a person to engage in such activities in  
146 a cannabis consumption lounge. (NRS 678B.510, 678D.310)

147 Existing law prohibits a person from opening or maintaining a place for the  
148 purpose of unlawfully selling, giving away or using any controlled substance. (NRS  
149 453.316) **Section 36** of this bill exempts a cannabis consumption lounge whose  
150 activities are confined to those authorized under the provisions of this bill from the  
151 application of this provision.

152 **Section 36.3** of this bill authorizes a person who, on October 1, 2021, holds an  
153 adult-use cannabis establishment license for an adult-use cannabis retail store to  
154 submit to the Board an application for the issuance of an adult-use cannabis  
155 establishment license for a retail cannabis consumption lounge. **Section 36.3**  
156 prohibits the Board from issuing such a license to such an applicant, unless the  
157 applicant has satisfied all applicable requirements for the issuance of the license.

158 **Section 36.5** of this bill requires the Board, on or before January 1, 2023, to  
159 submit to the Legislature a report containing certain information regarding the  
160 effect of certain violations of the Nevada Unfair Trade Practice Act on independent  
161 cannabis consumption lounges.

162 **Sections 2-5.5 and 9** of this bill define words and terms applicable to the  
163 provisions of this bill. **Sections 6 and 32** of this bill make conforming changes to  
164 properly place new language in the Nevada Revised Statutes. **Section 35** of this bill  
165 makes a conforming change to reflect the addition of the provisions of **section 17**.



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

1     **Section 1.** Chapter 678A of NRS is hereby amended by  
2 adding thereto the provisions set forth as sections 2 to 5.5, inclusive,  
3 of this act.

4     **Sec. 2.** *“Cannabis consumption lounge” means:*

- 5     1. *A retail cannabis consumption lounge; or*
- 6     2. *An independent cannabis consumption lounge.*

7     **Sec. 3.** *“Independent cannabis consumption lounge” means*  
8 *a business that:*

- 9     1. *Is licensed by the Board pursuant to NRS 678B.250;*
- 10    2. *Is not attached or immediately adjacent to an adult-use*  
11 *cannabis retail store; and*
- 12    3. *Allows single-use cannabis products or ready-to-consume*  
13 *cannabis products to be consumed on the premises of the business*  
14 *by persons 21 years of age or older.*

15    **Sec. 4.** *“Ready-to-consume cannabis product” means an*  
16 *adult-use edible cannabis product that is:*

- 17    1. *Prepared on the premises of a cannabis consumption*  
18 *lounge;*
- 19    2. *Presented in the form of a foodstuff or beverage;*
- 20    3. *Sold in a heated or unheated state; and*
- 21    4. *Intended for immediate consumption.*

22    **Sec. 5.** *“Retail cannabis consumption lounge” means a*  
23 *business that:*

- 24    1. *Is licensed by the Board pursuant to NRS 678B.250;*
- 25    2. *Is attached or immediately adjacent to an adult-use*  
26 *cannabis retail store; and*
- 27    3. *Allows single-use cannabis products or ready-to-consume*  
28 *cannabis products to be consumed on the premises of the business*  
29 *by persons 21 years of age or older.*

30    **Sec. 5.5.** *“Single-use cannabis product” means a type of*  
31 *cannabis or adult-use cannabis product, other than a ready-to-*  
32 *consume cannabis product, that the Board has determined to be*  
33 *appropriate for consumption in a cannabis consumption lounge*  
34 *pursuant to section 28 of this act.*

35    **Sec. 6.** NRS 678A.010 is hereby amended to read as follows:

36    678A.010 As used in this title, unless the context otherwise  
37 requires, the words and terms defined in NRS 678A.020 to  
38 678A.240, inclusive, *and sections 2 to 5.5, inclusive, of this act*  
39 have the meanings ascribed to them in those sections.

40    **Sec. 7.** NRS 678A.035 is hereby amended to read as follows:

41    678A.035 “Adult-use cannabis establishment” means:

- 42    1. An adult-use cannabis independent testing laboratory;



2. An adult-use cannabis cultivation facility;
3. An adult-use cannabis production facility;
4. An adult-use cannabis retail store; ~~[or]~~
5. An adult-use cannabis distributor ~~[or]~~;
6. *A retail cannabis consumption lounge; or*
7. *An independent cannabis consumption lounge.*

**Sec. 8.** Chapter 678B of NRS is hereby amended by adding thereto the provisions set forth as sections 9 to 12.7, inclusive, of this act.

**Sec. 9.** *“Social equity applicant” means an applicant for the issuance or renewal of an adult-use cannabis establishment license for an independent cannabis consumption lounge who has been adversely affected by provisions of previous laws which criminalized activity relating to cannabis, as determined by the Board in accordance with the regulations adopted pursuant to section 11 of this act. Such adverse effects may include, without limitation, adverse effects on an owner or officer of the applicant.*

**Sec. 10. 1.** *The Board shall not issue an adult-use cannabis establishment license for a retail cannabis consumption lounge pursuant to NRS 678B.250 unless:*

*(a) The applicant holds an adult-use cannabis establishment license for an adult-use cannabis retail store; and*

*(b) The location of the proposed retail cannabis consumption lounge is attached or immediately adjacent to the adult-use cannabis retail store for which the applicant holds an adult-use cannabis establishment license.*

**2.** *The location of a proposed retail cannabis consumption lounge:*

*(a) Except as otherwise provided in paragraph (b), is not subject to the restrictions set forth in sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 678B.250 so long as the adult-use cannabis retail store to which the proposed retail cannabis consumption lounge is to be attached or immediately adjacent was in compliance with such requirements at the time it was issued an adult-use cannabis establishment license; and*

*(b) Must not be on the property of an airport.*

**Sec. 11. 1.** *The Board shall adopt regulations establishing criteria to be used by the Board for determining whether an applicant for the issuance or renewal of an adult-use cannabis establishment license for an independent cannabis consumption lounge qualifies as a social equity applicant for the purposes of this chapter.*

**2.** *The regulations adopted pursuant to subsection 1 must establish the minimum percentage of ownership in a proposed*



1 *independent cannabis consumption lounge which will be held by a*  
2 *person or group of persons who have been adversely affected by*  
3 *provisions of previous laws which criminalized activity relating to*  
4 *cannabis for the applicant to qualify as a social equity applicant.*

5 **Sec. 12.** 1. *The Board shall adopt regulations establishing*  
6 *criteria of merit and scoring guidelines to be used by the Board in*  
7 *evaluating applications for the issuance of an adult-use cannabis*  
8 *establishment license for a retail cannabis consumption lounge or*  
9 *an independent cannabis consumption lounge pursuant to*  
10 *NRS 678B.250.*

11 2. *In determining whether to issue an adult-use cannabis*  
12 *establishment license for a retail cannabis consumption lounge or*  
13 *an independent cannabis consumption lounge pursuant to NRS*  
14 *678B.250, the Board shall, in addition to the factors set forth in*  
15 *that section, consider the criteria of merit and scoring guidelines*  
16 *established pursuant to subsection 1.*

17 3. *The scoring guidelines established pursuant to subsection*  
18 *1 must establish a minimum required score for the issuance of an*  
19 *adult-use cannabis establishment license for a retail cannabis*  
20 *consumption lounge or an independent cannabis consumption*  
21 *lounge.*

22 4. *The criteria of merit established pursuant to subsection 1*  
23 *must include, without limitation:*

24 (a) *For a proposed independent cannabis consumption*  
25 *lounge:*

26 (1) *The diversity on the basis of race, ethnicity or gender of*  
27 *the applicant or the persons who are proposed to be owners or*  
28 *officers of the proposed independent cannabis consumption*  
29 *lounge; and*

30 (2) *Whether the applicant qualifies as a social equity*  
31 *applicant; and*

32 (b) *Any other criteria of merit that the Board determines to be*  
33 *relevant.*

34 **Sec. 12.3.** *The Board shall not issue to any one person,*  
35 *group of persons or entity both an adult-use cannabis*  
36 *establishment license for an adult-use cannabis retail store and an*  
37 *adult-use cannabis establishment license for an independent*  
38 *cannabis consumption lounge.*

39 **Sec. 12.4.** 1. *Except as otherwise provided in subsection 2,*  
40 *the Board shall not issue more than 20 adult-use cannabis*  
41 *establishment licenses for an independent cannabis consumption*  
42 *lounge.*

43 2. *If, on or before June 30, 2022, the Board issues 20 adult-*  
44 *use cannabis establishment licenses for an independent cannabis*  
45 *consumption lounge, the Board may thereafter issue adult-use*



1 *cannabis establishment licenses for independent cannabis*  
2 *consumption lounges in amounts that exceed the limit set forth in*  
3 *subsection 1, so long as the total number of such licenses issued*  
4 *by the Board does not, at any time, exceed the total number of*  
5 *adult-use cannabis establishment licenses for a retail cannabis*  
6 *consumption lounge issued by the Board.*

7 3. *At least 10 of the first 20 adult-use cannabis establishment*  
8 *licenses for an independent cannabis consumption lounge issued*  
9 *by the Board must be issued to social equity applicants.*

10 **Sec. 12.5.** 1. *The Board shall, for each local governmental*  
11 *jurisdiction that limits the number of business licenses which may*  
12 *be issued to cannabis consumption lounges, determine the number*  
13 *of licenses allocated to the jurisdiction for retail cannabis*  
14 *consumption lounges and independent cannabis consumption*  
15 *lounges.*

16 2. *Not more than 50 percent of the licenses allocated by the*  
17 *Board pursuant to subsection 1 may be issued to retail cannabis*  
18 *consumption lounges.*

19 3. *Except as otherwise provided in this subsection, at least 50*  
20 *percent of the licenses allocated to a local governmental*  
21 *jurisdiction pursuant to subsection 1 must be issued to*  
22 *independent cannabis consumption lounges. At least 50 percent of*  
23 *the licenses issued to cannabis consumption lounges must be*  
24 *issued to social equity applicants. If there are an insufficient*  
25 *number of social equity applicants to distribute licenses in that*  
26 *manner, the local governmental jurisdiction shall issue business*  
27 *licenses to all qualified social equity applicants and hold the*  
28 *remaining business licenses in reserve for future issuance to*  
29 *social equity applicants.*

30 4. *If the number of qualified applicants in a local*  
31 *governmental jurisdiction exceeds the number of licenses*  
32 *allocated to that jurisdiction pursuant to subsection 1, the Board*  
33 *shall issue adult-use cannabis establishment licenses for retail*  
34 *cannabis consumption lounges and independent cannabis*  
35 *consumption lounges in the local governmental jurisdiction to*  
36 *qualified applicants who are not social equity applicants using a*  
37 *separate lottery system for each type of license.*

38 5. *As used in this section, "local governmental jurisdiction"*  
39 *means a city or unincorporated area within a county.*

40 **Sec. 12.7.** 1. *Except as otherwise provided in subsection 2,*  
41 *the Board shall not issue:*

42 (a) *More than one adult-use cannabis establishment license*  
43 *for an independent cannabis consumption lounge to any one*  
44 *person, group of persons or entity;*





1 (b) *More than one adult-use cannabis establishment license*  
2 *for a retail cannabis consumption lounge to any one person,*  
3 *group of persons or entity; or*

4 (c) *Both an adult-use cannabis establishment license for a*  
5 *retail cannabis consumption lounge and an adult-use cannabis*  
6 *establishment license for an independent cannabis consumption*  
7 *lounge to any one person, group of persons or entity.*

8 2. *The Board may approve a transfer of an adult-use*  
9 *cannabis establishment license for a retail cannabis consumption*  
10 *lounge or an independent cannabis consumption lounge to a*  
11 *person, group of persons or entity that acquires a 100 percent*  
12 *ownership interest in a cannabis consumption lounge in a county*  
13 *in which the person, group of persons or entity holds another such*  
14 *license, if the transfer:*

15 (a) *Complies with all requirements for the transfer of a license*  
16 *established by the Board pursuant to NRS 678B.380; and*

17 (b) *Will not result in the person, group of persons or entity*  
18 *holding more than two adult-use cannabis establishment licenses*  
19 *for a retail cannabis consumption lounge, adult-use cannabis*  
20 *establishment licenses for an independent cannabis lounge or any*  
21 *combination of the two.*

22 **Sec. 13.** NRS 678B.020 is hereby amended to read as follows:

23 678B.020 As used in this chapter, unless the context otherwise  
24 requires, the words and terms defined in NRS 678B.030 to  
25 678B.070, inclusive, *and section 9 of this act* have the meanings  
26 ascribed to them in those sections.

27 **Sec. 13.5.** NRS 678B.210 is hereby amended to read as  
28 follows:

29 678B.210 1. A person shall not engage in the business of a  
30 medical cannabis establishment unless the person holds a medical  
31 cannabis establishment license issued by the Board pursuant to this  
32 section.

33 2. A person who wishes to engage in the business of a medical  
34 cannabis establishment must submit to the Board an application on a  
35 form prescribed by the Board.

36 3. Except as otherwise provided in NRS 678B.220, 678B.230  
37 and 678B.240, not later than 90 days after receiving an application  
38 to engage in the business of a medical cannabis establishment, the  
39 Board shall register the medical cannabis establishment and issue a  
40 medical cannabis establishment license and a random 20-digit  
41 alphanumeric identification number if:

42 (a) The person who wishes to operate the proposed medical  
43 cannabis establishment has submitted to the Board all of the  
44 following:

45 (1) The application fee, as set forth in NRS 678B.390;



1 (2) An application, which must include:

2 (I) The legal name of the proposed medical cannabis  
3 establishment;

4 (II) The physical address where the proposed medical  
5 cannabis establishment will be located and the physical address of  
6 any co-owned additional or otherwise associated medical cannabis  
7 establishments, the locations of which may not be *on the property*  
8 *of an airport*, within 1,000 feet of a public or private school that  
9 provides formal education traditionally associated with preschool or  
10 kindergarten through grade 12 and that existed on the date on which  
11 the application for the proposed medical cannabis establishment was  
12 submitted to the Board, within 300 feet of a community facility that  
13 existed on the date on which the application for the proposed  
14 medical cannabis establishment was submitted to the Board or, if the  
15 proposed medical cannabis establishment will be located in a county  
16 whose population is 100,000 or more, within 1,500 feet of an  
17 establishment that holds a nonrestricted gaming license described in  
18 subsection 1 or 2 of NRS 463.0177 and that existed on the date on  
19 which the application for the proposed medical cannabis  
20 establishment was submitted to the Board;

21 (III) Evidence that the applicant controls not less than  
22 \$250,000 in liquid assets to cover the initial expenses of opening the  
23 proposed medical cannabis establishment and complying with the  
24 provisions of this title;

25 (IV) Evidence that the applicant owns the property on  
26 which the proposed medical cannabis establishment will be located  
27 or has the written permission of the property owner to operate the  
28 proposed medical cannabis establishment on that property;

29 (V) For the applicant and each person who is proposed to  
30 be an owner, officer or board member of the proposed medical  
31 cannabis establishment, a complete set of the person's fingerprints  
32 and written permission of the person authorizing the Board to  
33 forward the fingerprints to the Central Repository for Nevada  
34 Records of Criminal History for submission to the Federal Bureau  
35 of Investigation for its report; and

36 (VI) The name, address and date of birth of each person  
37 who is proposed to be an owner, officer or board member of the  
38 proposed medical cannabis establishment;

39 (3) Operating procedures consistent with rules of the Board  
40 for oversight of the proposed medical cannabis establishment,  
41 including, without limitation:

42 (I) Procedures to ensure the use of adequate security  
43 measures; and

44 (II) The use of an electronic verification system and an  
45 inventory control system pursuant to NRS 678C.420 and 678C.430;



1 (4) If the proposed medical cannabis establishment will sell  
2 or deliver medical cannabis products, proposed operating  
3 procedures for handling such products which must be preapproved  
4 by the Board;

5 (5) If the city or county in which the proposed medical  
6 cannabis establishment will be located has enacted zoning  
7 restrictions, proof that the proposed location is in compliance with  
8 those restrictions and satisfies all applicable building requirements;  
9 and

10 (6) Such other information as the Board may require by  
11 regulation;

12 (b) None of the persons who are proposed to be owners, officers  
13 or board members of the proposed medical cannabis establishment  
14 have been convicted of an excluded felony offense;

15 (c) None of the persons who are proposed to be owners, officers  
16 or board members of the proposed medical cannabis establishment  
17 have:

18 (1) Served as an owner, officer or board member for a  
19 cannabis establishment that has had its medical cannabis  
20 establishment license or adult-use cannabis establishment license  
21 revoked;

22 (2) Previously had a cannabis establishment agent  
23 registration card revoked; or

24 (3) Previously had a cannabis establishment agent  
25 registration card for a cannabis executive revoked; and

26 (d) None of the persons who are proposed to be owners, officers  
27 or board members of the proposed medical cannabis establishment  
28 are under 21 years of age.

29 4. For each person who submits an application pursuant to this  
30 section, and each person who is proposed to be an owner, officer or  
31 board member of a proposed medical cannabis establishment, the  
32 Board shall submit the fingerprints of the person to the Central  
33 Repository for Nevada Records of Criminal History for submission  
34 to the Federal Bureau of Investigation to determine the criminal  
35 history of that person.

36 5. Except as otherwise provided in subsection 6, if an  
37 application for registration as a medical cannabis establishment  
38 satisfies the requirements of this section, is qualified in the  
39 determination of the Board pursuant to NRS 678B.200 and the  
40 establishment is not disqualified from being registered as a medical  
41 cannabis establishment pursuant to this section or other applicable  
42 law, the Board shall issue to the establishment a medical cannabis  
43 establishment license. A medical cannabis establishment license  
44 expires 1 year after the date of issuance and may be renewed upon:



1 (a) Submission of the information required by the Board by  
2 regulation; and

3 (b) Payment of the renewal fee set forth in NRS 678B.390.

4 6. In determining whether to issue a medical cannabis  
5 establishment license pursuant to this section, the Board shall  
6 consider the criteria of merit set forth in NRS 678B.240.

7 7. For the purposes of sub-subparagraph (II) of subparagraph  
8 (2) of paragraph (a) of subsection 3, the distance must be measured  
9 from the front door of the proposed medical cannabis establishment  
10 to the closest point of the property line of a school, community  
11 facility or gaming establishment.

12 8. As used in this section, "community facility" means:

13 (a) A facility that provides day care to children.

14 (b) A public park.

15 (c) A playground.

16 (d) A public swimming pool.

17 (e) A center or facility, the primary purpose of which is to  
18 provide recreational opportunities or services to children or  
19 adolescents.

20 (f) A church, synagogue or other building, structure or place  
21 used for religious worship or other religious purpose.

22 **Sec. 14.** NRS 678B.250 is hereby amended to read as follows:

23 678B.250 1. A person shall not engage in the business of an  
24 adult-use cannabis establishment unless the person holds an adult-  
25 use cannabis establishment license issued pursuant to this section.

26 2. A person who wishes to engage in the business of an adult-  
27 use cannabis establishment must submit to the Board an application  
28 on a form prescribed by the Board.

29 3. Except as otherwise provided in NRS 678B.260, 678B.270  
30 and 678B.280, *and sections 10 and 12 to 12.7, inclusive, of this act*,  
31 the Board shall issue an adult-use cannabis establishment license to  
32 an applicant if:

33 (a) The person who wishes to operate the proposed adult-use  
34 cannabis establishment has submitted to the Board all of the  
35 following:

36 (1) The application fee, as set forth in NRS 678B.390;

37 (2) An application, which must include:

38 (I) The legal name of the proposed adult-use cannabis  
39 establishment;

40 (II) The physical address where the proposed adult-use  
41 cannabis establishment will be located and the physical address of  
42 any co-owned additional or otherwise associated adult-use cannabis  
43 establishments, the locations of which may not be *on the property*  
44 *of an airport*, within 1,000 feet of a public or private school that  
45 provides formal education traditionally associated with preschool or



1 kindergarten through grade 12 and that existed on the date on which  
2 the application for the proposed adult-use cannabis establishment  
3 was submitted to the Board, within 300 feet of a community facility  
4 that existed on the date on which the application for the proposed  
5 adult-use cannabis establishment was submitted to the Board or, if  
6 the proposed adult-use cannabis establishment will be located in a  
7 county whose population is 100,000 or more, within 1,500 feet of an  
8 establishment that holds a nonrestricted gaming license described in  
9 subsection 1 or 2 of NRS 463.0177 and that existed on the date on  
10 which the application for the proposed adult-use cannabis  
11 establishment was submitted to the Board;

12 (III) Evidence that the applicant controls liquid assets in  
13 an amount determined by the Board to be sufficient to cover the  
14 initial expenses of opening the proposed adult-use cannabis  
15 establishment and complying with the provisions of this title;

16 (IV) Evidence that the applicant owns the property on  
17 which the proposed adult-use cannabis establishment will be located  
18 or has the written permission of the property owner to operate the  
19 proposed adult-use cannabis establishment on that property;

20 (V) For the applicant and each person who is proposed to  
21 be an owner, officer or board member of the proposed adult-use  
22 cannabis establishment, a complete set of the person's fingerprints  
23 and written permission of the person authorizing the Board to  
24 forward the fingerprints to the Central Repository for Nevada  
25 Records of Criminal History for submission to the Federal Bureau  
26 of Investigation for its report; and

27 (VI) The name, address and date of birth of each person  
28 who is proposed to be an owner, officer or board member of the  
29 proposed adult-use cannabis establishment;

30 (3) Operating procedures consistent with rules of the Board  
31 for oversight of the proposed adult-use cannabis establishment,  
32 including, without limitation:

33 (I) Procedures to ensure the use of adequate security  
34 measures; and

35 (II) The use of an inventory control system;

36 (4) If the proposed adult-use cannabis establishment will sell  
37 or deliver adult-use cannabis products, proposed operating  
38 procedures for handling such products which must be preapproved  
39 by the Board; and

40 (5) Such other information as the Board may require by  
41 regulation;

42 (b) None of the persons who are proposed to be owners, officers  
43 or board members of the proposed adult-use cannabis establishment  
44 have been convicted of an excluded felony offense;



1 (c) None of the persons who are proposed to be owners, officers  
2 or board members of the proposed adult-use cannabis establishment  
3 have:

4 (1) Served as an owner, officer or board member for a  
5 cannabis establishment that has had its adult-use cannabis  
6 establishment license or medical cannabis establishment license  
7 revoked;

8 (2) Previously had a cannabis establishment agent  
9 registration card revoked; or

10 (3) Previously had a cannabis establishment agent  
11 registration card for a cannabis executive revoked; and

12 (d) None of the persons who are proposed to be owners, officers  
13 or board members of the proposed adult-use cannabis establishment  
14 are under 21 years of age.

15 4. For each person who submits an application pursuant to this  
16 section, and each person who is proposed to be an owner, officer or  
17 board member of a proposed adult-use cannabis establishment, the  
18 Board shall submit the fingerprints of the person to the Central  
19 Repository for Nevada Records of Criminal History for submission  
20 to the Federal Bureau of Investigation to determine the criminal  
21 history of that person.

22 5. Except as otherwise provided in subsection 6, if an applicant  
23 for licensure to operate an adult-use cannabis establishment satisfies  
24 the requirements of this section, is qualified in the determination of  
25 the Board pursuant to NRS 678B.200 and is not disqualified from  
26 being licensed pursuant to this section or other applicable law, the  
27 Board shall issue to the applicant an adult-use cannabis  
28 establishment license. An adult-use cannabis establishment license  
29 expires 1 year after the date of issuance and may be renewed upon:

30 (a) Submission of the information required by the Board by  
31 regulation; and

32 (b) Payment of the renewal fee set forth in NRS 678B.390.

33 6. In determining whether to issue an adult-use cannabis  
34 license pursuant to this section, the Board shall consider the criteria  
35 of merit *and scoring guidelines* set forth in NRS 678B.280 **[H] or**  
36 ***section 12 of this act, as applicable.***

37 7. For the purposes of sub-subparagraph (II) of subparagraph  
38 (2) of paragraph (a) of subsection 3, the distance must be measured  
39 from the front door of the proposed adult-use cannabis  
40 establishment to the closest point of the property line of a school,  
41 community facility or gaming establishment.

42 8. As used in this section, “community facility” means:

43 (a) A facility that provides day care to children.

44 (b) A public park.

45 (c) A playground.



1 (d) A public swimming pool.

2 (e) A center or facility, the primary purpose of which is to  
3 provide recreational opportunities or services to children or  
4 adolescents.

5 (f) A church, synagogue or other building, structure or place  
6 used for religious worship or other religious purpose.

7 **Sec. 15.** NRS 678B.270 is hereby amended to read as follows:

8 678B.270 **1.** Except as otherwise provided in ~~[subsection 2,]~~  
9 *this section*, to prevent monopolistic practices, the Board shall  
10 ensure, in a county whose population is 100,000 or more, that it  
11 does not issue, to any one person, group of persons or entity, the  
12 greater of:

13 ~~[1.]~~ (a) One adult-use cannabis establishment license; or

14 ~~[2.]~~ (b) More than 10 percent of the adult-use cannabis  
15 establishment licenses otherwise allocable in the county.

16 **2.** *The provisions of this section do not apply to an adult-use*  
17 *cannabis establishment license for a retail cannabis consumption*  
18 *lounge or an independent cannabis consumption lounge.*

19 **Sec. 16.** NRS 678B.280 is hereby amended to read as follows:

20 678B.280 **1.** In determining whether to issue an adult-use  
21 cannabis establishment license pursuant to NRS 678B.250, *other*  
22 *than an adult-use cannabis establishment license for a retail*  
23 *cannabis consumption lounge or an independent cannabis*  
24 *consumption lounge*, the Board shall, in addition to the factors set  
25 forth in that section, consider criteria of merit established by  
26 regulation of the Board. Such criteria must include, without  
27 limitation:

28 (a) Whether the applicant controls liquid assets in an amount  
29 determined by the Board to be sufficient to cover the initial  
30 expenses of opening the proposed adult-use cannabis establishment  
31 and complying with the provisions of this title;

32 (b) Whether the owners, officers or board members of the  
33 proposed adult-use cannabis establishment have direct experience  
34 with the operation of a cannabis establishment in this State and have  
35 demonstrated a record of operating such an establishment in  
36 compliance with the laws and regulations of this State for an  
37 adequate period of time to demonstrate success;

38 (c) The educational and life experience of the persons who are  
39 proposed to be owners, officers or board members of the proposed  
40 adult-use cannabis establishment;

41 (d) Whether the applicant has an integrated plan for the care,  
42 quality and safekeeping of cannabis from seed to sale;

43 (e) The experience of key personnel that the applicant intends to  
44 employ in operating the type of adult-use cannabis establishment for  
45 which the applicant seeks a license;



1 (f) The diversity on the basis of race, ethnicity or gender of the  
2 applicant or the persons who are proposed to be owners, officers or  
3 board members of the proposed adult-use cannabis establishment,  
4 including, without limitation, the inclusion of persons of  
5 backgrounds which are disproportionately underrepresented as  
6 owners, officers or board members of adult-use cannabis  
7 establishments; and

8 (g) Any other criteria of merit that the Board determines to be  
9 relevant.

10 2. The Board shall adopt regulations for determining the  
11 relative weight of each criteria of merit established by the Board  
12 pursuant to subsection 1.

13 **Sec. 16.5.** NRS 678B.380 is hereby amended to read as  
14 follows:

15 678B.380 1. Except as otherwise provided by regulations  
16 adopted by the Board pursuant to subsection 2, the following are  
17 nontransferable:

18 (a) A cannabis establishment agent registration card.

19 (b) A cannabis establishment agent registration card for a  
20 cannabis executive.

21 (c) A medical cannabis establishment license.

22 (d) An adult-use cannabis establishment license.

23 2. The Board shall adopt regulations which prescribe  
24 procedures and requirements by which a holder of a license may  
25 transfer the license to another party who is qualified to hold such a  
26 license pursuant to the provisions of this chapter.

27 **3. *The regulations adopted pursuant to subsection 2 must:***

28 (a) *Prohibit the holder of an adult-use cannabis establishment*  
29 *license for an independent cannabis consumption lounge from*  
30 *transferring the license until at least 2 years from the date on*  
31 *which the independent cannabis consumption lounge for which*  
32 *the license was issued became operational;*

33 (b) *Require the holder of an adult-use cannabis establishment*  
34 *license for an independent cannabis consumption lounge and who*  
35 *wishes to cease operations before the independent cannabis*  
36 *consumption lounge for which the license was issued has been*  
37 *operational for at least 2 years to surrender the license to the*  
38 *Board; and*

39 (c) *Require the Board to hold a license surrendered pursuant*  
40 *to paragraph (b) in reserve for issuance to an applicant for such a*  
41 *license in the future.*

42 **Sec. 17.** NRS 678B.390 is hereby amended to read as follows:

43 678B.390 1. Except as otherwise provided in subsection ~~2,~~  
44 **3,** the Board shall collect not more than the following maximum  
45 fees:





1	For the initial issuance of a medical cannabis	
2	establishment license for a medical cannabis	
3	dispensary.....	\$30,000
4	For the renewal of a medical cannabis	
5	establishment license for a medical cannabis	
6	dispensary.....	5,000
7	For the initial issuance of a medical cannabis	
8	establishment license for a medical cannabis	
9	cultivation facility .....	3,000
10	For the renewal of a medical cannabis	
11	establishment license for a medical cannabis	
12	cultivation facility .....	1,000
13	For the initial issuance of a medical cannabis	
14	establishment license for a medical cannabis	
15	production facility .....	3,000
16	For the renewal of a medical cannabis	
17	establishment license for a medical cannabis	
18	production facility .....	1,000
19	For the initial issuance of a medical cannabis	
20	establishment license for a medical cannabis	
21	independent testing laboratory .....	5,000
22	For the renewal of a medical cannabis	
23	establishment license for a medical cannabis	
24	independent testing laboratory .....	3,000
25	For the initial issuance of an adult-use cannabis	
26	establishment license for an adult-use	
27	cannabis retail store.....	20,000
28	For the renewal of an adult-use cannabis	
29	establishment license for an adult-use	
30	cannabis retail store.....	6,600
31	For the initial issuance of an adult-use cannabis	
32	establishment license for an adult-use	
33	cannabis cultivation facility .....	30,000
34	For the renewal of an adult-use cannabis	
35	establishment license for an adult-use	
36	cannabis cultivation facility .....	10,000
37	For the initial issuance of an adult-use cannabis	
38	establishment license for an adult-use	
39	cannabis production facility .....	10,000
40	For the renewal of an adult-use cannabis	
41	establishment license for an adult-use	
42	cannabis production facility .....	3,300
43	For the initial issuance of an adult-use cannabis	
44	establishment license for an adult-use	
45	cannabis independent testing laboratory .....	15,000



1	For the renewal of an adult-use cannabis	
2	establishment license for an adult-use	
3	cannabis independent testing laboratory .....	\$5,000
4	<i>For the initial issuance of an adult-use</i>	
5	<i>cannabis establishment license for a retail</i>	
6	<i>cannabis consumption lounge .....</i>	<i>10,000</i>
7	<i>For the renewal of an adult-use cannabis</i>	
8	<i>establishment license for a retail cannabis</i>	
9	<i>consumption lounge .....</i>	<i>10,000</i>
10	<i>For the initial issuance of an adult-use</i>	
11	<i>cannabis establishment license for an</i>	
12	<i>independent cannabis consumption lounge .....</i>	<i>10,000</i>
13	<i>For the renewal of an adult-use cannabis</i>	
14	<i>establishment license for an independent</i>	
15	<i>cannabis consumption lounge .....</i>	<i>10,000</i>
16	For the initial issuance of an adult-use cannabis	
17	establishment license for an adult-use	
18	cannabis distributor .....	15,000
19	For the renewal of an adult-use cannabis	
20	establishment license for an adult-use	
21	cannabis distributor .....	5,000
22	For each person identified in an application for	
23	the initial issuance of a cannabis	
24	establishment agent registration card .....	150
25	For each person identified in an application for	
26	the renewal of a cannabis establishment agent	
27	registration card.....	150

29       2. ~~[H]~~ *The Board may by regulation establish reduced fees*  
30 *for:*

31       (a) *The initial issuance and renewal of an adult-use cannabis*  
32 *establishment license for an independent cannabis consumption*  
33 *lounge; and*

34       (b) *The application fee set forth in subsection 3,*  
35 *↪ for a social equity applicant. Such a reduction must not reduce*  
36 *the fee paid by a social equity applicant by more than 75 percent*  
37 *of the fee paid by an applicant who is not a social equity applicant.*

38       3. *Except as otherwise provided in subsection 2, in addition to*  
39 *the fees described in subsection 1, each applicant for a medical*  
40 *cannabis establishment license or adult-use cannabis establishment*  
41 *license must pay to the Board:*

42       (a) ~~[A]~~ *For an application for a license other than an adult-*  
43 *use cannabis establishment license for a retail cannabis*  
44 *consumption lounge or independent cannabis consumption*  
45 *lounge, a one-time, nonrefundable application fee of \$5,000; ~~[and]~~*



1 (b) *For an application for an adult-use cannabis establishment*  
2 *license for a retail cannabis consumption lounge, a one-time,*  
3 *nonrefundable application fee of \$100,000;*

4 (c) *For an application for an adult-use cannabis establishment*  
5 *license for an independent cannabis consumption lounge, a one-*  
6 *time, nonrefundable application fee of \$10,000; and*

7 (d) The actual costs incurred by the Board in processing the  
8 application, including, without limitation, conducting background  
9 checks.

10 ~~3.1~~ 4. Any revenue generated from the fees imposed pursuant  
11 to this section:

12 (a) Must be expended first to pay the costs of the Board in  
13 carrying out the provisions of this title; and

14 (b) If any excess revenue remains after paying the costs  
15 described in paragraph (a), such excess revenue must be paid over to  
16 the State Treasurer to be deposited to the credit of the State  
17 Education Fund.

18 **Sec. 17.5.** NRS 678B.500 is hereby amended to read as  
19 follows:

20 678B.500 1. Each cannabis establishment must comply with  
21 all local ordinances and rules pertaining to zoning, land use and  
22 signage.

23 2. A cannabis establishment may move to a new location under  
24 the jurisdiction of the same local government as its original location  
25 and regardless of the distance from its original location if the  
26 operation of the cannabis establishment at the new location has been  
27 approved by the local government. A local government may  
28 approve a new location pursuant to this subsection only in a public  
29 hearing for which written notice is given at least 7 working days  
30 before the hearing.

31 3. *A local government shall not adopt or enforce any*  
32 *ordinance or rule pertaining to zoning or land use which imposes*  
33 *restrictions on retail cannabis consumption lounges, unless such*  
34 *restrictions also apply to adult-use cannabis retail stores.*

35 **Sec. 18.** NRS 678B.510 is hereby amended to read as follows:

36 678B.510 1. The operating documents of a cannabis  
37 establishment must include procedures:

38 (a) For the oversight of the cannabis establishment; and

39 (b) To ensure accurate recordkeeping.

40 2. Except as otherwise provided in this subsection, a cannabis  
41 establishment:

42 (a) That is a cannabis sales facility must have a single entrance  
43 for patrons, which must be secure, and shall implement strict  
44 security measures to deter and prevent the theft of cannabis and  
45 unauthorized entrance into areas containing cannabis.



1 (b) That is not a cannabis sales facility must have a single secure  
2 entrance and shall implement strict security measures to deter and  
3 prevent the theft of cannabis and unauthorized entrance into areas  
4 containing cannabis.

5 ↪ The provisions of this subsection do not supersede any state or  
6 local requirements relating to minimum numbers of points of entry  
7 or exit, or any state or local requirements relating to fire safety.

8 3. Except as otherwise provided in NRS 678D.400, all  
9 cultivation or production of cannabis that a cannabis cultivation  
10 facility carries out or causes to be carried out must take place in an  
11 enclosed, locked facility at the physical address provided to the  
12 Board during the licensing process for the cannabis cultivation  
13 facility. Such an enclosed, locked facility must be accessible only by  
14 cannabis establishment agents who are lawfully associated with the  
15 cannabis cultivation facility, except that limited access by persons  
16 necessary to perform construction or repairs or provide other labor  
17 is permissible if such persons are supervised by a cannabis  
18 establishment agent.

19 4. A cannabis establishment *that is not a cannabis*  
20 *consumption lounge* shall not allow any person to consume  
21 cannabis on the property or premises of the establishment.

22 5. Cannabis establishments are subject to reasonable inspection  
23 by the Board at any time, and a person who holds a license must  
24 make himself or herself, or a designee thereof, available and present  
25 for any inspection by the Board of the cannabis establishment.

26 6. Each cannabis establishment shall install a video monitoring  
27 system which must, at a minimum:

28 (a) Allow for the transmission and storage, by digital or analog  
29 means, of a video feed which displays the interior and exterior of the  
30 cannabis establishment; and

31 (b) Be capable of being accessed remotely by a law enforcement  
32 agency in real-time upon request.

33 7. A cannabis establishment shall not dispense or otherwise sell  
34 cannabis or cannabis products from a vending machine or allow  
35 such a vending machine to be installed at the interior or exterior of  
36 the premises of the cannabis establishment. As used in this  
37 subsection, "vending machine" has the meaning ascribed to it in  
38 NRS 209.229.

39 **Sec. 19.** NRS 678B.520 is hereby amended to read as follows:

40 678B.520 1. Each cannabis establishment shall, in  
41 consultation with the Board, cooperate to ensure that all cannabis  
42 products offered for sale:

43 (a) Are labeled clearly and unambiguously:



1 (1) As cannabis or medical cannabis with the words “THIS  
2 IS A MEDICAL CANNABIS PRODUCT” or “THIS IS A  
3 CANNABIS PRODUCT,” as applicable, in bold type; and

4 (2) As required by the provisions of this chapter and chapters  
5 678C and 678D of NRS.

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

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

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

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

17 (f) Are labeled in a manner which indicates the amount of THC  
18 in the product, measured in milligrams, and includes a statement  
19 that the product contains cannabis and its potency was tested with an  
20 allowable variance of the amount determined by the Board by  
21 regulation.

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

23 2. A cannabis production facility shall not produce cannabis  
24 products in any form that:

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

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

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

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

34 3. A cannabis production facility shall:

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

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

40 (1) The words “Keep out of reach of children”;

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

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

43 (4) The total content of THC measured in milligrams.



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

4 (d) Require each person who handles cannabis products to  
5 restrain his or her hair, wear clean clothing and keep his or her  
6 fingernails neatly trimmed.

7 (e) Package all cannabis products produced by the cannabis  
8 production facility on the premises of the cannabis production  
9 facility.

10 4. A cannabis establishment shall not engage in advertising that  
11 in any way makes cannabis or cannabis products appeal to children,  
12 including, without limitation, advertising which uses an image of a  
13 cartoon character, mascot, action figure, balloon, fruit or toy.

14 5. Each cannabis sales facility shall offer for sale containers for  
15 the storage of cannabis and cannabis products which lock and are  
16 designed to prohibit children from unlocking and opening the  
17 container.

18 6. A cannabis sales facility shall:

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

21 (1) To keep cannabis and cannabis products out of the reach  
22 of children;

23 (2) That cannabis products can cause severe illness in  
24 children;

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

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

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

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

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



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

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

6 7. A cannabis sales facility shall allow any person who is at  
7 least 21 years of age to enter the premises of the cannabis sales  
8 facility.

9 8. If the health authority, as defined in NRS 446.050, where a  
10 cannabis production facility , ~~for~~ cannabis sales facility *or*  
11 *cannabis consumption lounge* which sells edible cannabis products  
12 is located requires persons who handle food at a food establishment  
13 to obtain certification, the cannabis production facility , ~~for~~  
14 cannabis sales facility *or cannabis consumption lounge* shall  
15 ensure that at least one employee maintains such certification.

16 9. A cannabis production facility may sell a commodity or  
17 product made using hemp, as defined in NRS 557.160, or containing  
18 cannabidiol to a cannabis sales facility.

19 10. In addition to any other product authorized by the  
20 provisions of this title, a cannabis sales facility may sell:

21 (a) Any commodity or product made using hemp, as defined in  
22 NRS 557.160;

23 (b) Any commodity or product containing cannabidiol with a  
24 THC concentration of not more than 0.3 percent; and

25 (c) Any other product specified by regulation of the Board.

26 11. A cannabis establishment:

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

29 (1) Is false or misleading;

30 (2) Promotes overconsumption of cannabis or cannabis  
31 products;

32 (3) Depicts the actual consumption of cannabis or cannabis  
33 products; or

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

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

45 (c) Shall not place an advertisement:



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

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

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

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

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

15 (e) Shall ensure that all advertising by the cannabis  
16 establishment contains such warnings as may be prescribed by the  
17 Board, which must include, without limitation, the following words:

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

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

20 12. Nothing in subsection 11 shall be construed to prohibit a  
21 local government, pursuant to chapter 244, 268 or 278 of NRS, from  
22 adopting an ordinance for the regulation of advertising relating to  
23 cannabis which is more restrictive than the provisions of subsection  
24 11 relating to:

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

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

31 (c) Any stationary or moving display that is located on or near  
32 the premises of a cannabis establishment; and

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

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





1 14. *To the extent that they are inconsistent or otherwise*  
2 *conflict with the regulations adopted by the Board pursuant to*  
3 *section 28 of this act, the requirements of this section pertaining to*  
4 *cannabis products do not apply to ready-to-consume cannabis*  
5 *products prepared and sold by a cannabis consumption lounge.*

6 15. In addition to any other penalties provided for by law, the  
7 Board may impose a civil penalty upon a cannabis establishment  
8 that violates the provisions of subsection 11 or 13 as follows:

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

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

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

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

17 ~~15.1~~ 16. As used in this section, “motor vehicle used for  
18 public transportation” does not include a taxicab, as defined in  
19 NRS 706.124.

20 **Sec. 20.** NRS 678B.650 is hereby amended to read as follows:

21 678B.650 The Board shall adopt such regulations as it  
22 determines to be necessary or advisable to carry out the provisions  
23 of this chapter. Such regulations are in addition to any requirements  
24 set forth in statute and must, without limitation:

25 1. Prescribe the form and any additional required content of  
26 applications for licenses or registration cards issued pursuant to this  
27 chapter;

28 2. Establish procedures for the suspension or revocation of a  
29 license or registration card or other disciplinary action to be taken  
30 against a licensee or registrant;

31 3. Set forth rules pertaining to the safe and healthful operation  
32 of cannabis establishments, including, without limitation:

33 (a) The manner of protecting against diversion and theft without  
34 imposing an undue burden on cannabis establishments or  
35 compromising the confidentiality of consumers and holders of  
36 registry identification cards and letters of approval, as those terms  
37 are defined in NRS 678C.080 and 678C.070, respectively;

38 (b) Minimum requirements for the oversight of cannabis  
39 establishments;

40 (c) Minimum requirements for the keeping of records by  
41 cannabis establishments;

42 (d) Provisions for the security of cannabis establishments,  
43 including without limitation, requirements for the protection by a  
44 fully operational security alarm system of each cannabis  
45 establishment; and



1 (e) Procedures pursuant to which cannabis establishments must  
2 use the services of cannabis independent testing laboratories to  
3 ensure that any cannabis or cannabis product or commodity or  
4 product made from hemp, as defined in NRS 557.160, sold by a  
5 cannabis sales facility to an end user is tested for content, quality  
6 and potency in accordance with standards established by the Board;

7 4. Establish circumstances and procedures pursuant to which  
8 the maximum fees set forth in NRS 678B.390 may be reduced over  
9 time to ensure that the fees imposed pursuant to NRS 678B.390 are,  
10 insofar as may be practicable, revenue neutral;

11 5. Establish different categories of cannabis establishment  
12 agent registration cards, including, without limitation, criteria for  
13 issuance of a cannabis establishment agent registration card for a  
14 cannabis executive and criteria for training and certification, for  
15 each of the different types of cannabis establishments at which such  
16 an agent may be employed or volunteer or provide labor as a  
17 cannabis establishment agent;

18 6. As far as possible while maintaining accountability, protect  
19 the identity and personal identifying information of each person who  
20 receives, facilitates or delivers services in accordance with this  
21 chapter;

22 7. Establish procedures and requirements to enable a dual  
23 licensee to operate a medical cannabis establishment and an adult-  
24 use cannabis establishment at the same location;

25 8. Determine whether any provision of this chapter or chapter  
26 678C or 678D of NRS would make the operation of a cannabis  
27 establishment by a dual licensee unreasonably impracticable; ~~and~~

28 9. *Set forth rules pertaining to the safe and healthful*  
29 *operation of cannabis consumption lounges, including, without*  
30 *limitation:*

31 (a) *Standards for the air quality in a cannabis consumption*  
32 *lounge;*

33 (b) *Procedures and requirements for the collection and*  
34 *disposal of cannabis and cannabis products which are left at a*  
35 *cannabis consumption lounge; and*

36 (c) *Requirements for the training of employees of a cannabis*  
37 *consumption lounge in the sale and safe consumption of single-*  
38 *use cannabis products and ready-to-consume cannabis products;*  
39 *and*

40 10. Address such other matters as the Board deems necessary  
41 to carry out the provisions of this title.

42 **Sec. 21.** Chapter 678D of NRS is hereby amended by adding  
43 thereto the provisions set forth as sections 22 to 28, inclusive, of this  
44 act.

45 **Sec. 22. 1. A cannabis consumption lounge shall:**



1 (a) *Install a ventilation and exhaust system which is capable of*  
2 *sufficiently expelling odors generated in the cannabis*  
3 *consumption lounge, reducing volatile organic compounds and*  
4 *maintaining the standards for air quality in the cannabis*  
5 *consumption lounge as set forth by regulation of the Board;*

6 (b) *Train each employee of the cannabis consumption lounge*  
7 *concerning paraphernalia, single-use cannabis products and*  
8 *ready-to-consume cannabis products, including, without*  
9 *limitation, the proper use of paraphernalia, the potency,*  
10 *absorption time and effects of single-use cannabis and products*  
11 *and ready-to-consume cannabis products, the recognition of*  
12 *impairment from and overconsumption of cannabis and the safe*  
13 *handling of a customer who is impaired;*

14 (c) *Submit a security plan to the Board which, without*  
15 *limitation, provides for adequate security and lighting at the*  
16 *cannabis consumption lounge and for each entrance and exit of*  
17 *the cannabis consumption lounge to be adequately secured, and*  
18 *submit to the Board such updates to the plan as the Board may*  
19 *require;*

20 (d) *Submit a plan to the Board setting forth protocols and*  
21 *procedures to deter customers from driving under the influence of*  
22 *cannabis, and submit to the Board such updates to the plan as the*  
23 *Board may require;*

24 (e) *Submit a plan to the Board setting forth protocols and*  
25 *procedures to ensure that cannabis and cannabis products are not*  
26 *sold or otherwise distributed in the cannabis consumption lounge*  
27 *other than as authorized in this chapter, and submit to the Board*  
28 *such updates to the plan as the Board may require;*

29 (f) *Dispose of cannabis or cannabis products which are left at*  
30 *the cannabis consumption lounge in accordance with the*  
31 *procedures for disposal set forth by the regulations of the Board;*

32 (g) *Comply with all local ordinances and rules; and*

33 (h) *Comply with any requirements set forth by regulation of*  
34 *the Board.*

35 2. *As used in this section, “volatile organic compound” has*  
36 *the meaning ascribed to it in 40 C.F.R. § 51.100(s).*

37 **Sec. 23.** *A cannabis consumption lounge may:*

38 1. *Sell food and beverages to customers of the cannabis*  
39 *consumption lounge;*

40 2. *Sell any other item which does not contain cannabis or*  
41 *cannabis products and is not intended for use with cannabis or*  
42 *cannabis products to customers of the cannabis consumption*  
43 *lounge; and*

44 3. *Provide live entertainment at the cannabis consumption*  
45 *lounge.*



1       **Sec. 24.** *A cannabis consumption lounge shall not allow:*

2       1. *The consumption of cannabis or cannabis products at any*  
3 *place which is within view of a public place;*

4       2. *The entry of any person who is less than 21 years of age to*  
5 *the cannabis consumption lounge;*

6       3. *The consumption of any cannabis or cannabis product in*  
7 *the cannabis consumption lounge that is not a single-use cannabis*  
8 *product or ready-to-consume cannabis product; or*

9       4. *A single-use cannabis product or ready-to-consume*  
10 *cannabis product that was purchased at the cannabis consumption*  
11 *lounge to be removed from the premises of the cannabis*  
12 *consumption lounge.*

13       **Sec. 25.** 1. *A retail cannabis consumption lounge may:*

14       (a) *Obtain from the adult-use cannabis retail store to which*  
15 *the retail cannabis consumption lounge is attached or immediately*  
16 *adjacent:*

17       (1) *Single-use cannabis products for the purposes of resale;*  
18 *and*

19       (2) *Cannabis or cannabis products for the purposes of*  
20 *producing ready-to-consume cannabis products;*

21       (b) *Sell single-use cannabis products obtained pursuant to*  
22 *paragraph (a) to customers of the retail cannabis consumption*  
23 *lounge; and*

24       (c) *Prepare ready-to-consume cannabis products using*  
25 *cannabis obtained pursuant to paragraph (a) and sell such*  
26 *products to customers of the cannabis consumption lounge.*

27       2. *A retail cannabis consumption lounge shall ensure that*  
28 *only single-use cannabis products or ready-to-consume cannabis*  
29 *products that were purchased from the retail cannabis*  
30 *consumption lounge are consumed in the lounge.*

31       **Sec. 26.** (Deleted by amendment.)

32       **Sec. 27.** 1. *An independent cannabis consumption lounge*  
33 *shall enter into a contract with one or more adult-use cannabis*  
34 *retail stores to sell to the independent cannabis consumption*  
35 *lounge:*

36       (a) *Single-use cannabis products for the purpose of resale;*  
37 *and*

38       (b) *Cannabis and products for the purpose of preparing ready-*  
39 *to-consume cannabis products.*

40       2. *An independent cannabis consumption lounge which has*  
41 *entered into a contract pursuant to subsection 1 may:*

42       (a) *Sell single-use cannabis products obtained pursuant to*  
43 *subsection 1 to customers of the independent cannabis*  
44 *consumption lounge; and*



1 (b) Prepare ready-to-consume cannabis products using  
2 cannabis and cannabis products obtained pursuant to subsection 1  
3 and sell such products to customers of the independent cannabis  
4 consumption lounge.

5 3. An independent cannabis consumption lounge shall ensure  
6 that only single-use cannabis products or ready-to-consume  
7 cannabis products that were purchased from the independent  
8 cannabis consumption lounge are consumed in the lounge.

9 4. The Board may require an independent cannabis  
10 consumption lounge to submit a contract entered into pursuant to  
11 subsection 1 to the Board for review.

12 **Sec. 28.** The Board shall adopt regulations governing the  
13 sale and consumption of single-use cannabis products and ready-  
14 to-consume cannabis products at a cannabis consumption lounge.  
15 Such regulations must, without limitation:

16 1. Prescribe a list of a single-use cannabis products  
17 comprising each type of cannabis and adult-use cannabis product  
18 that the Board has determined to be appropriate for consumption  
19 at a cannabis consumption lounge;

20 2. Establish standards for the content, quality and potency of  
21 ready-to-consume cannabis products, including, without  
22 limitation, the maximum THC concentration for such products;

23 3. Prescribe procedures and protocols for the preparation and  
24 safe handling of ready-to-consume cannabis products to ensure  
25 that each such prepared product meets the standards established  
26 pursuant to subsection 1;

27 4. Establish requirements relating to the sale of ready-to-  
28 consume cannabis products, including, without limitation,  
29 requirements relating to notifications that must be provided to a  
30 purchaser of such a product at the time of sale; and

31 5. Set forth any other requirements concerning the  
32 preparation of ready-to-consume cannabis products and sale of  
33 single-use cannabis products and ready-to-consume cannabis  
34 products that the Board determines are necessary.

35 **Sec. 29.** NRS 678D.310 is hereby amended to read as follows:  
36 678D.310 1. Except as otherwise provided in chapter 678C  
37 of NRS, any person shall not:

38 (a) Cultivate cannabis within 25 miles of an adult-use cannabis  
39 retail store licensed pursuant to chapter 678B of NRS, unless the  
40 person is an adult-use cannabis cultivation facility or is a cannabis  
41 establishment agent volunteering at, employed by or providing labor  
42 to an adult-use cannabis cultivation facility;

43 (b) Cultivate cannabis plants where they are visible from a  
44 public place by normal unaided vision; or



1 (c) Cultivate cannabis on property not in the cultivator's lawful  
2 possession or without the consent of the person in lawful physical  
3 possession of the property.

4 2. A person who violates the provisions of subsection 1 is  
5 guilty of:

6 (a) For a first violation, a misdemeanor punished by a fine of not  
7 more than \$600.

8 (b) For a second violation, a misdemeanor punished by a fine of  
9 not more than \$1,000.

10 (c) For a third violation, a gross misdemeanor.

11 (d) For a fourth or subsequent violation, a category E felony.

12 3. ~~1A~~ *Except as otherwise provided in subsection 9, a person*  
13 *who smokes or otherwise consumes cannabis or a cannabis product*  
14 *in a public place, in an adult-use cannabis retail store or in a vehicle*  
15 *is guilty of a misdemeanor punished by a fine of not more than*  
16 *\$600.*

17 4. A person under 21 years of age who falsely represents  
18 himself or herself to be 21 years of age or older to obtain cannabis is  
19 guilty of a misdemeanor.

20 5. A person under 21 years of age who knowingly enters,  
21 loiters or remains on the premises of an adult-use cannabis  
22 establishment shall be punished by a fine of not more than \$500  
23 unless the person is authorized to possess cannabis pursuant to  
24 chapter 678C of NRS and the adult-use cannabis establishment is a  
25 dual licensee.

26 6. A person who manufactures cannabis by chemical extraction  
27 or chemical synthesis, unless done pursuant to an adult-use cannabis  
28 establishment license for an adult-use cannabis production facility  
29 issued by the Board or authorized by this title, is guilty of a category  
30 E felony.

31 7. A person who knowingly gives cannabis or a cannabis  
32 product to any person under 21 years of age or who knowingly  
33 leaves or deposits any cannabis or cannabis product in any place  
34 with the intent that it will be procured by any person under 21 years  
35 of age is guilty of a misdemeanor.

36 8. A person who knowingly gives cannabis to any person under  
37 18 years of age or who knowingly leaves or deposits any cannabis in  
38 any place with the intent that it will be procured by any person  
39 under 18 years of age is guilty of a gross misdemeanor.

40 *9. A person may smoke or otherwise consume cannabis or a*  
41 *cannabis product in a cannabis consumption lounge.*

42 **Sec. 30.** NRS 678D.420 is hereby amended to read as follows:

43 678D.420 1. An adult-use edible cannabis product or an  
44 adult-use cannabis-infused product must be labeled in a manner



1 which indicates the number of servings of THC in the product,  
2 measured in servings of a maximum of 10 milligrams per serving.

3 2. An adult-use cannabis product must be sold in a single  
4 package. A single package must not contain:

5 (a) More than 1 ounce of usable cannabis or one-eighth of an  
6 ounce of concentrated cannabis.

7 (b) For an adult-use cannabis product sold as a capsule, more  
8 than 100 milligrams of THC per capsule or more than 800  
9 milligrams of THC per package.

10 (c) For an adult-use cannabis product sold as a tincture, more  
11 than 800 milligrams of THC.

12 (d) For an adult-use edible cannabis product, more than 100  
13 milligrams of THC.

14 (e) For an adult-use cannabis product sold as a topical product, a  
15 concentration of more than 6 percent THC or more than 800  
16 milligrams of THC per package.

17 (f) For an adult-use cannabis product sold as a suppository or  
18 transdermal patch, more than 100 milligrams of THC per  
19 suppository or transdermal patch or more than 800 milligrams of  
20 THC per package.

21 (g) For any other adult-use cannabis product, more than 800  
22 milligrams of THC.

23 *3. To the extent that they are inconsistent or otherwise*  
24 *conflict with the regulations adopted by the Board pursuant to*  
25 *section 28 of this act, the requirements of this section do not apply*  
26 *to a ready-to-consume cannabis product prepared and sold by a*  
27 *cannabis consumption lounge.*

28 **Sec. 30.3.** NRS 678D.510 is hereby amended to read as  
29 follows:

30 678D.510 1. The provisions of this chapter do not prohibit:

31 (a) A public or private employer from maintaining, enacting and  
32 enforcing a workplace policy prohibiting or restricting actions or  
33 conduct otherwise permitted under this chapter;

34 (b) A state or local governmental agency that occupies, owns or  
35 controls a building from prohibiting or otherwise restricting the  
36 consumption, cultivation, processing, manufacture, sale, delivery or  
37 transfer of cannabis in that building;

38 (c) A person who occupies, owns or controls a privately owned  
39 property from prohibiting or otherwise restricting the smoking,  
40 cultivation, processing, manufacture, sale, delivery or transfer of  
41 cannabis on that property; or

42 (d) ~~FA~~ *Except as otherwise provided in section 17.5 of this act,*  
43 *a local government from adopting and enforcing local cannabis*  
44 *control measures pertaining to zoning and land use for adult-use*  
45 *cannabis establishments* ~~FI~~ *including, without limitation, a*



1 *measure which prohibits the operation of adult-use cannabis*  
2 *establishments.*

3 2. Nothing in the provisions of this chapter shall be construed  
4 as in any manner affecting the provisions of chapter 678C of NRS  
5 relating to the medical use of cannabis.

6 **Sec. 30.5.** Chapter 41 of NRS is hereby amended by adding  
7 thereto a new section to read as follows:

8 *1. A person who serves, sells or otherwise furnishes cannabis*  
9 *or a cannabis product to another person who is 21 years of age or*  
10 *older is not liable in a civil action for any damages caused by the*  
11 *person to whom the cannabis or cannabis product was served, sold*  
12 *or furnished as a result of the consumption of the cannabis or*  
13 *cannabis product.*

14 *2. Except as otherwise provided in this section, a person who:*  
15 *(a) Knowingly serves, sells or otherwise furnishes cannabis or*  
16 *a cannabis product to an underage person; or*

17 *(b) Knowingly allows an underage person to consume*  
18 *cannabis or a cannabis product on premises or in a conveyance*  
19 *belonging to the person or over which the person has control,*  
20 *↪ is liable in a civil action for any damages caused by the*  
21 *underage person as a result of the consumption of the cannabis or*  
22 *cannabis product.*

23 *3. The liability created pursuant to subsection 2 does not*  
24 *apply to a person who is licensed to serve, sell or furnish cannabis*  
25 *or cannabis products or to a person who is an employee or agent*  
26 *of such a person for any act or failure to act that occurs during*  
27 *the course of business or employment and any such act or failure*  
28 *to act may not be used to establish proximate cause in a civil*  
29 *action and does not constitute negligence per se.*

30 *4. A person who prevails in an action brought pursuant to*  
31 *subsection 2 may recover the person's actual damages, attorney's*  
32 *fees and costs and any punitive damages that the facts may*  
33 *warrant.*

34 *5. As used in this section:*

35 *(a) "Cannabis" has the meaning ascribed to it in*  
36 *NRS 678A.085.*

37 *(b) "Cannabis product" has the meaning ascribed to it in*  
38 *NRS 678A.120.*

39 *(c) "Underage person" means a person who is less than 21*  
40 *years of age.*

41 **Sec. 30.6.** NRS 244.335 is hereby amended to read as follows:  
42 244.335 1. Except as otherwise provided in subsections 2, 3,  
43 4 and 9, and NRS 244.33501, 244.35253 and 244.3535, a board of  
44 county commissioners may:





1 (a) Except as otherwise provided in NRS 244.331 to 244.3345,  
2 inclusive, 598D.150 and 640C.100, regulate all character of lawful  
3 trades, callings, industries, occupations, professions and business  
4 conducted in its county outside of the limits of incorporated cities  
5 and towns.

6 (b) Except as otherwise provided in NRS 244.3359 and 576.128,  
7 fix, impose and collect a license tax for revenue or for regulation, or  
8 for both revenue and regulation, on such trades, callings, industries,  
9 occupations, professions and business.

10 2. The county license boards have the exclusive power in their  
11 respective counties to regulate entertainers employed by an  
12 entertainment by referral service and the business of conducting a  
13 dancing hall, escort service, entertainment by referral service or  
14 gambling game or device permitted by law, outside of an  
15 incorporated city. The county license boards may fix, impose and  
16 collect license taxes for revenue or for regulation, or for both  
17 revenue and regulation, on such employment and businesses.

18 3. A board of county commissioners shall not require that a  
19 person who is licensed as a contractor pursuant to chapter 624 of  
20 NRS obtain more than one license to engage in the business of  
21 contracting or pay more than one license tax related to engaging in  
22 the business of contracting, regardless of the number of  
23 classifications or subclassifications of licensing for which the person  
24 is licensed pursuant to chapter 624 of NRS.

25 4. The board of county commissioners or county license board  
26 shall not require a person to obtain a license or pay a license tax on  
27 the sole basis that the person is a professional. As used in this  
28 subsection, "professional" means a person who:

29 (a) Holds a license, certificate, registration, permit or similar  
30 type of authorization issued by a regulatory body as defined in NRS  
31 622.060 or who is regulated pursuant to the Nevada Supreme Court  
32 Rules; and

33 (b) Practices his or her profession for any type of compensation  
34 as an employee.

35 5. The county license board shall provide upon request an  
36 application for a state business license pursuant to chapter 76 of  
37 NRS. No license to engage in any type of business may be granted  
38 unless the applicant for the license:

39 (a) Signs an affidavit affirming that the business has complied  
40 with the provisions of chapter 76 of NRS; or

41 (b) Provides to the county license board the business  
42 identification number of the applicant assigned by the Secretary of  
43 State pursuant to NRS 225.082 which the county may use to  
44 validate that the applicant is currently in good standing with the  
45 State and has complied with the provisions of chapter 76 of NRS.



1 6. No license to engage in business as a seller of tangible  
2 personal property may be granted unless the applicant for the  
3 license:

4 (a) Presents written evidence that:

5 (1) The Department of Taxation has issued or will issue a  
6 permit for this activity, and this evidence clearly identifies the  
7 business by name; or

8 (2) Another regulatory agency of the State has issued or will  
9 issue a license required for this activity; or

10 (b) Provides to the county license board the business  
11 identification number of the applicant assigned by the Secretary of  
12 State pursuant to NRS 225.082 which the county may use to  
13 validate that the applicant is currently in good standing with the  
14 State and has complied with the provisions of paragraph (a).

15 7. Any license tax levied for the purposes of NRS 244.3358 or  
16 244A.597 to 244A.655, inclusive, constitutes a lien upon the real  
17 and personal property of the business upon which the tax was levied  
18 until the tax is paid. The lien has the same priority as a lien for  
19 general taxes. The lien must be enforced:

20 (a) By recording in the office of the county recorder, within 6  
21 months after the date on which the tax became delinquent or was  
22 otherwise determined to be due and owing, a notice of the tax lien  
23 containing the following:

24 (1) The amount of tax due and the appropriate year;

25 (2) The name of the record owner of the property;

26 (3) A description of the property sufficient for identification;

27 and

28 (4) A verification by the oath of any member of the board of  
29 county commissioners or the county fair and recreation board; and

30 (b) By an action for foreclosure against the property in the same  
31 manner as an action for foreclosure of any other lien, commenced  
32 within 2 years after the date of recording of the notice of the tax  
33 lien, and accompanied by appropriate notice to other lienholders.

34 8. The board of county commissioners may delegate the  
35 authority to enforce liens from taxes levied for the purposes of NRS  
36 244A.597 to 244A.655, inclusive, to the county fair and recreation  
37 board. If the authority is so delegated, the board of county  
38 commissioners shall revoke or suspend the license of a business  
39 upon certification by the county fair and recreation board that the  
40 license tax has become delinquent, and shall not reinstate the license  
41 until the tax is paid. Except as otherwise provided in NRS 239.0115  
42 and 244.3357, all information concerning license taxes levied by an  
43 ordinance authorized by this section or other information concerning  
44 the business affairs or operation of any licensee obtained as a result  
45 of the payment of such license taxes or as the result of any audit or



1 examination of the books by any authorized employee of a county  
2 fair and recreation board of the county for any license tax levied for  
3 the purpose of NRS 244A.597 to 244A.655, inclusive, is  
4 confidential and must not be disclosed by any member, officer or  
5 employee of the county fair and recreation board or the county  
6 imposing the license tax unless the disclosure is authorized by the  
7 affirmative action of a majority of the members of the appropriate  
8 county fair and recreation board. Continuing disclosure may be so  
9 authorized under an agreement with the Department of Taxation or  
10 Secretary of State for the exchange of information concerning  
11 taxpayers.

12 9. A board of county commissioners shall not license or  
13 otherwise allow a person to operate a business that allows cannabis,  
14 as defined in NRS 678A.085, or cannabis products, as defined in  
15 NRS 678A.120, to be consumed on the premises of the business ~~H~~,  
16 *other than a cannabis consumption lounge, as defined in section 2*  
17 *of this act, in accordance with the provisions of chapter 678B of*  
18 *NRS.*

19 **Sec. 30.7.** NRS 268.095 is hereby amended to read as follows:  
20 268.095 1. Except as otherwise provided in subsections 4 and  
21 9 and NRS 268.0951, 268.0977 and 268.0979, the city council or  
22 other governing body of each incorporated city in this State, whether  
23 organized under general law or special charter, may:

24 (a) Except as otherwise provided in subsection 2 and NRS  
25 268.0968 and 576.128, fix, impose and collect for revenues or for  
26 regulation, or both, a license tax on all character of lawful trades,  
27 callings, industries, occupations, professions and businesses  
28 conducted within its corporate limits.

29 (b) Assign the proceeds of any one or more of such license taxes  
30 to the county within which the city is situated for the purpose or  
31 purposes of making the proceeds available to the county:

32 (1) As a pledge as additional security for the payment of any  
33 general obligation bonds issued pursuant to NRS 244A.597 to  
34 244A.655, inclusive;

35 (2) For redeeming any general obligation bonds issued  
36 pursuant to NRS 244A.597 to 244A.655, inclusive;

37 (3) For defraying the costs of collecting or otherwise  
38 administering any such license tax so assigned, of the county fair  
39 and recreation board and of officers, agents and employees hired  
40 thereby, and of incidentals incurred thereby;

41 (4) For operating and maintaining recreational facilities  
42 under the jurisdiction of the county fair and recreation board;

43 (5) For improving, extending and bettering recreational  
44 facilities authorized by NRS 244A.597 to 244A.655, inclusive; and



1 (6) For constructing, purchasing or otherwise acquiring such  
2 recreational facilities.

3 (c) Pledge the proceeds of any tax imposed on the revenues from  
4 the rental of transient lodging pursuant to this section for the  
5 payment of any general or special obligations issued by the city for  
6 a purpose authorized by the laws of this State.

7 (d) Use the proceeds of any tax imposed pursuant to this section  
8 on the revenues from the rental of transient lodging:

9 (1) To pay the principal, interest or any other indebtedness  
10 on any general or special obligations issued by the city pursuant to  
11 the laws of this State;

12 (2) For the expense of operating or maintaining, or both, any  
13 facilities of the city; and

14 (3) For any other purpose for which other money of the city  
15 may be used.

16 2. The city council or other governing body of an incorporated  
17 city shall not require that a person who is licensed as a contractor  
18 pursuant to chapter 624 of NRS obtain more than one license to  
19 engage in the business of contracting or pay more than one license  
20 tax related to engaging in the business of contracting, regardless of  
21 the number of classifications or subclassifications of licensing for  
22 which the person is licensed pursuant to chapter 624 of NRS.

23 3. The proceeds of any tax imposed pursuant to this section  
24 that are pledged for the repayment of general obligations may be  
25 treated as "pledged revenues" for the purposes of NRS 350.020.

26 4. The city council or other governing body of an incorporated  
27 city shall not require a person to obtain a license or pay a license tax  
28 on the sole basis that the person is a professional. As used in this  
29 subsection, "professional" means a person who:

30 (a) Holds a license, certificate, registration, permit or similar  
31 type of authorization issued by a regulatory body as defined in NRS  
32 622.060 or who is regulated pursuant to the Nevada Supreme Court  
33 Rules; and

34 (b) Practices his or her profession for any type of compensation  
35 as an employee.

36 5. The city licensing agency shall provide upon request an  
37 application for a state business license pursuant to chapter 76 of  
38 NRS. No license to engage in any type of business may be granted  
39 unless the applicant for the license:

40 (a) Signs an affidavit affirming that the business has complied  
41 with the provisions of chapter 76 of NRS; or

42 (b) Provides to the city licensing agency the business  
43 identification number of the applicant assigned by the Secretary of  
44 State pursuant to NRS 225.082 which the city may use to validate



1 that the applicant is currently in good standing with the State and  
2 has complied with the provisions of chapter 76 of NRS.

3 6. No license to engage in business as a seller of tangible  
4 personal property may be granted unless the applicant for the  
5 license:

6 (a) Presents written evidence that:

7 (1) The Department of Taxation has issued or will issue a  
8 permit for this activity, and this evidence clearly identifies the  
9 business by name; or

10 (2) Another regulatory agency of the State has issued or will  
11 issue a license required for this activity; or

12 (b) Provides to the city licensing agency the business  
13 identification number of the applicant assigned by the Secretary of  
14 State pursuant to NRS 225.082 which the city may use to validate  
15 that the applicant is currently in good standing with the State and  
16 has complied with the provisions of paragraph (a).

17 7. Any license tax levied under the provisions of this section  
18 constitutes a lien upon the real and personal property of the business  
19 upon which the tax was levied until the tax is paid. The lien has the  
20 same priority as a lien for general taxes. The lien must be enforced:

21 (a) By recording in the office of the county recorder, within 6  
22 months following the date on which the tax became delinquent or  
23 was otherwise determined to be due and owing, a notice of the tax  
24 lien containing the following:

25 (1) The amount of tax due and the appropriate year;

26 (2) The name of the record owner of the property;

27 (3) A description of the property sufficient for identification;

28 and

29 (4) A verification by the oath of any member of the board of  
30 county commissioners or the county fair and recreation board; and

31 (b) By an action for foreclosure against such property in the  
32 same manner as an action for foreclosure of any other lien,  
33 commenced within 2 years after the date of recording of the notice  
34 of the tax lien, and accompanied by appropriate notice to other  
35 lienholders.

36 8. The city council or other governing body of each  
37 incorporated city may delegate the power and authority to enforce  
38 such liens to the county fair and recreation board. If the authority is  
39 so delegated, the governing body shall revoke or suspend the license  
40 of a business upon certification by the board that the license tax has  
41 become delinquent, and shall not reinstate the license until the tax is  
42 paid. Except as otherwise provided in NRS 239.0115 and 268.0966,  
43 all information concerning license taxes levied by an ordinance  
44 authorized by this section or other information concerning the  
45 business affairs or operation of any licensee obtained as a result of



1 the payment of those license taxes or as the result of any audit or  
2 examination of the books of the city by any authorized employee of  
3 a county fair and recreation board for any license tax levied for the  
4 purpose of NRS 244A.597 to 244A.655, inclusive, is confidential  
5 and must not be disclosed by any member, official or employee of  
6 the county fair and recreation board or the city imposing the license  
7 tax unless the disclosure is authorized by the affirmative action of a  
8 majority of the members of the appropriate county fair and  
9 recreation board. Continuing disclosure may be so authorized under  
10 an agreement with the Department of Taxation or the Secretary of  
11 State for the exchange of information concerning taxpayers.

12 9. The city council or other governing body of an incorporated  
13 city shall not license or otherwise allow a person to operate a  
14 business that allows cannabis, as defined in NRS 678A.085, or  
15 cannabis products, as defined in NRS 678A.120, to be consumed on  
16 the premises of the business ~~H~~, *other than a cannabis*  
17 *consumption lounge, as defined in section 2 of this act, in*  
18 *accordance with the provisions of chapter 678B of NRS.*

19 10. The powers conferred by this section are in addition and  
20 supplemental to, and not in substitution for, and the limitations  
21 imposed by this section do not affect the powers conferred by, any  
22 other law. No part of this section repeals or affects any other law or  
23 any part thereof, it being intended that this section provide a  
24 separate method of accomplishing its objectives, and not an  
25 exclusive one.

26 **Sec. 30.9.** NRS 269.170 is hereby amended to read as follows:

27 269.170 1. Except as otherwise provided in subsections 5, 6  
28 and 7 and NRS 576.128, 598D.150 and 640C.100, the town board or  
29 board of county commissioners may, in any unincorporated town:

30 (a) Fix and collect a license tax on, and regulate, having due  
31 regard to the amount of business done by each person so licensed,  
32 and all places of business and amusement so licensed, as follows:

33 (1) Artisans, artists, assayers, auctioneers, bakers, banks and  
34 bankers, barbers, boilermakers, cellars and places where soft drinks  
35 are kept or sold, clothes cleaners, foundries, laundries, lumberyards,  
36 manufacturers of soap, soda, borax or glue, markets, newspaper  
37 publishers, pawnbrokers, funeral directors and wood and coal  
38 dealers.

39 (2) Bootmakers, cobblers, dressmakers, milliners,  
40 shoemakers and tailors.

41 (3) Boardinghouses, hotels, lodging houses, restaurants and  
42 refreshment saloons.

43 (4) Barrooms, gaming, manufacturers of liquors and other  
44 beverages, and saloons.



1 (5) Billiard tables, bowling alleys, caravans, circuses,  
2 concerts and other exhibitions, dance houses, melodeons,  
3 menageries, shooting galleries, skating rinks and theaters.

4 (6) Corrals, hay yards, livery and sale stables and wagon  
5 yards.

6 (7) Electric light companies, illuminating gas companies,  
7 power companies, telegraph companies, telephone companies and  
8 water companies.

9 (8) Carts, drays, express companies, freight companies, job  
10 wagons, omnibuses and stages.

11 (9) Brokers, commission merchants, factors, general agents,  
12 mercantile agents, merchants, traders and stockbrokers.

13 (10) Drummers, hawkers, peddlers and solicitors.

14 (11) Insurance analysts, adjusters and managing general  
15 agents and producers of insurance within the limitations and under  
16 the conditions prescribed in NRS 680B.020.

17 (b) Fix and collect a license tax upon all professions, trades or  
18 business within the town not specified in paragraph (a).

19 2. No license to engage in business as a seller of tangible  
20 personal property may be granted unless the applicant for the license  
21 presents written evidence that:

22 (a) The Department of Taxation has issued or will issue a permit  
23 for this activity, and this evidence clearly identifies the business by  
24 name; or

25 (b) Another regulatory agency of the State has issued or will  
26 issue a license required for this activity.

27 3. Any license tax levied for the purposes of NRS 244A.597 to  
28 244A.655, inclusive, constitutes a lien upon the real and personal  
29 property of the business upon which the tax was levied until the tax  
30 is paid. The lien must be enforced in the same manner as liens for ad  
31 valorem taxes on real and personal property. The town board or  
32 other governing body of the unincorporated town may delegate the  
33 power to enforce such liens to the county fair and recreation board.

34 4. The governing body or the county fair and recreation board  
35 may agree with the Department of Taxation for the continuing  
36 exchange of information concerning taxpayers.

37 5. The town board or board of county commissioners shall not  
38 require a person to obtain a license or pay a license tax on the sole  
39 basis that the person is a professional. As used in this subsection,  
40 "professional" means a person who:

41 (a) Holds a license, certificate, registration, permit or similar  
42 type of authorization issued by a regulatory body as defined in  
43 NRS 622.060, or who is regulated pursuant to the Nevada Supreme  
44 Court Rules; and



1 (b) Practices his or her profession for any type of compensation  
2 as an employee.

3 6. The town board or board of county commissioners shall not  
4 require a person to obtain a license or pay a license tax pursuant to  
5 this section for a cannabis establishment, as defined in  
6 NRS 678A.095.

7 7. The town board or board of county commissioners shall not  
8 license or otherwise allow a person to operate a business that allows  
9 cannabis, as defined in NRS 678A.085, or cannabis products, as  
10 defined in NRS 678A.120, to be consumed on the premises of the  
11 business ~~☐~~, *other than a cannabis consumption lounge, as*  
12 *defined in section 2 of this act, in accordance with the provisions*  
13 *of chapter 678B of NRS.*

14 **Sec. 31.** Chapter 372A of NRS is hereby amended by adding  
15 thereto a new section to read as follows:

16 *“Cannabis consumption lounge” has the meaning ascribed to*  
17 *it in section 2 of this act.*

18 **Sec. 32.** NRS 372A.200 is hereby amended to read as follows:

19 372A.200 As used in NRS 372A.200 to 372A.380, inclusive,  
20 *and section 31 of this act*, unless the context otherwise requires, the  
21 words and terms defined in NRS 372A.205 to 372A.250, inclusive,  
22 *and section 31 of this act* have the meanings ascribed to them in  
23 those sections.

24 **Sec. 33.** NRS 372A.250 is hereby amended to read as follows:

25 372A.250 “Taxpayer” means a:

- 26 1. Cannabis cultivation facility; ~~☐~~
- 27 2. Adult-use cannabis retail store ~~☐~~; *or*
- 28 3. *Cannabis consumption lounge.*

29 **Sec. 34.** NRS 372A.290 is hereby amended to read as follows:

30 372A.290 1. An excise tax is hereby imposed on each  
31 wholesale sale in this State of cannabis by a medical cannabis  
32 cultivation facility to another cannabis establishment at the rate of  
33 15 percent of the fair market value at wholesale of the cannabis. The  
34 excise tax imposed pursuant to this subsection is the obligation of  
35 the medical cannabis cultivation facility.

36 2. An excise tax is hereby imposed on each wholesale sale in  
37 this State of cannabis by an adult-use cannabis cultivation facility to  
38 another cannabis establishment at the rate of 15 percent of the fair  
39 market value at wholesale of the cannabis. The excise tax imposed  
40 pursuant to this subsection is the obligation of the adult-use  
41 cannabis cultivation facility.

42 3. An excise tax is hereby imposed on each retail sale in this  
43 State of cannabis or cannabis products by an adult-use cannabis  
44 retail store *or cannabis consumption lounge* at the rate of 10





1 percent of the sales price of the cannabis or cannabis products. The  
2 excise tax imposed pursuant to this subsection:

3 (a) Is the obligation of the ~~adult use cannabis retail store.~~ *seller*  
4 *of the cannabis or cannabis product;*

5 (b) Is separate from and in addition to any general state and  
6 local sales and use taxes that apply to retail sales of tangible  
7 personal property.

8 4. The revenues collected from the excise tax imposed pursuant  
9 to subsection 1 must be distributed:

10 (a) To the Cannabis Compliance Board and to local  
11 governments in an amount determined to be necessary by the Board  
12 to pay the costs of the Board and local governments in carrying out  
13 the provisions of chapter 678C of NRS; and

14 (b) If any money remains after the revenues are distributed  
15 pursuant to paragraph (a), to the State Treasurer to be deposited to  
16 the credit of the State Education Fund.

17 5. The revenues collected from the excise tax imposed pursuant  
18 to subsection 2 must be distributed:

19 (a) To the Cannabis Compliance Board and to local  
20 governments in an amount determined to be necessary by the Board  
21 to pay the costs of the Board and local governments in carrying out  
22 the provisions of chapter 678D of NRS; and

23 (b) If any money remains after the revenues are distributed  
24 pursuant to paragraph (a), to the State Treasurer to be deposited to  
25 the credit of the State Education Fund.

26 6. For the purpose of subsections 4 and 5, a total amount of  
27 \$5,000,000 of the revenues collected from the excise tax imposed  
28 pursuant to subsection 1 and the excise tax imposed pursuant to  
29 subsection 2 in each fiscal year shall be deemed sufficient to pay the  
30 costs of all local governments to carry out the provisions of chapters  
31 678C and 678D of NRS. The Board shall, by regulation, determine  
32 the manner in which local governments may be reimbursed for the  
33 costs of carrying out the provisions of chapters 678C and 678D of  
34 NRS.

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

38 8. As used in this section:

39 (a) "Adult-use cannabis cultivation facility" has the meaning  
40 ascribed to it in NRS 678A.025.

41 (b) ~~"Adult use cannabis retail store" has the meaning ascribed~~  
42 ~~to it in NRS 678A.065.~~

43 ~~(c)~~ "Cannabis product" has the meaning ascribed to it in  
44 NRS 678A120.



1 ~~[(d)]~~ (c) "Local government" has the meaning ascribed to it in  
2 NRS 360.640.

3 ~~[(e)]~~ (d) "Medical cannabis cultivation facility" has the meaning  
4 ascribed to it in NRS 678A.170.

5 ~~[(f)]~~ (e) "Medical cannabis establishment" has the meaning  
6 ascribed to it in NRS 678A.180.

7 **Sec. 35.** NRS 387.1212 is hereby amended to read as follows:

8 387.1212 1. The State Education Fund is hereby created as a  
9 special revenue fund to be administered by the Superintendent of  
10 Public Instruction for the purpose of supporting the operation of the  
11 public schools in this State. The interest and income earned on the  
12 money in the Fund, after deducting any applicable charges, must be  
13 credited to the Fund.

14 2. Money which must be deposited for credit to the State  
15 Education Fund includes, without limitation:

16 (a) All money derived from interest on the State Permanent  
17 School Fund, as provided in NRS 387.030;

18 (b) The proceeds of the tax imposed pursuant to NRS 244.33561  
19 and any applicable penalty or interest, less any amount retained by  
20 the county treasurer for the actual cost of collecting and  
21 administering the tax;

22 (c) The proceeds of the tax imposed pursuant to subsection 1 of  
23 NRS 387.195;

24 (d) The portion of the money in each special account created  
25 pursuant to subsection 1 of NRS 179.1187 which is identified in  
26 paragraph (d) of subsection 2 of NRS 179.1187;

27 (e) The money identified in subsection 1 of NRS 328.450;

28 (f) The money identified in subsection 1 of NRS 328.460;

29 (g) The money identified in paragraph (a) of subsection 2 of  
30 NRS 360.850;

31 (h) The money identified in paragraph (a) of subsection 2 of  
32 NRS 360.855;

33 (i) The money required to be paid over to the State Treasurer for  
34 deposit to the credit of the State Education Fund pursuant to  
35 subsection 4 of NRS 362.170;

36 (j) The portion of the proceeds of the tax imposed pursuant to  
37 subsection 1 of NRS 372A.290 identified in paragraph (b) of  
38 subsection 4 of NRS 372A.290;

39 (k) The proceeds of the tax imposed pursuant to subsection 3 of  
40 NRS 372A.290;

41 (l) The proceeds of the fees, taxes, interest and penalties  
42 imposed pursuant to chapter 374 of NRS, as transferred pursuant to  
43 subsection 3 of NRS 374.785;

44 (m) The money identified in paragraph (b) of subsection ~~[(3)]~~ 4 of  
45 NRS 678B.390;



1 (n) The portion of the proceeds of the excise tax imposed  
2 pursuant to subsection 1 of NRS 463.385 identified in paragraph (c)  
3 of subsection 5 of NRS 463.385;

4 (o) The money required to be distributed to the State Education  
5 Fund pursuant to subsection 3 of NRS 482.181;

6 (p) The portion of the net profits of the grantee of a franchise,  
7 right or privilege identified in NRS 709.110;

8 (q) The portion of the net profits of the grantee of a franchise  
9 identified in NRS 709.230;

10 (r) The portion of the net profits of the grantee of a franchise  
11 identified in NRS 709.270; and

12 (s) The direct legislative appropriation from the State General  
13 Fund required by subsection 3.

14 3. In addition to money from any other source provided by law,  
15 support for the State Education Fund must be provided by direct  
16 legislative appropriation from the State General Fund in an amount  
17 determined by the Legislature to be sufficient to fund the operation  
18 of the public schools in this State for kindergarten through grade 12  
19 for the next ensuing biennium for the population reasonably  
20 estimated for that biennium. Money in the State Education Fund  
21 does not revert to the State General Fund at the end of a fiscal year,  
22 and the balance in the State Education Fund must be carried forward  
23 to the next fiscal year.

24 4. Money in the Fund must be paid out on claims as other  
25 claims against the State are paid.

26 5. The Superintendent of Public Instruction may create one or  
27 more accounts in the State Education Fund for the purpose of  
28 administering any money received from the Federal Government for  
29 the support of education and any State money required to be  
30 administered separately to satisfy any requirement imposed by the  
31 Federal Government. The money in any such account must not be  
32 considered when calculating the statewide base per pupil funding  
33 amount or appropriating money from the State Education Fund  
34 pursuant to NRS 387.1214. The interest and income earned on the  
35 money in any such account, after deducting any applicable charges,  
36 must be credited to the account.

37 **Sec. 36.** NRS 453.316 is hereby amended to read as follows:

38 453.316 1. A person who opens or maintains any place for  
39 the purpose of unlawfully selling, giving away or using any  
40 controlled substance is guilty of a category C felony and shall be  
41 punished as provided in NRS 193.130.

42 2. If a person convicted of violating this section has previously  
43 been convicted of violating this section, or if, in the case of a first  
44 conviction of violating this section, the person has been convicted of  
45 an offense under the laws of the United States or any state, territory



1 or district which, if committed in this State, would amount to a  
2 felony under this section, the person is guilty of a category B felony  
3 and shall be punished by imprisonment in the state prison for a  
4 minimum term of not less than 1 year and a maximum term of not  
5 more than 6 years, and may be further punished by a fine of not  
6 more than \$10,000.

7 3. This section does not apply to ~~any~~ :

8 (a) Any rehabilitation clinic established or licensed by the  
9 Division of Public and Behavioral Health of the Department.

10 (b) Any cannabis consumption lounge, as defined in section 2  
11 of this act, whose activities are confined to those authorized in title  
12 56 of NRS.

13 **Sec. 36.1.** Section 246 of chapter 595, Statutes of Nevada  
14 2019, at page 3896, is hereby amended to read as follows:

15 Sec. 246. 1. This section and sections 199.3, 216.3  
16 and 239.5 of this act become effective upon passage and  
17 approval.

18 2. Sections 197.5 and 198.5 of this act become effective  
19 upon passage and approval . ~~[and expire by limitation on June~~  
20 ~~30, 2021.]~~

21 3. Section 216.7 of this act becomes effective on  
22 November 23, 2019.

23 4. Sections 1 to 197, inclusive, 198, 199, 199.5, 201 to  
24 216, inclusive, 217 to 239, inclusive, and 240 to 245,  
25 inclusive, of this act become effective:

26 (a) Upon passage and approval for the purposes of  
27 adopting regulations and performing any other preparatory  
28 tasks that are necessary to carry out the provisions of this act;  
29 and

30 (b) On July 1, 2020, for all other purposes.

31 5. ~~[Section 199.7 of this act becomes effective on July 1,~~  
32 ~~2021.~~

33 ~~—6.]~~ Sections 108 and 109 of this act expire by limitation  
34 on the date 2 years after the date on which the provisions of  
35 42 U.S.C. § 666 requiring each state to establish procedures  
36 under which the state has authority to withhold or suspend, or  
37 to restrict the use of professional, occupational and  
38 recreational licenses of persons who:

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

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

45 ~~are repealed by the Congress of the United States.~~



1     **Sec. 36.3.** 1. Any person who, on October 1, 2021, holds an  
2 adult-use cannabis establishment license for an adult-use cannabis  
3 retail store may, on or after October 1, 2021, submit to the Cannabis  
4 Compliance Board an application for the issuance of an adult-use  
5 cannabis establishment license for a retail cannabis consumption  
6 lounge in accordance with NRS 678B.250, as amended by section  
7 14 of this act.

8     2. The Cannabis Compliance Board shall not issue an adult-use  
9 cannabis establishment license for a retail cannabis consumption  
10 lounge to a person who submits an application pursuant to  
11 subsection 1, unless the Board has determined that the person has  
12 satisfied all applicable requirements for the issuance of such a  
13 license, as set forth in chapter 678B of NRS, as amended by this act,  
14 and the regulations adopted pursuant thereto.

15     **Sec. 36.5.** 1. On or before January 1, 2023, the Cannabis  
16 Compliance Board shall prepare and submit to the Director of the  
17 Legislative Counsel Bureau for transmission to the Legislature, a  
18 report regarding the effect of violations of NRS 598A.060 on  
19 independent cannabis consumption lounges. The report must include  
20 any recommendations for legislation that the Cannabis Compliance  
21 Board determines is necessary to ensure that such violations do not  
22 inhibit the growth of independent cannabis consumption lounges in  
23 this State.

24     2. As used in this section, “independent cannabis consumption  
25 lounge” has the meaning ascribed to it in section 3 of this act.

26     **Sec. 36.7.** Section 199.7 of chapter 595, Statutes of Nevada  
27 2019, at page 3863 is hereby repealed.

28     **Sec. 36.9.** 1. This section and sections 36.1 and 36.7 of this  
29 act become effective upon passage and approval.

30     2. Sections 1 to 36, inclusive, 36.3 and 36.5 of this act become  
31 effective on October 1, 2021.

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## TEXT OF REPEALED SECTION

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### Section 199.7 of chapter 595, Statutes of Nevada 2019:

Sec. 199.7. NRS 269.170 is hereby amended to read as follows:

269.170 1. Except as otherwise provided in subsections 5 ~~5~~ and 6 ~~and 7~~ and NRS 269.183, 576.128, 598D.150 and 640C.100, the town board or board of county commissioners may, in any unincorporated town:



(a) Fix and collect a license tax on, and regulate, having due regard to the amount of business done by each person so licensed, and all places of business and amusement so licensed, as follows:

(1) Artisans, artists, assayers, auctioneers, bakers, banks and bankers, barbers, boilermakers, cellars and places where soft drinks are kept or sold, clothes cleaners, foundries, laundries, lumberyards, manufacturers of soap, soda, borax or glue, markets, newspaper publishers, pawnbrokers, funeral directors and wood and coal dealers.

(2) Bootmakers, cobblers, dressmakers, milliners, shoemakers and tailors.

(3) Boardinghouses, hotels, lodging houses, restaurants and refreshment saloons.

(4) Barrooms, gaming, manufacturers of liquors and other beverages, and saloons.

(5) Billiard tables, bowling alleys, caravans, circuses, concerts and other exhibitions, dance houses, melodeons, menageries, shooting galleries, skating rinks and theaters.

(6) Corrals, hay yards, livery and sale stables and wagon yards.

(7) Electric light companies, illuminating gas companies, power companies, telegraph companies, telephone companies and water companies.

(8) Carts, drays, express companies, freight companies, job wagons, omnibuses and stages.

(9) Brokers, commission merchants, factors, general agents, mercantile agents, merchants, traders and stockbrokers.

(10) Drummers, hawkers, peddlers and solicitors.

(11) Insurance analysts, adjusters and managing general agents and producers of insurance within the limitations and under the conditions prescribed in NRS 680B.020.

(b) Fix and collect a license tax upon all professions, trades or business within the town not specified in paragraph (a).

2. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the State has issued or will issue a license required for this activity.



3. Any license tax levied for the purposes of NRS 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien must be enforced in the same manner as liens for ad valorem taxes on real and personal property. The town board or other governing body of the unincorporated town may delegate the power to enforce such liens to the county fair and recreation board.

4. The governing body or the county fair and recreation board may agree with the Department of Taxation for the continuing exchange of information concerning taxpayers.

5. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060, or who is regulated pursuant to the Nevada Supreme Court Rules; and

(b) Practices his or her profession for any type of compensation as an employee.

6. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax pursuant to this section for a cannabis establishment, as defined in section 22 of this act.

~~[7. The town board or board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in section 18 of this act, or cannabis products, as defined in section 27 of this act, to be consumed on the premises of the business.]~~



