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# **Nevada Question 9**

# Approved November, 1998 & November, 2000

## Nevada Question 9 A Medical Marijuana Initiative

The People of the State of Nevada do enact as follows: Article 4 of the constitution of the State of Nevada is hereby amended by adding thereto a new section to read as follows:

### Sec. 38.

1. The legislature shall provide by law for:

(a) The use by a patient, upon the advice of his physician, of a plant of the genus Cannabis for the treatment or alleviation of cancer, glaucoma, acquired immunodeficiency syndrome; sever, persistent nausea or cachexia resulting from these or other chronic or debilitating medical conditions; epilepsy and other disorders characterized by seizure; multiple sclerosis and other disorders characterized by muscular spasticity; or other conditions approved pursuant to law for such treatment.

(b) Restriction of medical use of the plant by a minor to require diagnosis and written authorization by a physician, parental consent, and parental control of the acquisition and use of the plant.

(c) Protection of the plant and property related to its use from forfeiture except upon conviction or plea of guilty or nolo contendere for possession or use not authorized by or pursuant to this section.

(d) A registry of patients, and their attendants, who are authorized to use the plant for a medical purpose, to which law enforcement officers may resort to verify a claim of authorization and which is otherwise confidential.

(e) Authorization of appropriate methods for supply of the plant to patients authorized to use it.

2. This section does not:

(a) Authorize the use or possession of the plant for a purpose other than medical or use for a medical purpose in public.

(b) Require reimbursement by an insurer for medical use of the plant or accommodation of medical use in a place of employment.

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### **ADOPTED REGULATION OF THE**

### STATE DEPARTMENT OF AGRICULTURE

#### LCB File No. R095-01

Effective October 1, 2001

EXPLANATION – Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§1-7, NRS 453A.740; §8, NRS 453A.210 and 453A.740; §§9 and 10, NRS 453A.740; §11, NRS 453A.230 and 453A.740; §12, NRS 453A.220 and 453A.740; §13, NRS 453A.740.

**Section 1.** Chapter 453A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 13, inclusive, of this regulation.

Sec. 2. As used in sections 2 to 13, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this regulation have the meanings ascribed to them in those sections.

Sec. 3. "Attending physician" has the meaning ascribed to it in NRS 453A.030.

Sec. 4. "Chronic or debilitating medical condition" has the meaning ascribed to it in NRS 453A.050.

Sec. 5. "Department" means the state department of agriculture.

Sec. 6. "Designated primary caregiver" has the meaning ascribed to it in NRS 453A.080.

Sec. 7. "Registry identification card" has the meaning ascribed to it in NRS 453A.140.

Sec. 8. In addition to the materials required by NRS 453A.210, an application for a

registry identification card must include:

1. A written statement signed by the applicant's attending physician verifying that he was presented with a photographic identification of the applicant and the designated primary caregiver, if any, and that the applicant and the designated primary caregiver, if any, are the persons named in the application;

2. On forms prescribed by the department, any information required by the central repository for Nevada records of criminal history;

3. On forms prescribed by the department, any information required by the department of motor vehicles;

4. A complete set of the fingerprints of the applicant and the designated primary caregiver, if any, taken by a state or local law enforcement agency;

5. A notarized medical marijuana program waiver and liability release form that is prescribed by the department and signed by the applicant and designated primary caregiver, if any;

6. A notarized acknowledgement form that is prescribed by the department and signed by the applicant and designated primary caregiver, if any; and

7. If the applicant is under 18 years of age, a minor release form signed by the designated primary caregiver of the minor.

**Sec. 9.** 1. A person with a chronic or debilitating disease to whom a registry identification card has been issued may not be a designated primary caregiver.

2. A designated primary caregiver may not be the designated primary caregiver to more than one person.

Sec. 10. 1. If the state department of agriculture approves an application for a registry identification card:

(a) The department will provide the applicant and designated primary caregiver, if any, with written notice of its approval by registered mail.

(b) The applicant and designated primary caregiver, if any, must present the written notice and proof of identity to an appropriate office of the department of motor vehicles in order to receive a registry identification card. Upon the presentation of the written notice and proof of identity, the department of motor vehicles shall prepare and issue a registry identification card to the applicant and designated primary caregiver, if any, after it has confirmed by telephone or other reliable means that the state department of agriculture has approved the issuance of the card.

2. If the department denies an application for a registry identification card, the department will provide the applicant and designated primary caregiver, if any, with written notice of its denial by registered mail.

**Sec. 11.** A person who is required to comply with the provisions of NRS 453A.230 shall notify the department of any change in the information required by that section within 7 days after the change in that information.

**Sec. 12.** 1. Except as otherwise provided in subsection 2, a person to whom a registry identification card has been issued may renew that card by:

(a) Submitting to the state department of agriculture a form for renewal prescribed by the department and the materials required by NRS 453A.210 and section 8 of this regulation; and

(b) Returning his expired registry identification card to the department of motor vehicles.

2. A person who wishes to renew his registry identification card is not required to comply with the provisions of subsection 4 of section 8 of this regulation.

Sec. 13. For the purposes of chapter 453A of NRS:

1. "Immature marijuana plant" means a marijuana plant with no observable flowers or buds.

2. "Mature marijuana plant" means a marijuana plant which has flowers or buds that are readily observable by an unaided visual examination.

# ADOPTED REGULATION OF THE

# STATE DEPARTMENT OF AGRICULTURE

# LCB File No. R095-01

# **INFORMATIONAL STATEMENT**

1. Public workshops were held on August 7, 2001 in Sparks, Nevada at the Sparks City Council Chambers, Legislative Building 745 Fourth Street and on August 9, 2001 at the Grant Sawyer State Office Building, 555 E. Washington Avenue, Room 4401, Las Vegas, Nevada.

Public hearings were held on August 22, 2001 at the Grant Sawyer State Office Building, 555 E. Washington Avenue, Room 4401, Las Vegas, Nevada and on August 24, 2001 at the Nevada Commission on Tourism, Paul Laxalt Building, 401 North Carson, 2<sup>nd</sup> Floor Carson City, Nevada.

Notices of workshop and notices of hearing were posted at all six Department of Agriculture offices, the Nevada State Library in Carson City, Nevada, and all Nevada County Libraries. Press releases on the dates, times and places of the workshops and hearings were sent to major newspapers in Nevada. Copies could be requested from the Nevada Department of Agriculture by writing to 350 Capitol Hill Avenue, Reno, Nevada 89502, by calling (702) 688-1180, or by contacting all other Department of Agriculture offices, the Nevada State Library in Carson City, and all Nevada County Libraries. All persons who have requested to be notified of amendments were notified by mail.

2.	Workshop held August 7, 2001-Sparks	
	Number attended:	15
	Number Testified:	6
	Number of written statements submitted:	0

Summary of comments:

There were several questions on the provisions of the law. These included: What if an attending physician refuses to sign a statement? What if I don't know how to grow marijuana? Can more the one applicant choose the same caregiver? Can a registry cardholder be a caregiver to another applicant? Is the registry card valid out of state or are other states registry cards valid in Nevada?

AB 453 was the reference given to answer these questions.

There was no objection to the regulation and the attendees supported the regulation.

Workshop held August 9, 2001-Las Vegas	
Number attended:	37
Number testifying:	15
Number of written statements submitted:	0

Summary of comments:

There were several questions on the provisions of the law. These included: What if an attending physician refuses to sign a statement? What if I don't know how to grow marijuana? Can a registry cardholder maintain firearms in their home? If my physician won't sign the statement where can I get help? Can someone provide gardening service for a cardholder? There were several questions on the federal/state conflict on the medical marijuana program. Questions on the rule included:

1. Why is a fingerprint card required?

Fingerprints are necessary to perform the background check required to issue a registry card.

2. What if an applicant is not able to travel to the Department of Motor Vehicles to get their picture taken? Can the Department take the picture?

The Department will consult with the Department of Motor Vehicles and try to accommodate applicants who are unable to travel.

3. If an officer discovers a cardholder with inaccurate information on the card is it invalid at that point?

The Department will review the rules and consider reasons to invalidate cards.

AB 453 was the reference given to answer these questions.

There was no objection to the regulation and the attendees supported the regulation.

Hearing held August 22, 2001- Las Vegas	
Number attending:	17
Number testifying	2
Number of written statements submitted:	1

Summary of the written comment submitted by the Medical Marijuana Caregivers of America:

A caregiver should be allowed to serve more the one patient.

Summery of verbal testimony:

A caregiver should be allowed to serve more the one patient. Marijuana plants are male or female, sometime flowers of both sexes are produced. The definition of mature and immature should be amended to: mature plants are designated by the presence of observable buds or flowers and immature plants to no observable buds and flowers.

Hearing held August 24, 2001

Number Attending:	14
Number testifying:	7
Number of written statements submitted:	0

Summery of verbal testimony:

Supported the regulation, but stated that patients should be allowed to also be caregivers. Also supported that Caregivers should be allowed to serve more then one patient. Seven days is too short of time to report changes in information on registry card. More time should be allowed, or calling in the information change should be allowed. One person opposed the regulation. Other statements concerning provisions of the law were made. These statements will be considered when the department provides its report on the program at the next legislative session.

Comments were solicited from business and the public by posting in public locations, press releases and through direct mail notices as outlined in #1 above. A copy of the comments and oral and written testimony may be obtained by calling the Nevada Department of Agriculture office, (702) 688-1180.

The Nevada Board of Agriculture adopted the regulations as written.

- 1. The economic effects of the adopted regulations on the businesses it is to regulate include:
  - a. Adverse effects:
    - None. Participation in the program by physicians and caregivers is not mandatory.
  - b. Beneficial effects: Participation by physicians and caregivers will provide for a patients' participation.
  - c. Immediate and long-term economic effects: The adverse and beneficial effects are the same for immediate and long-term.
- 2. Economic effects of the proposed amendments on the public include:
  - a. Adverse effects: None
  - b. Beneficial effects:

Citizens of Nevada who qualify for the Medical Marijuana Program will be able to receive a registry card and the statutory privileges provided in the law.

- c. Immediate and long-term effects: The adverse and beneficial effects are the same for the immediate and long-term.
- 3. Economic cost to the agency for the enforcement of the amendment: There will not be any additional cost to the agency to enforce the amendments adopted.

4. There are no other state or federal agency amendments that the adopted amendments overlap or duplicate.

- 5. The amendments adopted do not include any provisions more stringent than any federal regulation which the same activity.
- 6. This amendment does not establish or increase any fees.

#### REQUIRES TWO-THIRDS MAJORITY VOTE

(§§ 12, 19.6)

#### \* (Reprinted with amendments adopted on June 2, 2013) THIRD REPRINT S.B. 374

SENATE BILL NO. 374–SENATORS SEGERBLOM, HUTCHISON; AND MANENDO

### MARCH 18, 2013

JOINT SPONSORS: ASSEMBLYMEN AIZLEY; HOGAN AND SWANK

### Referred to Committee on Judiciary

SUMMARY—Provides for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture edible marijuana products or marijuana-infused products for sale to persons authorized to engage in the medical use of marijuana. (BDR 15-89)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility. Effect on the State: Yes.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets *[omitted material]* is material to be omitted.

AN ACT relating to medical marijuana; making it a crime to counterfeit or forge, or attempt to counterfeit or forge, a registry identification card for the medical use of marijuana; making it a crime for a person grow. harvest process more to or than 12 marijuana plants; providing for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture edible marijuana products or marijuanainfused products for sale to persons authorized to engage in the medical use of marijuana; providing for the registration of agents who are employed by or volunteer at medical marijuana establishments; setting forth the manner in which such establishments must register and operate; creating the Subcommittee on the Medical Use of Marijuana of the Advisory Commission on the Administration of Justice; requiring the Health Division of the Department of Health and Human Services to adopt regulations; imposing an excise tax on each sale of marijuana, edible marijuana products and marijuana-infused products; providing penalties; and providing other matters properly relating thereto.





#### Legislative Counsel's Digest:

Under existing law, the State of Nevada provides immunity from state and local prosecution for possessing, delivering and producing marijuana in certain limited amounts for patients with qualifying medical conditions, and their designated primary caregivers, who apply to and receive from the Health Division of the Department of Health and Human Services a registry identification card. Existing law does not specify the manner in which qualifying patients and their designated primary caregivers are to obtain marijuana. (Chapter 453A of NRS) Section 1 of this bill makes it a crime, punishable as a category E felony, for a person to counterfeit or force or attempt to counterfeit or force a registry identification

8 Section 1 of this bill makes it a crime, punishable as a category E felony, for a 9 person to counterfeit or forge or attempt to counterfeit or forge a registry identification 10 card, which is the instrument that indicates a bearer is entitled to engage in the medical 11 use of marijuana. Section 1.7 of this bill makes it a crime, punishable as a category E 12 felony, for a person to grow, harvest or process more than 12 marijuana plants, and 13 also makes such a person liable for costs of cleanup and disposal.

**Sections 3.5, 7.3, 7.5, 8 and 8.3** of this bill define what is meant by a "medical marijuana establishment," which includes: (1) cultivation facilities; (2) facilities for the production of edible marijuana products or marijuana-infused products; (3) independent testing laboratories; and (4) medical marijuana dispensaries.

Section 1.4 of this bill creates the Subcommittee on the Medical Use of Marijuana of the Advisory Commission on the Administration of Justice. The Subcommittee is tasked with considering, evaluating, reviewing and reporting on the medical use of marijuana, the dispensation of marijuana for medical use and laws providing for the dispensation of marijuana for medical use.

21 22 23 24 25 26 27 28 29 30 Sections 10-11.7 of this bill set forth the manner in which a person may apply to obtain a registration certificate to operate a medical marijuana establishment. Section 10 mandates background checks for persons proposed to be owners, officers or board members of medical marijuana establishments, and requires such establishments to be sited at least 1,000 feet from existing schools and at least 300 feet from certain existing community facilities. Section 10.5 requires that medical marijuana establishments be located in accordance with local governmental ordinances on zoning and land use, and be professional in appearance. Section 11 limits, by the size of the population of each 31 32 33 34 35 county, the number of medical marijuana establishments that may be certified in each county, and also limits the Division to accepting applications for the certification of the establishments to not more than 10 business days in any one calendar year. Section 11.5 imposes limits to prevent the overconcentration of medical marijuana establishments in one part of a county and to prevent situations of ownership that are 36 geographically monopolistic. Section 11.7 sets forth the merit-based criteria to be used 37 by the Health Division of the Department of Health and Human Services in 38 determining whether to issue a registration certificate for the operation of a medical 39 marijuana establishment, including such criteria as financial solvency, experience in 40 running businesses, knowledge of medical marijuana and financial contributions by 41 way of the payment of taxes or otherwise to the State of Nevada and its political 42 subdivisions.

43 Section 13 of this bill sets forth the procedure to apply for a medical marijuana 44 establishment agent registration card, including background checks, and specifies that 45 the application shall be deemed conditionally approved if the Division does not act 46 upon the application within 30 days, but the conditional approval is limited to the 47 period until such time as the Division acts upon the application.

Section 12 of this bill provides the maximum fees to be charged by the Division for the initial issuance and renewal of medical marijuana establishment registration certificates and medical marijuana establishment agent registration cards. Section 12 also imposes, in the case of applications to operate a medical marijuana establishment, a nonrefundable application fee of \$5,000. Section 13.5 states that the registration certificates and registration cards are nontransferable. Sections 14 and 15 of this bill, in accordance with federal law, outline the

54 Sections 14 and 15 of this bill, in accordance with federal law, outline the 55 procedure for the suspension of medical marijuana establishment registration 56 certificates and medical marijuana establishment agent registration cards in the event





57 that the holder fails to comply with certain requirements pertaining to the payment of 58 child support. Sections 16 and 17 of this bill set forth the acts that are immediate 59 grounds for the Division to revoke a registration certificate or registration card. Section 60 18 of this bill provides that it is a privilege to hold a registration certificate or 61 registration card and holding such an instrument conveys no vested rights.

Section 19 of this bill sets forth requirements for the secure and lawful operation of medical marijuana establishments. Sections 19.1 and 19.2 of this bill, respectively, require medical marijuana establishments to maintain an electronic verification system and an inventory control system. Both systems are intended to work together to ensure that marijuana cultivated for medical use is dispensed only in accordance with chapter 453A of NRS and only to persons authorized to engage in the medical use of marijuana.

Sections 19.3 and 20 of this bill require medical marijuana dispensaries to use an independent testing laboratory to ensure that the products sold to end users are tested for content, quality and potency. Section 19.4 of this bill sets forth that medical marijuana establishments are to use certain security protocols.
Sections 19.5 and 24.9 of this bill provide for the dispensation of marijuana and related products to persons who are not residents of this State. From April 1, 2014,

**Sections 19.5 and 24.9** of this bill provide for the dispensation of marijuana and related products to persons who are not residents of this State. From April 1, 2014, through March 31, 2016, a nonresident purchaser must sign an affidavit attesting to the fact that he or she is entitled to engage in the medical use of marijuana in his or her state or jurisdiction of residency. On and after April 1, 2016, the requirement for such an affidavit is replaced by computer cross-checking between the State of Nevada and other jurisdictions.

80 Sections 19.6, 22.35, 22.4 and 22.45 of this bill allow a registry identification 81 cardholder and his or her designated primary caregiver, if any, to choose a particular 82 medical marijuana dispensary to be his or her designated medical marijuana 83 dispensary. The designation of a medical marijuana dispensary may be changed not 84 more than once every 30 days.

85 Section 19.7 of this bill requires that marijuana, edible marijuana products and 86 marijuana-infused products be labeled and packaged in a safe manner.

87 Section 19.8 of this bill allows the seizure of certain property possessed by a 88 medical marijuana establishment under certain strictly prescribed circumstances.

89 Section 19.9 of this bill requires the Division to prescribe standards for the 90 operation of independent testing laboratories.

91 Section 20 of this bill authorizes the Division to adopt any regulations the Division 92 determines to be necessary or advisable to carry out the program of dispensing 93 marijuana and related products to persons authorized by law to engage in the medical 94 use of marijuana.

95 Sections 22 and 22.3 of this bill increase the amounts of marijuana, edible 96 marijuana products and marijuana-infused products that may be possessed collectively 97 by a registry identification cardholder and his or her designated primary caregiver, if 98 any. The increased amounts are derived, in substantial part, from the limits established 99 by the State of Arizona. Sections 22 and 22.3 also provide a 2-year period, beginning on April 1, 2014, and ending on March 31, 2016, during which persons who are authorized to engage in the medical use of marijuana and who were cultivating, 100 101 102 growing or producing marijuana on or before July 1, 2013, are "grandfathered" to 103 continue such activity until March 31, 2016. On and after April 1, 2016, self-104 cultivation, self-growing and self-production is prohibited unless the person engaging 105 in such activity qualifies for one of the compassionate exceptions from the prohibition, 106 including illness that precludes travel to a medical marijuana dispensary, and the lack 107 of a medical marijuana dispensary within 25 miles of the person's residence.

**Section 22.4** of this bill stipulates that a registry identification card must indicate whether or not the holder is authorized to engage in the self-cultivation, self-growing or self-production of marijuana for medical purposes.

111 Section 24 of this bill reduces by 50 percent the fees currently charged by the 112 Division to provide an applicant with an application for a registry identification card, 113 and to process the application and issue the card.





114 Section 24.4 of this bill: (1) imposes an excise tax of 2 percent on each wholesale sale of marijuana, edible marijuana products and marijuana-infused products between 115 116 medical marijuana establishments; (2) imposes an excise tax of 2 percent on the retail sale of marijuana and such products from a medical marijuana dispensary to an end 117 118 user; and (3) makes clear that the 2 percent excise tax on retail sales is in addition to 119 the state and local sales and use taxes that are otherwise imposed on the sale of tangible 120 personal property.

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

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

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

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

3. As used in this section, "registry identification card" has 8 the meaning ascribed to it in NRS 453A.140. 9 10

Sec. 1.3. NRS 207.360 is hereby amended to read as follows:

207.360 "Crime related to racketeering" means the commission 11 of, attempt to commit or conspiracy to commit any of the following 12 13 crimes. 14

- 1. Murder:
- Manslaughter, except vehicular manslaughter as described in 15 2. NRS 484B.657; 16
- 3. Mayhem; 17
- 4. Battery which is punished as a felony; 18
- 5. Kidnapping; 19
- 6. Sexual assault: 20
- 21 7. Arson:
- 8. Robbery; 22

23 9. Taking property from another under circumstances not amounting to robbery; 24

- 25 10. Extortion;
- 11. 26 Statutory sexual seduction;

27 12. Extortionate collection of debt in violation of NRS 205.322; 28

29 13. Forgery;

Any violation of NRS 199.280 which is punished as a 30 14. felony; 31

- 32 15. Burglary;
- Grand larceny; 33 16.

17. Bribery or asking for or receiving a bribe in violation of 34 chapter 197 or 199 of NRS which is punished as a felony; 35





Battery with intent to commit a crime in violation of 1 18. 2 NRS 200.400; 19. 3 Assault with a deadly weapon; Any violation of NRS 453.232, 453.316 to 453.3395, 4 20. inclusive, except a violation of section 1.7 of this act, or NRS 5 453.375 to 453.401, inclusive; 6 7 Receiving or transferring a stolen vehicle; 21. Any violation of NRS 202.260, 202.275 or 202.350 which 8 22. 9 is punished as a felony; Any violation of subsection 2 or 3 of NRS 463.360 or 10 23. 11 chapter 465 of NRS; 12 Receiving, possessing or withholding stolen goods valued 24. 13 at \$650 or more: 14 25. Embezzlement of money or property valued at \$650 or 15 more; 16 26. Obtaining possession of money or property valued at \$650 or more, or obtaining a signature by means of false pretenses; 17 Perjury or subornation of perjury; 18 27. 28. Offering false evidence; 19 29. Any violation of NRS 201.300 or 201.360; 20 Any violation of NRS 90.570, 91.230 or 686A.290, or 21 30. insurance fraud pursuant to NRS 686A.291; 22 23 31. Any violation of NRS 205.506, 205.920 or 205.930; 32. Any violation of NRS 202.445 or 202.446; or 24 33. Any violation of NRS 205.377. 25 26 Sec. 1.4. Chapter 176 of NRS is hereby amended by adding 27 thereto a new section to read as follows: 28 There is hereby created the Subcommittee on the Medical 1. 29 Use of Marijuana of the Commission. The Chair of the Commission shall appoint the members of 30 2. the Subcommittee. The Subcommittee must consist of legislative 31 32 and nonlegislative members, including, without limitation: 33 (a) At least four Legislators, who may or may not be members 34 of the Commission. 35 (b) A representative of the Health Division of the Department 36 of Health and Human Services. (c) A patient who holds a valid registry identification card to 37 38 engage in the medical use of marijuana pursuant to chapter 453A 39 of NRS. 40 (d) An owner or operator of a cultivation facility that is 41 certified to operate pursuant to chapter 453A of NRS. 42 (e) An owner or operator of a facility for the production of edible marijuana products or marijuana-infused products that is 43 44 certified to operate pursuant to chapter 453A of NRS.





1 (f) An owner or operator of a medical marijuana dispensary that is certified to operate pursuant to chapter 453A of NRS. 2 3

(g) A representative of the Attorney General. 4

(h) A representative of a civil liberties organization.

(i) A representative of an organization which advocates for 5 6 persons who use marijuana for medicinal purposes.

(j) A representative of a law enforcement agency located 7 within the jurisdiction of Clark County. 8

(k) A representative of a law enforcement agency located 9 10 within the jurisdiction of Washoe County.

(l) A representative of local government.

12 The Chair of the Commission shall designate one of the *3*. 13 legislative members of the Commission as Chair of the 14 Subcommittee.

15 4 The Subcommittee shall meet at the times and places specified by a call of the Chair. A majority of the members of the 16 Subcommittee constitutes a quorum, and a quorum may exercise 17 any power or authority conferred on the Subcommittee. 18

5. The Subcommittee shall:

(a) Consider issues concerning the medical use of marijuana, 20 the dispensation of marijuana for medical use and the 21 implementation of provisions of law providing for the dispensation 22 23 of marijuana for medical use; and

(b) Evaluate, review and submit a report to the Commission 24 25 with recommendations concerning such issues.

26 6. Any Legislators who are members of the Subcommittee are 27 entitled to receive the salary provided for a majority of the members of the Legislature during the first 60 days of 28 29 the preceding session for each day's attendance at a meeting of 30 the Subcommittee.

7. While engaged in the business of the Subcommittee, to the 31 extent of legislative appropriation, each member of the 32 Subcommittee is entitled to receive the per diem allowance and 33 travel expenses provided for state officers and employees 34 35 generally.

36 Sec. 1.45. NRS 176.0121 is hereby amended to read as 37 follows:

176.0121 As used in NRS 176.0121 to 176.0129, inclusive, 38 39 and section 1.4 of this act, "Commission" means the Advisory Commission on the Administration of Justice. 40

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**Sec. 1.5.** NRS 391.311 is hereby amended to read as follows:

42 391.311 As used in NRS 391.311 to 391.3197, inclusive, 43 unless the context otherwise requires:





1 1 "Administrator" means any employee who holds a license as an administrator and who is employed in that capacity by a school 2 3 district.

"Board" means the board of trustees of the school district in 4 2. which a licensed employee affected by NRS 391.311 to 391.3197. 5 6 inclusive, is employed.

"Demotion" means demotion of an administrator to a 7 3. position of lesser rank, responsibility or pay and does not include 8 9 transfer or reassignment for purposes of an administrative 10 reorganization.

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4. "Immorality" means:

(a) An act forbidden by NRS 200.366, 200.368, 200.400, 200.508, 201.180, 201.190, 201.210, 201.220, 201.230, 201.265, 12 13 201.540, 201.560, 207.260, 453.316 to 453.336, inclusive, except 14 an act forbidden by section 1.7 of this act, NRS 453.337, 453.338, 15 453.3385 to 453.3405, inclusive, 453.560 or 453.562; or 16

(b) An act forbidden by NRS 201.540 or any other sexual 17 conduct or attempted sexual conduct with a pupil enrolled in an 18 elementary or secondary school. As used in this paragraph, "sexual 19 20 conduct" has the meaning ascribed to it in NRS 201.520.

"Postprobationary employee" means an administrator or a 21 5. teacher who has completed the probationary period as provided in 22 NRS 391.3197 and has been given notice of reemployment. The 23 24 term does not include a person who is deemed to be a probationary 25 employee pursuant to NRS 391.3129. 26

"Probationary employee" means: 6.

27 (a) An administrator or a teacher who is employed for the period 28 set forth in NRS 391.3197; and

29 (b) A person who is deemed to be a probationary employee 30 pursuant to NRS 391.3129.

"Superintendent" means the superintendent of a school 31 7. 32 district or a person designated by the board or superintendent to act 33 as superintendent during the absence of the superintendent.

"Teacher" means a licensed employee the majority of whose 34 8. working time is devoted to the rendering of direct educational 35 36 service to pupils of a school district.

Sec. 1.7. Chapter 453 of NRS is hereby amended by adding 37 38 thereto a new section to read as follows:

39 shall knowingly or intentionally 1. A person not manufacture, grow, plant, cultivate, harvest, dry, propagate or 40 process marijuana, except as specifically authorized by the 41 42 provisions of this chapter or chapter 453A of NRS.

43 Unless a greater penalty is provided in NRS 453.339, a 2. person who violates subsection 1, if the quantity involved is more 44 45 than 12 marijuana plants, irrespective of whether the marijuana





plants are mature or immature, is guilty of a category E felony 1 and shall be punished as provided in NRS 193.130. 2 3. In addition to any punishment imposed pursuant to 3 subsection 2, the court shall order a person convicted of a 4 violation of subsection 1 to pay all costs associated with any 5 necessary cleanup and disposal related to the manufacturing, 6 growing, planting, cultivation, harvesting, drying, propagation or 7 8 processing of the marijuana. Sec. 2. Chapter 453A of NRS is hereby amended by adding 9 10 thereto the provisions set forth as sections 3 to 20, inclusive, of this 11 act. 12 Sec. 3. "Crime of violence" means any felony: 13 1. Involving the use or threatened use of force or violence 14 against the person or property of another; or 2. For which there is a substantial risk that force or violence 15 may be used against the person or property of another in the 16 17 commission of the felony. "Cultivation facility" means a business that: 18 Sec. 3.5. 1. Is registered with the Division pursuant to section 10 of 19 20 this act; and 2. Acquires, possesses, cultivates, delivers, 21 transfers, transports, supplies or sells marijuana and related supplies to: 22 23 (a) Medical marijuana dispensaries; (b) Facilities for the production of edible marijuana products 24 25 or marijuana-infused products; or 26 (c) Other cultivation facilities. 27 **Sec. 4.** (Deleted by amendment.) Sec. 5. (Deleted by amendment.) 28 Sec. 5.3. "Edible marijuana products" means products that: 29 30 1. Contain marijuana or an extract thereof; Are intended for human consumption by oral ingestion; 31 *2*. 32 and 3. Are presented in the form of foodstuffs, extracts, oils, 33 34 tinctures and other similar products. Sec. 5.5. "Electronic 35 verification system" means an 36 electronic database that: 1. Keeps track of data in real time; and 37 38 2. Is accessible by the Division and by registered medical 39 marijuana establishments. "Enclosed, locked facility" means a closet, display 40 Sec. 6. 41 case, room, greenhouse or other enclosed area that meets the 42 requirements of section 19.4 of this act and is equipped with locks or other security devices which allow access only by a medical 43 marijuana establishment agent and the holder of a valid registry 44 45 *identification card.* 





1 Sec. 7. 1. "Excluded felony offense" means:

2 (a) A crime of violence; or

(b) A violation of a state or federal law pertaining to controlled 3 substances, if the law was punishable as a felony in the 4 jurisdiction where the person was convicted. 5

6

2. The term does not include:

(a) A criminal offense for which the sentence, including any 7 term of probation, incarceration or supervised release, was 8 completed more than 10 years before; or 9

10 (b) An offense involving conduct that would be immune from arrest, prosecution or penalty pursuant to sections 10 to 20, 11 inclusive, of this act, except that the conduct occurred before 12 13 April 1, 2014, or was prosecuted by an authority other than the 14 State of Nevada.

"Facility for the production of edible marijuana 15 Sec. 7.3. products or marijuana-infused products" means a business that: 16

1. Is registered with the Division pursuant to section 10 of 17 this act; and 18

Acquires, possesses, manufactures, delivers, transfers, 19 2. transports, supplies or sells edible marijuana products or 20 marijuana-infused products to medical marijuana dispensaries. 21

Sec. 7.5. "Independent testing laboratory" means a facility 22 23 described in section 19.9 of this act.

"Inventory control system" means a process, device 24 Sec. 7.7. or other contrivance that may be used to monitor the chain of 25 26 custody of marijuana used for medical purposes from the point of 27 cultivation to the end consumer.

28 Sec. 7.9. 1. "Marijuana-infused products" means products 29 that:

30 (a) Are infused with marijuana or an extract thereof; and

(b) Are intended for use or consumption by humans through 31 means other than inhalation or oral ingestion. 32

2. The term includes, without limitation, topical products, 33 34 ointments, oils and tinctures.

Sec. 8. "Medical marijuana dispensary" means a business 35 36 that:

37 1. Is registered with the Division pursuant to section 10 of 38 this act; and

2. Acquires, possesses, delivers, transfers, transports, supplies, sells or dispenses marijuana or related supplies and 39 40 educational materials to the holder of a valid registry 41 42 identification card.

43 Sec. 8.3. "Medical marijuana establishment" means: 44

- 1. An independent testing laboratory;
- 2. A cultivation facility;



45



1 3. A facility for the production of edible marijuana products 2 or marijuana-infused products; 3 4. A medical marijuana dispensary; or A business that has registered with the Division and paid 4 5. the requisite fees to act as more than one of the types of businesses 5 6 listed in subsections 2, 3 and 4. "Medical marijuana establishment agent" means 7 Sec. 8.5. an owner, officer, board member, employee or volunteer of a 8 medical marijuana establishment. 9 10 Sec. 8.6. *"Medical* marijuana establishment agent 11 registration card" means a registration card that is issued by the 12 Division pursuant to section 13 of this act to authorize a person to 13 volunteer or work at a medical marijuana establishment. Sec. 8.7. "Medical marijuana establishment registration 14 certificate" means a registration certificate that is issued by the 15 Division pursuant to section 10 of this act to authorize the 16 operation of a medical marijuana establishment. 17 Sec. 8.8. "THC" means delta-9-tetrahydrocannabinol, which 18 is the primary active ingredient in marijuana. 19 **Sec. 9.** (Deleted by amendment.) 20 Sec. 10. 1. Each medical marijuana establishment must 21 register with the Division. 22 2. A person who wishes to operate a medical marijuana 23 establishment must submit to the Division an application on a 24 form prescribed by the Division. 25 26 Except as otherwise provided in sections 11, 11.5, 11.7 and *3*. 27 16 of this act, not later than 90 days after receiving an application to operate a medical marijuana establishment, the Division shall 28 29 register the medical marijuana establishment and issue a medical 30 marijuana establishment registration certificate and a random 20digit alphanumeric identification number if: 31 (a) The person who wishes to operate the proposed medical 32 marijuana establishment has submitted to the Division all of the 33 following: 34 35 (1) The application fee, as set forth in section 12 of this act; 36 (2) An application, which must include: 37 (I) The legal name of the proposed medical marijuana 38 establishment; (II) The physical address where the proposed medical 39 marijuana establishment will be located and the physical address 40 of any co-owned additional or otherwise associated medical 41 marijuana establishments, the locations of which may not be 42 within 1,000 feet of a public or private school that provides formal 43 education traditionally associated with preschool or kindergarten 44 through grade 12 and that existed on the date on which the 45





1 application for the proposed medical marijuana establishment was 2 submitted to the Division, or within 300 feet of a community 3 facility that existed on the date on which the application for the 4 proposed medical marijuana establishment was submitted to the 5 Division;

6 (III) Evidence that the applicant controls not less than 7 \$250,000 in liquid assets to cover the initial expenses of opening 8 the proposed medical marijuana establishment and complying 9 with the provisions of sections 10 to 20, inclusive, of this act;

10 *(IV)* Evidence that the applicant owns the property on 11 which the proposed medical marijuana establishment will be 12 located or has the written permission of the property owner to 13 operate the proposed medical marijuana establishment on that 14 property;

15 (V) For the applicant and each person who is proposed 16 to be an owner, officer or board member of the proposed medical 17 marijuana establishment, a complete set of the person's 18 fingerprints and written permission of the person authorizing the 19 Division to forward the fingerprints to the Central Repository for 10 Nevada Records of Criminal History for submission to the Federal 11 Bureau of Investigation for its report;

22 (VI) The name, address and date of birth of each person 23 who is proposed to be an owner, officer or board member of the 24 proposed medical marijuana establishment; and

25 (VII) The name, address and date of birth of each 26 person who is proposed to be employed by or otherwise provide 27 labor at the proposed medical marijuana establishment as a 28 medical marijuana establishment agent;

29 (3) Operating procedures consistent with rules of the 30 Division for oversight of the proposed medical marijuana 31 establishment, including, without limitation:

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

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

37 (4) If the proposed medical marijuana establishment will
38 sell or deliver edible marijuana products or marijuana-infused
39 products, proposed operating procedures for handling such
40 products which must be preapproved by the Division;

41 (5) If the city, town or county in which the proposed 42 medical marijuana establishment will be located has enacted 43 zoning restrictions, proof of licensure with the applicable local 44 governmental authority or a letter from the applicable local 45 governmental authority certifying that the proposed medical





1 marijuana establishment is in compliance with those restrictions and satisfies all applicable building requirements; and 2

(6) Such other information as the Division may require by 3 4 regulation:

(b) None of the persons who are proposed to be owners, 5 officers or board members of the proposed medical marijuana 6 establishment have been convicted of an excluded felony offense; 7

(c) None of the persons who are proposed to be owners, 8 officers or board members of the proposed medical marijuana 9 10 establishment have:

(1) Served as an owner, officer or board member for a 11 medical marijuana establishment that has had its medical 12 marijuana establishment registration certificate revoked; or 13

(2) Previously had a medical marijuana establishment 14 15 agent registration card revoked; and

(d) None of the persons who are proposed to be owners, 16 officers or board members of the proposed medical marijuana 17 establishment are under 21 years of age. 18

For each person who submits an application pursuant to 19 4. this section, and each person who is proposed to be an owner, 20 officer or board member of a proposed medical marijuana establishment, the Division shall submit the fingerprints of the 21 22 person to the Central Repository for Nevada Records of Criminal 23 24 History for submission to the Federal Bureau of Investigation to determine the criminal history of that person. 25

26 5. Except as otherwise provided in subsection 6, if an application for registration as a medical marijuana establishment 27 satisfies the requirements of this section and the establishment is 28 29 not disqualified from being registered as a medical marijuana establishment pursuant to this section or other applicable law, the 30 Division shall issue to the establishment a medical marijuana 31 establishment registration certificate. A medical marijuana 32 33 establishment registration certificate expires 1 year after the date 34 of issuance and may be renewed upon:

35 (a) Resubmission of the information set forth in this section; 36 and

37 (b) Payment of the renewal fee set forth in section 12 of this 38 act.

39 In determining whether to issue a medical marijuana **6**. establishment registration certificate pursuant to this section, the 40 41 Division shall consider the criteria of merit set forth in section 42 11.7 of this act.

43 7. As used in this section, "community facility" means: 44

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

45 (b) A public park.





1 (c) A playground. 2 (d) A public swim

(d) A public swimming pool.

3 (e) A center or facility, the primary purpose of which is to 4 provide recreational opportunities or services to children or 5 adolescents.

6 (f) A church, synagogue or other building, structure or place 7 used for religious worship or other religious purpose.

8

30

Sec. 10.5. Each medical marijuana establishment must:

9 1. Be located in a separate building or facility that is located 10 in a commercial or industrial zone or overlay;

11 2. Comply with all local ordinances and rules pertaining to 12 zoning, land use and signage;

13 3. Have an appearance, both as to the interior and exterior, 14 that is professional, orderly, dignified and consistent with the 15 traditional style of pharmacies and medical offices; and

16 4. Have discreet and professional signage that is consistent 17 with the traditional style of signage for pharmacies and medical 18 offices.

19 Sec. 11. 1. Except as otherwise provided in this section and 20 section 11.5 of this act, the Division shall issue medical marijuana 21 establishment registration certificates for medical marijuana 22 dispensaries in the following quantities for applicants who qualify 23 pursuant to section 10 of this act:

24 *(a) In a county whose population is 700,000 or more, 40* 25 *certificates;* 

(b) In a county whose population is 100,000 or more but less
than 700,000, 10 certificates;

(c) In a county whose population is 55,000 or more but less
 than 100,000, 2 certificates; and

(d) In each other county, 1 certificate.

Notwithstanding the provisions of subsection 1, the 31 2. 32 Division shall not issue medical marijuana establishment 33 registration certificates for medical marijuana dispensaries in 34 such a quantity as to cause the existence within the applicable county of more than one medical marijuana dispensary for every 35 36 10 pharmacies that have been licensed in the county pursuant to 37 chapter 639 of NRS. The Division may issue medical marijuana establishment registration certificates for medical marijuana 38 dispensaries in excess of the ratio otherwise allowed pursuant to 39 this subsection if to do so is necessary to ensure that the Division 40 issues at least one medical marijuana establishment registration 41 42 certificate in each county of this State in which the Division has 43 approved an application for such an establishment to operate.

44 3. With respect to medical marijuana establishments that are 45 not medical marijuana dispensaries, the Division shall determine





1 the appropriate number of such establishments as are necessary to

2 serve and supply the medical marijuana dispensaries to which the

3 Division has granted medical marijuana establishment 4 registration certificates.

5 4. The Division shall not, for more than a total of 10 business 6 days in any 1 calendar year, accept applications to operate medical 7 marijuana establishments.

8 Sec. 11.5. *1. Except* as otherwise provided in this subsection, in a county whose population is 100,000 or more, the 9 Division shall ensure that not more than 25 percent of the total 10 number of medical marijuana dispensaries that may be certified in 11 12 the county, as set forth in section 11 of this act, are located in any 13 one local governmental jurisdiction within the county. The board of county commissioners of the county may increase the 14 percentage described in this subsection if it determines that to do 15 so is necessary to ensure that the more populous areas of the 16 county have access to sufficient distribution of marijuana for 17 *medical use.* 18

19 2. To prevent monopolistic practices, the Division shall 20 ensure, in a county whose population is 100,000 or more, that it 21 does not issue, to any one person, group of persons or entity, the 22 greater of:

23 *(a) One medical marijuana establishment registration* 24 *certificate; or* 

25 (b) More than 10 percent of the medical marijuana 26 establishment registration certificates otherwise allocable in the 27 county.

28 3. In a local governmental jurisdiction that issues business 29 licenses, the issuance by the Division of a medical marijuana 30 establishment registration certificate shall be deemed to be 31 provisional until such time as:

32 (a) The establishment is in compliance with all applicable 33 local governmental ordinances or rules; and

(b) The local government has issued a business license for the
 operation of the establishment.

*4. As used in this section, "local governmental jurisdiction" means a city, town, township or unincorporated area within a county.*

39 Sec. 11.7. In determining whether to issue a medical 40 marijuana establishment registration certificate pursuant to 41 section 10 of this act, the Division shall, in addition to the factors 42 set forth in that section, consider the following criteria of merit:

43 1. The total financial resources of the applicant, both liquid 44 and illiquid;





1 2. The previous experience of the persons who are proposed 2 to be owners, officers or board members of the proposed medical 3 marijuana establishment at operating other businesses or 4 nonprofit organizations;

5 3. The educational achievements of the persons who are 6 proposed to be owners, officers or board members of the proposed 7 medical marijuana establishment;

8 4. Any demonstrated knowledge or expertise on the part of 9 the persons who are proposed to be owners, officers or board 10 members of the proposed medical marijuana establishment with 11 respect to the compassionate use of marijuana to treat medical 12 conditions;

13 5. Whether the proposed location of the proposed medical 14 marijuana establishment would be convenient to serve the needs 15 of persons who are authorized to engage in the medical use of 16 marijuana;

17 6. The likely impact of the proposed medical marijuana 18 establishment on the community in which it is proposed to be 19 located;

20 7. The adequacy of the size of the proposed medical 21 marijuana establishment to serve the needs of persons who are 22 authorized to engage in the medical use of marijuana;

23 8. Whether the applicant has an integrated plan for the care,
24 quality and safekeeping of medical marijuana from seed to sale;

9. The amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions by the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment; and

30 *IO.* Any other criteria of merit that the Division determines to 31 be relevant.

32 Sec. 12. 1. Except as otherwise provided in subsection 2, 33 the Division shall collect not more than the following maximum 34 fees: 35

36	For the initial issuance of a medical marijuana
37	establishment registration certificate for a
38	medical marijuana dispensary \$30,000
39	For the renewal of a medical marijuana
40	establishment registration certificate for a
41	medical marijuana dispensary 5,000
42	For the initial issuance of a medical marijuana
43	establishment registration certificate for a
44	cultivation facility





1	For the renewal of a medical marijuana
2	establishment registration certificate for a
3	cultivation facility\$1,000
4	For the initial issuance of a medical marijuana
5	establishment registration certificate for a
6	facility for the production of edible marijuana
7	products or marijuana-infused products
8	For the renewal of a medical marijuana
9	establishment registration certificate for a
10	facility for the production of edible marijuana
11	products or marijuana-infused products
12	For the initial issuance of a medical marijuana
13	establishment agent registration card
14	For the renewal of a medical marijuana
15	establishment agent registration card
16	For the initial issuance of a medical marijuana
17	establishment registration certificate for an
18	independent testing laboratory
19	For the renewal of a medical marijuana
20	establishment registration certificate for an
20	independent testing laboratory
21	independent lesung laboratory
22	2 In addition to the face described in subsection 1 each
	2. In addition to the fees described in subsection 1, each
24	applicant for a medical marijuana establishment registration
25	certificate must pay to the Division:
26	(a) A one-time, nonrefundable application fee of \$5,000; and
27	(b) The actual costs incurred by the Division in processing the
28	application, including, without limitation, conducting background
29	checks.
30	3. Any revenue generated from the fees imposed pursuant to
31	this section:
32	(a) Must be expended first to pay the costs of the Division in
33	carrying out the provisions of sections 10 to 20, inclusive of this
34	act; and
35	(b) If any excess revenue remains after paying the costs
36	described in paragraph (a), such excess revenue must be paid over
37	to the State Treasurer to be deposited to the credit of the State
38	Distributive School Account in the State General Fund.
39	Sec. 13. 1. Except as otherwise provided in this section, a
40	person shall not volunteer or work at a medical marijuana
41	establishment as a medical marijuana establishment agent unless
42	the person is registered with the Division pursuant to this section.
43	2. A medical marijuana establishment that wishes to retain as
44	a volunteer or employ a medical marijuana establishment agent
	- · · · · · · · · · · · · · · · · · · ·
	* * *





shall submit to the Division an application on a form prescribed by
 the Division. The application must be accompanied by:

3 (a) The name, address and date of birth of the prospective 4 medical marijuana establishment agent;

5 (b) A statement signed by the prospective medical marijuana 6 establishment agent pledging not to dispense or otherwise divert 7 marijuana to any person who is not authorized to possess 8 marijuana in accordance with the provisions of this chapter;

9 (c) A statement signed by the prospective medical marijuana 10 establishment agent asserting that he or she has not previously 11 had a medical marijuana establishment agent registration card 12 revoked;

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

18 (e) The application fee, as set forth in section 12 of this act; 19 and

20 (f) Such other information as the Division may require by 21 regulation.

22 3. A medical marijuana establishment shall notify the 23 Division within 10 days after a medical marijuana establishment 24 agent ceases to be employed by or volunteer at the medical 25 marijuana establishment.

26 *4. A person who:* 

27

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

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

29 🛛 🛏 shall not serve as a medical marijuana establishment agent.

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

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

7. If an applicant for registration as a medical marijuana
establishment agent satisfies the requirements of this section and
is not disqualified from serving as such an agent pursuant to this
section or any other applicable law, the Division shall issue to the
person a medical marijuana establishment agent registration card.
If the Division does not act upon an application for a medical





1 marijuana establishment agent registration card within 30 days after the date on which the application is received, the application 2 shall be deemed conditionally approved until such time as the 3 Division acts upon the application. A medical marijuana 4 establishment agent registration card expires 1 year after the date 5 of issuance and may be renewed upon: 6 7 (a) Resubmission of the information set forth in this section; 8 and 9 (b) Payment of the renewal fee set forth in section 12 of this 10 act. 11 Sec. 13.5. The following are nontransferable: 12 A medical marijuana establishment agent registration 1. 13 card. 14 2. A medical marijuana establishment registration certificate. Sec. 14. 1. In addition to any other requirements set forth 15 in this chapter, an applicant for the issuance or renewal of a 16 medical marijuana establishment agent registration card or 17

medical marijuana establishment registration certificate shall:
 (a) Include the social security number of the applicant in the

application submitted to the Division.
 (b) Submit to the Division the statement prescribed by the

22 Division of Welfare and Supportive Services of the Department of 23 Health and Human Services pursuant to NRS 425.520. The 24 statement must be completed and signed by the applicant.

25 2. The Division shall include the statement required pursuant 26 to subsection 1 in:

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

31

(b) A separate form prescribed by the Division.

32 3. A medical marijuana establishment agent registration card 33 or medical marijuana establishment registration certificate may 34 not be issued or renewed by the Division if the applicant:

35 (a) Fails to submit the statement required pursuant to 36 subsection 1; or

37 (b) Indicates on the statement submitted pursuant to 38 subsection 1 that the applicant is subject to a court order for the 39 support of a child and is not in compliance with the order or a 40 plan approved by the district attorney or other public agency 41 enforcing the order for the repayment of the amount owed 42 pursuant to the order.

43 **4.** If an applicant indicates on the statement submitted 44 pursuant to subsection 1 that the applicant is subject to a court 45 order for the support of a child and is not in compliance with the





1 order or a plan approved by the district attorney or other public 2 agency enforcing the order for the repayment of the amount owed 3 pursuant to the order, the Division shall advise the applicant to 4 contact the district attorney or other public agency enforcing the 5 order to determine the actions that the applicant may take to 6 satisfy the arrearage.

7 Sec. 15. 1. If the Division receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension 8 of all professional, occupational and recreational licenses, 9 10 certificates and permits issued to a person who is the holder of a medical marijuana establishment agent registration card or 11 12 medical marijuana establishment registration certificate, the 13 Division shall deem the card or certificate issued to that person to be suspended at the end of the 30th day after the date on which the 14 court order was issued unless the Division receives a letter issued 15 to the holder of the card or certificate by the district attorney or 16 other public agency pursuant to NRS 425.550 stating that the 17 holder of the card or certificate has complied with the subpoena or 18 warrant or has satisfied the arrearage pursuant to NRS 425.560. 19

20 2. The Division shall reinstate a medical marijuana 21 establishment agent registration card or medical marijuana establishment registration certificate that has been suspended by a 22 district court pursuant to NRS 425.540 if the Division receives a 23 letter issued by the district attorney or other public agency 24 pursuant to NRS 425.550 to the person whose card or certificate 25 26 was suspended stating that the person whose card or certificate 27 was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560. 28

29 Sec. 16. The following acts constitute grounds for immediate 30 revocation of a medical marijuana establishment registration 31 certificate:

Dispensing, delivering or otherwise transferring marijuana
 to a person other than a medical marijuana establishment agent,
 another medical marijuana establishment, a patient who holds a
 valid registry identification card or the designated primary
 caregiver of such a patient.

*2. Acquiring usable marijuana or mature marijuana plants from any person other than a medical marijuana establishment agent, another medical marijuana establishment, a patient who holds a valid registry identification card or the designated primary caregiver of such a patient.*

42 3. Violating a regulation of the Division, the violation of 43 which is stated to be grounds for immediate revocation of a 44 medical marijuana establishment registration certificate.





1 Sec. 17. The following acts constitute grounds for the 2 immediate revocation of the medical marijuana establishment 3 agent registration card of a medical marijuana establishment 4 agent:

5 1. Having committed or committing any excluded felony 6 offense.

7 2. Dispensing, delivering or otherwise transferring marijuana 8 to a person other than a medical marijuana establishment agent, 9 another medical marijuana establishment, a patient who holds a 10 valid registry identification card or the designated primary 11 caregiver of such a patient.

12 3. Violating a regulation of the Division, the violation of 13 which is stated to be grounds for immediate revocation of a 14 medical marijuana establishment agent registration card.

Sec. 18. The purpose for registering medical marijuana establishments and medical marijuana establishment agents is to 15 16 protect the public health and safety and the general welfare of the 17 people of this State. Any medical marijuana establishment 18 registration certificate issued pursuant to section 10 of this act and 19 any medical marijuana establishment agent registration card 20 issued pursuant to section 13 of this act is a revocable privilege 21 and the holder of such a certificate or card, as applicable, does not 22 23 acquire thereby any vested right.

24 Sec. 19. 1. The operating documents of a medical 25 marijuana establishment must include procedures:

(a) For the oversight of the medical marijuana establishment;
 and

28 (b) To ensure accurate recordkeeping, including, without 29 limitation, the provisions of sections 19.1 and 19.2 of this act.

30 2. Except as otherwise provided in this subsection, a medical 31 marijuana establishment:

(a) That is a medical marijuana dispensary must have a single
 entrance for patrons, which must be secure, and shall implement
 strict security measures to deter and prevent the theft of marijuana
 and unauthorized entrance into areas containing marijuana.

36 (b) That is not a medical marijuana dispensary must have a 37 single secure entrance and shall implement strict security 38 measures to deter and prevent the theft of marijuana and 39 unauthorized entrance into areas containing marijuana.

40 The provisions of this subsection do not supersede any state or 41 local requirements relating to minimum numbers of points of 42 entry or exit, or any state or local requirements relating to fire 43 safety.

44 3. A medical marijuana establishment is prohibited from 45 acquiring, possessing, cultivating, manufacturing, delivering,





*transferring, transporting, supplying or dispensing marijuana for any purpose except to:*

3 (a) Directly or indirectly assist patients who possess valid 4 registry identification cards; and

5 (b) Assist patients who possess valid registry identification 6 cards by way of those patients' designated primary caregivers.

7 ➡ For the purposes of this subsection, a person shall be deemed to
8 be a patient who possesses a valid registry identification card if he
9 or she qualifies for nonresident reciprocity pursuant to section
10 19.5 of this act.

11 4. All cultivation or production of marijuana that a 12 cultivation facility carries out or causes to be carried out must take place in an enclosed, locked facility at the physical address 13 provided to the Division during the registration process for the 14 cultivation facility. Such an enclosed, locked facility must be 15 accessible only by medical marijuana establishment agents who 16 are lawfully associated with the cultivation facility, except that 17 limited access by persons necessary to perform construction or 18 repairs or provide other labor is permissible if such persons are 19 20 supervised by a medical marijuana establishment agent.

5. A medical marijuana dispensary and a cultivation facility 21 22 may acquire usable marijuana or marijuana plants from a patient who holds a valid registry identification card, or the designated 23 primary caregiver of such a patient. Except as otherwise provided 24 in this subsection, the patient or caregiver, as applicable, must 25 26 receive no compensation for the marijuana. A patient who holds a 27 valid registry identification card, and the designated primary caregiver of such a patient, may sell usable marijuana to a 28 29 medical marijuana dispensary one time and may sell marijuana 30 plants to a cultivation facility one time.

31 6. A medical marijuana establishment shall not allow any 32 person to consume marijuana on the property or premises of the 33 establishment.

34 7. Medical marijuana establishments subject are to reasonable inspection by the Division at any time, and a person 35 who holds a medical marijuana establishment registration 36 certificate must make himself or herself, or a designee thereof, 37 38 available and present for any inspection by the Division of the 39 establishment.

40 Sec. 19.1. 1. Each medical marijuana establishment, in 41 consultation with the Division, shall maintain an electronic 42 verification system.

43 2. The electronic verification system required pursuant to 44 subsection 1 must be able to monitor and report information, 45 including, without limitation:





(a) In the case of a medical marijuana dispensary, for each 1 person who holds a valid registry identification card and who 2 3 purchased marijuana from the dispensary in the immediately preceding 60-day period: 4 (1) The number of the card;

5 6 7

(2) The date on which the card was issued; and

(3) The date on which the card will expire.

(b) For each medical marijuana establishment agent who is 8 9 employed by or volunteers at the medical marijuana establishment, the number of the person's medical marijuana 10 establishment agent registration card. 11

12 (c) In the case of a medical marijuana dispensary, such information as may be required by the Division by regulation 13 regarding persons who are not residents of this State and who 14 have purchased marijuana from the dispensary. 15

(d) Verification of the identity of a person to whom marijuana, 16 17 edible marijuana products or marijuana-infused products are sold or otherwise distributed. 18 19

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

20 3. Nothing in this section prohibits more than one medical marijuana establishment from co-owning an electronic 21 verification system in cooperation with other medical marijuana 22 23 establishments, or sharing the information obtained therefrom.

4. A medical marijuana establishment must exercise 24 reasonable care to ensure that the personal identifying 25 information of persons who hold registry identification cards 26 27 which is contained in an electronic verification system is encrypted, protected and not divulged for any purpose not 28 29 specifically authorized by law.

30 Sec. 19.2. 1. Each medical marijuana establishment, in consultation with the Division, shall maintain an inventory control 31 32 system.

2. The inventory control system required pursuant to 33 subsection 1 must be able to monitor and report information, 34 35 including, without limitation:

(a) Insofar as is practicable, the chain of custody and current 36 whereabouts, in real time, of medical marijuana from the point 37 that it is harvested at a cultivation facility until it is sold at a 38 medical marijuana dispensary and, if applicable, if it is processed 39 at a facility for the production of edible marijuana products or 40 41 *marijuana-infused products;* 

42 (b) The name of each person or other medical marijuana establishment, or both, to which the establishment sold marijuana; 43 (c) In the case of a medical marijuana dispensary, the date on 44 45 which it sold marijuana to a person who holds a registry





identification card and, if any, the quantity of edible marijuana 1 products or marijuana-infused products sold, measured both by 2 weight and potency; and 3

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

3. Nothing in this section prohibits more than one medical 5 marijuana establishment from co-owning an inventory control 6 7 cooperation with svstem in other medical marijuana establishments, or sharing the information obtained therefrom. 8

9 4. A medical marijuana establishment must exercise 10 reasonable care to ensure that the personal identifying information of persons who hold registry identification cards 11 12 which is contained in an inventory control system is encrypted, protected and not divulged for any purpose not specifically 13 14 authorized by law.

15 Sec. 19.3. Each medical marijuana dispensary shall ensure 16 all of the following:

I. The weight, concentration and content of THC in all 17 marijuana, edible marijuana products and marijuana-infused 18 products that the dispensary sells is clearly and accurately stated 19 20 on the product sold.

21 2. That the dispensary does not sell to a person, in any one 22 14-day period, an amount of marijuana for medical purposes that 23 exceeds the limits set forth in NRS 453A.200.

3. That, posted clearly and conspicuously within the 24 dispensary, are the legal limits on the possession of marijuana for 25 26 medical purposes, as set forth in NRS 453A.200.

That, posted clearly and conspicuously within the 27 4 dispensary, is a sign stating unambiguously the legal limits on the 28 possession of marijuana for medical purposes, as set forth in 29 30 NRS 453A.200.

Sec. 19.4. 1. At each medical marijuana establishment, 31 32 medical marijuana must be stored only in an enclosed, locked 33 facility.

Except as otherwise provided in subsection 3, at each 34 2. medical marijuana dispensary, medical marijuana must be stored 35 in a secure, locked device, display case, cabinet or room within the 36 enclosed, locked facility. The secure, locked device, display case, 37 38 cabinet or room must be protected by a lock or locking mechanism 39 that meets at least the security rating established by Underwriters 40 Laboratories for kev locks.

41 3. At a medical marijuana dispensary, medical marijuana 42 may be removed from the secure setting described in subsection 2: 43

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

(b) Only immediately before the marijuana is dispensed; and 44





1 (c) Only by a medical marijuana establishment agent who is 2 employed by or volunteers at the dispensary.

Sec. 19.5. 1. The State of Nevada and the medical 3 marijuana dispensaries in this State which hold valid medical 4 marijuana establishment registration certificates will recognize a 5 6 nonresident card only under the following circumstances:

(a) The state or jurisdiction from which the holder or bearer 7 obtained the nonresident card grants an exemption from criminal 8 9 prosecution for the medical use of marijuana;

10 (b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the 11 12 issuance of such a card, that a physician advise the person that the 13 medical use of marijuana may mitigate the symptoms or effects of 14 the person's medical condition;

15 (c) The nonresident card has an expiration date and has not 16 *vet expired;* 

(d) The holder or bearer of the nonresident card signs an 17 affidavit in a form prescribed by the Division which sets forth that 18 the holder or bearer is entitled to engage in the medical use of 19 marijuana in his or her state or jurisdiction of residence; and 20

(e) The holder or bearer of the nonresident card agrees to 21 abide by, and does abide by, the legal limits on the possession 22 23 of marijuana for medical purposes in this State, as set forth in NRS 453A.200. 24

25 2. For the purposes of the reciprocity described in this 26 section:

27 (a) The amount of medical marijuana that the holder or bearer of a nonresident card is entitled to possess in his or her state or 28 29 jurisdiction of residence is not relevant; and

30 (b) Under no circumstances, while in this State, may the holder or bearer of a nonresident card possess marijuana for 31 32 medical purposes in excess of the limits set forth in 33 NRS 453A.200.

34 3. As used in this section, "nonresident card" means a card 35 or other identification that: 36

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

(b) Is the functional equivalent of a registry identification 37 38 card, as determined by the Division.

39 Sec. 19.6. 1. A patient who holds a valid registry identification card and his or her designated primary caregiver, if 40 any, may select one medical marijuana dispensary to serve as his 41 42 or her designated medical marijuana dispensary at any one time.

A patient who designates a medical marijuana dispensary 43 2. as described in subsection 1: 44





1 (a) Shall communicate the designation to the Division within 2 the time specified by the Division.

(b) May change his or her designation not more than once in a 3 4 30-day period.

Sec. 19.7. Each medical marijuana dispensary and facility 5 for the production of edible marijuana products or marijuana-6 infused products shall, in consultation with the Division. 7 cooperate to ensure that all edible marijuana products and 8 marijuana-infused products offered for sale: 9

1. Are labeled clearly and unambiguously as medical 10 11 *marijuana*.

12 2. Are not presented in packaging that is appealing to 13 children.

14 3. Are regulated and sold on the basis of the concentration of 15 THC in the products and not by weight.

Are packaged and labeled in such a manner as to allow 16 4. tracking by way of an inventory control system. 17

Sec. 19.8. 1. If a law enforcement agency legally and justly 18 seizes evidence from a medical marijuana establishment on a basis 19 that, in consideration of due process and viewed in the manner 20 most favorable to the establishment, would lead a reasonable 21 person to believe that a crime has been committed, the relevant 22 23 provisions of NRS 179.1156 to 179.121, inclusive, apply insofar as they do not conflict with the provisions of this chapter. 24

As used in this section, "law enforcement agency" has the 25 *2*. 26 meaning ascribed to it in NRS 239C.065.

27 Sec. 19.9. 1. The Division shall establish standards for and certify one or more private and independent testing laboratories to 28 test marijuana, edible marijuana products and marijuana-infused 29 30 products that are to be sold in this State.

2. Such an independent testing laboratory must be able to 31 32 determine accurately, with respect to marijuana, edible marijuana 33 products and marijuana-infused products that are sold or will be sold at medical marijuana dispensaries in this State: 34 35

(a) The concentration therein of THC and cannabidiol.

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

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

38 (d) The presence and concentration of fertilizers and other 39 nutrients.

40 3. To obtain certification by the Division on behalf of an 41 independent testing laboratory, an applicant must:

42 (a) Apply successfully as required pursuant to section 10 of 43 this act.

44 (b) Pay the fees required pursuant to section 12 of this act.



36

37



1 Sec. 20. The Division shall adopt such regulations as it 2 determines to be necessary or advisable to carry out the provisions 3 of sections 10 to 20, inclusive, of this act. Such regulations are in 4 addition to any requirements set forth in statute and must, without 5 limitation:

6 1. Prescribe the form and any additional required content of 7 registration and renewal applications submitted pursuant to 8 sections 10 and 13 of this act.

9 2. Set forth rules pertaining to the safe and healthful 10 operation of medical marijuana establishments, including, without 11 limitation:

12 (a) The manner of protecting against diversion and theft 13 without imposing an undue burden on medical marijuana 14 establishments or compromising the confidentiality of the holders 15 of registry identification cards.

16 (b) Minimum requirements for the oversight of medical 17 marijuana establishments.

18 (c) Minimum requirements for the keeping of records by 19 medical marijuana establishments.

20 (d) Provisions for the security of medical marijuana 21 establishments, including, without limitation, requirements for the 22 protection by a fully operational security alarm system of each 23 medical marijuana establishment.

(e) Procedures pursuant to which medical marijuana
dispensaries must use the services of an independent testing
laboratory to ensure that any marijuana, edible marijuana
products and marijuana-infused products sold by the dispensaries
to end users are tested for content, quality and potency in
accordance with standards established by the Division.

30 (f) Procedures pursuant to which a medical marijuana 31 dispensary will be notified by the Division if a patient who holds a 32 valid registry identification card has chosen the dispensary as his 33 or her designated medical marijuana dispensary, as described in 34 section 19.6 of this act.

35 3. Establish circumstances and procedures pursuant to which 36 the maximum fees set forth in section 12 of this act may be 37 reduced over time:

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

40 (b) To reflect gifts and grants received by the Division 41 pursuant to NRS 453A.720.

42 4. Set forth the amount of usable marijuana that a medical 43 marijuana dispensary may dispense to a person who holds a valid 44 registry identification card, or the designated primary caregiver of




1 such a person, in any one 14-day period. Such an amount must not exceed the limits set forth in NRS 453A.200. 2

3 As far as possible while maintaining accountability, protect 5. the identity and personal identifying information of each person 4 5 who receives, facilitates or delivers services in accordance with 6 this chapter.

In cooperation with the Board of Medical Examiners and 7 **6**. 8 the State Board of Osteopathic Medicine, establish a system to:

(a) Register and track attending physicians who advise their 9 10 patients that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical condition; 11

12 (b) Insofar as is possible, track and quantify the number of times an attending physician described in paragraph (a) makes 13 14 such an advisement; and

(c) Provide for the progressive discipline of attending physicians who advise the medical use of marijuana at a rate at 15 16 which the Division and Board determine and agree to be 17 18 unreasonably high.

Establish different categories of medical marijuana 19 7. establishment agent registration cards, including, without 20 limitation, criteria for training and certification, for each of the 21 22 different types of medical marijuana establishments at which such 23 an agent may be employed or volunteer.

24 8. Provide for the maintenance of a log by the Division of each person who is authorized to cultivate, grow or produce 25 26 marijuana pursuant to subsection 6 of NRS 453A.220. The 27 Division shall ensure that the contents of the log are available for verification by law enforcement personnel 24 hours a day. 28

29 9. Address such other matters as may assist in implementing the program of dispensation contemplated by sections 10 to 20, 30 31 inclusive, of this act. 32

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

33 453A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 453A.020 to 34 35 453A.170, inclusive, and sections 3 to 9, inclusive, of this act have 36 the meanings ascribed to them in those sections.

Sec. 21.5. NRS 453A.100 is hereby amended to read as 37 38 follows:

39 453A.100 ["Drug paraphernalia" has the meaning ascribed to it in NRS 453.554.] "Paraphernalia" means accessories, devices and 40 41 other equipment that is necessary or useful for a person to engage 42 in the medical use of marijuana.

43 **Sec. 22.** NRS 453A.200 is hereby amended to read as follows: 453A.200 1. Except as otherwise provided in this section and 44 45 NRS 453A.300, a person who holds a valid registry identification





1 card issued to the person pursuant to NRS 453A.220 or 453A.250 is 2 exempt from state prosecution for: 3

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of [drug] paraphernalia;

(c) Aiding and abetting another in the possession, delivery or 5 6 production of marijuana;

(d) Aiding and abetting another in the possession or delivery of 7 8 [drug] paraphernalia;

9 (e) Any combination of the acts described in paragraphs (a) to 10 (d), inclusive; and

(f) Any other criminal offense in which the possession, delivery 11 12 or production of marijuana or the possession or delivery of [drug] 13 paraphernalia is an element.

2. In addition to the provisions of [subsection] subsections 1 [.] 14 15 and 5, no person may be subject to state prosecution for constructive possession, conspiracy or any other criminal offense 16 solely for being in the presence or vicinity of the medical use of 17 marijuana in accordance with the provisions of this chapter. 18

The exemption from state prosecution set forth in subsection 19 3. 1 applies only to the extent that a person who holds a registry 20 21 identification card issued to the person pursuant to paragraph (a) of subsection 1 of NRS 453A.220 and the designated primary 22 23 caregiver, if any, of such a person:

24 (a) Engage in or assist in, as applicable, the medical use of 25 marijuana in accordance with the provisions of this chapter as 26 justified to mitigate the symptoms or effects of the person's chronic 27 or debilitating medical condition; and

28 (b) Do not, at any one time, collectively possess, deliver or 29 produce more than:

(1) [One ounce] Two and one-half ounces of usable 30 marijuana ;; in any one 14-day period; 31

(2) [Three mature] Twelve marijuana plants [; and

33 (3) Four immature marijuana plants.], irrespective of whether the marijuana plants are mature or immature; and 34

35 (3) A maximum allowable quantity of edible marijuana products and marijuana-infused products as established by 36 37 regulation of the Division.

→ The persons described in this subsection must ensure that the 38 39 usable marijuana and marijuana plants described in this 40 subsection are safeguarded in an enclosed, secure location.

41 4. If the persons described in subsection 3 possess, deliver or 42 produce marijuana in an amount which exceeds the amount 43 described in paragraph (b) of that subsection, those persons:

44 (a) Are not exempt from state prosecution for possession, 45 delivery or production of marijuana.



4



1 (b) May establish an affirmative defense to charges of 2 possession, delivery or production of marijuana, or any combination 3 of those acts, in the manner set forth in NRS 453A.310.

4 5. A person who holds a valid medical mariiuana establishment registration certificate issued to the person pursuant 5 to section 10 of this act or a valid medical marijuana 6 establishment agent registration card issued to the person 7 pursuant to section 13 of this act, and who confines his or her 8 activities to those authorized by sections 10 to 20, inclusive, of this 9 act and the regulations adopted by the Division pursuant thereto, 10 is exempt from state prosecution for: 11

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of paraphernalia;

14 (c) Aiding and abetting another in the possession, delivery or 15 production of marijuana;

16 (d) Aiding and abetting another in the possession or delivery of 17 paraphernalia;

18 (e) Any combination of the acts described in paragraphs (a) to 19 (d), inclusive; and

20 (f) Any other criminal offense in which the possession, 21 delivery or production of marijuana or the possession or delivery 22 of paraphernalia is an element.

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

(a) The person who holds the registry identification card or his
or her designated primary caregiver, if any, was cultivating,
growing or producing marijuana in accordance with this chapter
on or before July 1, 2013;

(b) All the medical marijuana dispensaries in the county of residence of the person who holds the registry identification card or his or her designated primary caregiver, if any, close or are unable to supply the quantity or strain of marijuana necessary for the medical use of the person to treat his or her specific medical condition;

40 (c) Because of illness or lack of transportation, the person who 41 holds the registry identification card and his or her designated 42 primary caregiver, if any, are unable reasonably to travel to a 43 medical marijuana dispensary; or

44 (d) No medical marijuana dispensary was operating within 25 45 miles of the residence of the person who holds the registry



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identification card at the time the person first applied for his or
 her registry identification card.

3 7. As used in this section, "marijuana" includes, without 4 limitation, edible marijuana products and marijuana-infused 5 products.

6 Sec. 22.3. NRS 453A.200 is hereby amended to read as 7 follows:

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

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of paraphernalia;

14 (c) Aiding and abetting another in the possession, delivery or 15 production of marijuana;

16 (d) Aiding and abetting another in the possession or delivery of 17 paraphernalia;

18 (e) Any combination of the acts described in paragraphs (a) to 19 (d), inclusive; and

20 (f) Any other criminal offense in which the possession, delivery 21 or production of marijuana or the possession or delivery of 22 paraphernalia is an element.

23 2. In addition to the provisions of subsections 1 and 5, no 24 person may be subject to state prosecution for constructive 25 possession, conspiracy or any other criminal offense solely for being 26 in the presence or vicinity of the medical use of marijuana in 27 accordance with the provisions of this chapter.

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

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

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

(1) Two and one-half ounces of usable marijuana in any one
 14-day period;

41 (2) Twelve marijuana plants, irrespective of whether the 42 marijuana plants are mature or immature; and

43 (3) A maximum allowable quantity of edible marijuana 44 products and marijuana-infused products as established by 45 regulation of the Division.



12

The persons described in this subsection must ensure that the
 usable marijuana and marijuana plants described in this subsection
 are safeguarded in an enclosed, secure location.

4 4. If the persons described in subsection 3 possess, deliver or 5 produce marijuana in an amount which exceeds the amount 6 described in paragraph (b) of that subsection, those persons:

7 (a) Are not exempt from state prosecution for possession, 8 delivery or production of marijuana.

9 (b) May establish an affirmative defense to charges of 10 possession, delivery or production of marijuana, or any combination 11 of those acts, in the manner set forth in NRS 453A.310.

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

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of paraphernalia;

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

(d) Aiding and abetting another in the possession or delivery of
 paraphernalia;

25 (e) Any combination of the acts described in paragraphs (a) to 26 (d), inclusive; and

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

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

(a) [The person who holds the registry identification card or his
 or her designated primary caregiver, if any, was cultivating, growing

or producing marijuana in accordance with this chapter on or before
 July ;1, 2013;

41 (b) All the medical marijuana dispensaries in the county of 42 residence of the person who holds the registry identification card or 43 his or her designated primary caregiver, if any, close or are unable 44 to supply the quantity or strain of marijuana necessary for the



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1 medical use of the person to treat his or her specific medical 2 condition;

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

7 [(d)] (c) No medical marijuana dispensary was operating within 8 25 miles of the residence of the person who holds the registry 9 identification card at the time the person first applied for his or her 10 registry identification card.

11 7. As used in this section, "marijuana" includes, without 12 limitation, edible marijuana products and marijuana-infused 13 products.

14 Sec. 22.35. NRS 453A.210 is hereby amended to read as 15 follows:

453A.210 1. The Division shall establish and maintain a
program for the issuance of registry identification cards to persons
who meet the requirements of this section.

2. Except as otherwise provided in subsections 3 and 5 and NRS 453A.225, the Division or its designee shall issue a registry identification card to a person who is a resident of this State and who submits an application on a form prescribed by the Division accompanied by the following:

24 (a) Valid, written documentation from the person's attending 25 physician stating that:

26 (1) The person has been diagnosed with a chronic or 27 debilitating medical condition;

(2) The medical use of marijuana may mitigate the symptoms
 or effects of that condition; and

30 (3) The attending physician has explained the possible risks31 and benefits of the medical use of marijuana;

32 (b) The name, address, telephone number, social security33 number and date of birth of the person;

(c) Proof satisfactory to the Division that the person is a resident
 of this State;

(d) The name, address and telephone number of the person's
 attending physician; [and]

(e) If the person elects to designate a primary caregiver at thetime of application:

40 (1) The name, address, telephone number and social security 41 number of the designated primary caregiver; and

42 (2) A written, signed statement from the person's attending 43 physician in which the attending physician approves of the 44 designation of the primary caregiver [-]; and





1 (f) If the person elects to designate a medical marijuana dispensary at the time of application, the name of the medical 2 3 marijuana dispensary.

3. The Division or its designee shall issue a registry 4 5 identification card to a person who is under 18 years of age if:

(a) The person submits the materials required pursuant to 6 7 subsection 2: and

(b) The custodial parent or legal guardian with responsibility for 8 9 health care decisions for the person under 18 years of age signs a 10 written statement setting forth that:

(1) The attending physician of the person under 18 years of 11 12 age has explained to that person and to the custodial parent or legal 13 guardian with responsibility for health care decisions for the person 14 under 18 years of age the possible risks and benefits of the medical 15 use of marijuana;

16 (2) The custodial parent or legal guardian with responsibility 17 for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age 18 19 for medical purposes;

(3) The custodial parent or legal guardian with responsibility 20 for health care decisions for the person under 18 years of age agrees 21 to serve as the designated primary caregiver for the person under 18 22 23 years of age; and

(4) The custodial parent or legal guardian with responsibility 24 for health care decisions for the person under 18 years of age agrees 25 26 to control the acquisition of marijuana and the dosage and frequency 27 of use by the person under 18 years of age.

28 The form prescribed by the Division to be used by a person 4. 29 applying for a registry identification card pursuant to this section must be a form that is in quintuplicate. Upon receipt of an 30 31 application that is completed and submitted pursuant to this section, 32 the Division shall: 33

(a) Record on the application the date on which it was received;

34 (b) Retain one copy of the application for the records of the 35 Division; and

36 (c) Distribute the other four copies of the application in the 37 following manner:

38

(1) One copy to the person who submitted the application;

39 (2) One copy to the applicant's designated primary caregiver, 40 if any;

(3) One copy to the Central Repository for Nevada Records 41 42 of Criminal History; and 43

(4) One copy to:





1 2

(I) If the attending physician of the applicant is licensed to practice medicine pursuant to the provisions of chapter 630 of 3 NRS, the Board of Medical Examiners; or

(II) If the attending physician of the applicant is licensed 4 to practice osteopathic medicine pursuant to the provisions of 5 chapter 633 of NRS, the State Board of Osteopathic Medicine. 6

7 → The Central Repository for Nevada Records of Criminal History shall report to the Division its findings as to the criminal history, if 8 9 any, of an applicant within 15 days after receiving a copy of an 10 application pursuant to subparagraph (3) of paragraph (c). The Board of Medical Examiners or the State Board of Osteopathic 11 12 Medicine, as applicable, shall report to the Division its findings as to 13 the licensure and standing of the applicant's attending physician 14 within 15 days after receiving a copy of an application pursuant to 15 subparagraph (4) of paragraph (c).

16 5. The Division shall verify the information contained in an 17 application submitted pursuant to this section and shall approve or deny an application within 30 days after receiving the application. 18 19 The Division may contact an applicant, the applicant's attending 20 physician and designated primary caregiver, if any, by telephone to 21 determine that the information provided on or accompanying the 22 application is accurate. The Division may deny an application only 23 on the following grounds:

24 (a) The applicant failed to provide the information required 25 pursuant to subsections 2 and 3 to:

26 (1) Establish the applicant's chronic or debilitating medical 27 condition: or

28 (2) Document the applicant's consultation with an attending 29 physician regarding the medical use of marijuana in connection with 30 that condition;

31 (b) The applicant failed to comply with regulations adopted by 32 the Division, including, without limitation, the regulations adopted 33 by the Administrator pursuant to NRS 453A.740;

34 (c) The Division determines that the information provided by 35 the applicant was falsified;

36 (d) The Division determines that the attending physician of the applicant is not licensed to practice medicine or osteopathic 37 38 medicine in this State or is not in good standing, as reported by the 39 Board of Medical Examiners or the State Board of Osteopathic 40 Medicine, as applicable;

41 (e) The Division determines that the applicant, or the applicant's 42 designated primary caregiver, if applicable, has been convicted of 43 knowingly or intentionally selling a controlled substance;





1 (f) The Division has prohibited the applicant from obtaining or 2 using a registry identification card pursuant to subsection 2 of 3 NRS 453A.300;

4 (g) The Division determines that the applicant, or the applicant's 5 designated primary caregiver, if applicable, has had a registry 6 identification card revoked pursuant to NRS 453A.225; or

7 (h) In the case of a person under 18 years of age, the custodial 8 parent or legal guardian with responsibility for health care decisions 9 for the person has not signed the written statement required pursuant 10 to paragraph (b) of subsection 3.

11 6. The decision of the Division to deny an application for a 12 registry identification card is a final decision for the purposes of 13 judicial review. Only the person whose application has been denied 14 or, in the case of a person under 18 years of age whose application 15 has been denied, the person's parent or legal guardian, has standing 16 to contest the determination of the Division. A judicial review 17 authorized pursuant to this subsection must be limited to a 18 determination of whether the denial was arbitrary, capricious or otherwise characterized by an abuse of discretion and must be 19 20 conducted in accordance with the procedures set forth in chapter 21 233B of NRS for reviewing a final decision of an agency.

7. A person whose application has been denied may not reapply for 6 months after the date of the denial, unless the Division or a court of competent jurisdiction authorizes reapplication in a shorter time.

26 Except as otherwise provided in this subsection, if a person 8. 27 has applied for a registry identification card pursuant to this section 28 and the Division has not yet approved or denied the application, the 29 person, and the person's designated primary caregiver, if any, shall be deemed to hold a registry identification card upon the 30 presentation to a law enforcement officer of the copy of the 31 32 application provided to him or her pursuant to subsection 4. [A person may not be deemed to hold a registry identification card for a 33 34 period of more than 30 days after the date on which the Division 35 received the application.

36 9. As used in this section, "resident" has the meaning ascribed37 to it in NRS 483.141.

38 Sec. 22.4. NRS 453A.220 is hereby amended to read as 39 follows:

40 453A.220 1. If the Division approves an application pursuant
41 to subsection 5 of NRS 453A.210, the Division or its designee shall,
42 as soon as practicable after the Division approves the application:

43 (a) Issue a serially numbered registry identification card to the 44 applicant; and





1 (b) If the applicant has designated a primary caregiver, issue a 2 serially numbered registry identification card to the designated 3 primary caregiver.

4 2. A registry identification card issued pursuant to paragraph 5 (a) of subsection 1 must set forth:

6 (a) The name, address, photograph and date of birth of the 7 applicant;

8 (b) The date of issuance and date of expiration of the registry 9 identification card;

10 (c) The name and address of the applicant's designated primary 11 caregiver, if any; [and]

12 (d) The name of the applicant's designated medical marijuana 13 dispensary, if any;

14 *(e) Whether the applicant is authorized to cultivate, grow or* 15 *produce marijuana pursuant to subsection 6 of NRS 453A.200;* 16 *and* 

17 (f) Any other information prescribed by regulation of the 18 Division.

19 3. A registry identification card issued pursuant to paragraph20 (b) of subsection 1 must set forth:

(a) The name, address and photograph of the designated primary
 caregiver;

(b) The date of issuance and date of expiration of the registry
 identification card;

(c) The name and address of the applicant for whom the person
 is the designated primary caregiver; [and]

(d) The name of the designated primary caregiver's designated
 medical marijuana dispensary, if any;

29 (e) Whether the designated primary caregiver is authorized to 30 cultivate, grow or produce marijuana pursuant to subsection 6 of 31 NRS 453A.200; and

32 (f) Any other information prescribed by regulation of the 33 Division.

4. Except as otherwise provided in NRS 453A.225, subsection 35 of NRS 453A.230 and subsection 2 of NRS 453A.300, a registry 36 identification card issued pursuant to this section is valid for a 37 period of 1 year and may be renewed in accordance with regulations 38 adopted by the Division.

39 Sec. 22.45. NRS 453A.230 is hereby amended to read as 40 follows:

41 453A.230 1. A person to whom the Division or its designee
42 has issued a registry identification card pursuant to paragraph (a) of
43 subsection 1 of NRS 453A.220 shall, in accordance with regulations
44 adopted by the Division:





1 (a) Notify the Division of any change in the person's name, 2 address, telephone number, *designated medical marijuana* 3 *dispensary*, attending physician or designated primary caregiver, if 4 any; and

5

(b) Submit annually to the Division:

6 (1) Updated written documentation from the person's 7 attending physician in which the attending physician sets forth that:

8 (I) The person continues to suffer from a chronic or 9 debilitating medical condition;

10 (II) The medical use of marijuana may mitigate the 11 symptoms or effects of that condition; and

12 (III) The attending physician has explained to the person 13 the possible risks and benefits of the medical use of marijuana; and

14 (2) If the person elects to designate a primary caregiver for 15 the subsequent year and the primary caregiver so designated was not 16 the person's designated primary caregiver during the previous year:

17 (I) The name, address, telephone number and social 18 security number of the designated primary caregiver; and

19 (II) A written, signed statement from the person's 20 attending physician in which the attending physician approves of the 21 designation of the primary caregiver.

22 A person to whom the Division or its designee has issued a 2. 23 registry identification card pursuant to paragraph (b) of subsection 1 of NRS 453A.220 or pursuant to NRS 453A.250 shall, in 24 25 accordance with regulations adopted by the Division, notify the 26 Division of any change in the person's name, address, telephone 27 number, *designated medical marijuana dispensary* or the identity 28 of the person for whom he or she acts as designated primary 29 caregiver.

30 3. If a person fails to comply with the provisions of subsection 31 1 or 2, the registry identification card issued to the person shall be 32 deemed expired. If the registry identification card of a person to 33 whom the Division or its designee issued the card pursuant to paragraph (a) of subsection 1 of NRS 453A.220 is deemed expired 34 35 pursuant to this subsection, a registry identification card issued to the person's designated primary caregiver, if any, shall also be 36 deemed expired. Upon the deemed expiration of a registry 37 38 identification card pursuant to this subsection:

(a) The Division shall send, by certified mail, return receipt
requested, notice to the person whose registry identification card has
been deemed expired, advising the person of the requirements of
paragraph (b); and

(b) The person shall return his or her registry identification card
to the Division within 7 days after receiving the notice sent pursuant
to paragraph (a).





1 Sec. 22.5. NRS 453A.300 is hereby amended to read as 2 follows: 3 453A.300 1. A person who holds a registry identification card issued to him or her pursuant to NRS 453A.220 or 453A.250 is 4 5 not exempt from state prosecution for, nor may the person establish 6 an affirmative defense to charges arising from, any of the following 7 acts: 8 (a) Driving, operating or being in actual physical control of a 9 vehicle or a vessel under power or sail while under the influence of 10 marijuana. (b) Engaging in any other conduct prohibited by NRS 484C.110, 11 12 484C.120, 484C.130, 484C.430, subsection 2 of NRS 488.400, NRS 13 488.410, 488.420, 488.425 or 493.130. 14 (c) Possessing a firearm in violation of paragraph (b) of 15 subsection 1 of NRS 202.257. 16 (d) Possessing marijuana in violation of NRS 453.336 or 17 possessing [drug] paraphernalia in violation of NRS 453.560 or 453.566, if the possession of the marijuana or [drug] paraphernalia 18 19 is discovered because the person engaged or assisted in the medical 20 use of marijuana in: 21 (1) Any public place or in any place open to the public or 22 exposed to public view; or (2) Âny local detention facility, county jail, state prison, 23 24 reformatory or other correctional facility, including, without 25 limitation, any facility for the detention of juvenile offenders. 26 (e) Delivering marijuana to another person who he or she knows 27 does not lawfully hold a registry identification card issued by the Division or its designee pursuant to NRS 453A.220 or 453A.250. 28 29 (f) Delivering marijuana for consideration to any person, regardless of whether the recipient lawfully holds a registry 30 identification card issued by the Division or its designee pursuant to 31 32 NRS 453A.220 or 453A.250. 33 2. Except as otherwise provided in NRS 453A.225 and in addition to any other penalty provided by law, if the Division 34 determines that a person has willfully violated a provision of this 35 chapter or any regulation adopted by the Division to carry out the 36 37 provisions of this chapter, the Division may, at its own discretion, 38 prohibit the person from obtaining or using a registry identification 39 card for a period of up to 6 months. 40 **Sec. 23.** NRS 453A.400 is hereby amended to read as follows: 41 453A.400 1. The fact that a person possesses a registry 42 identification card issued to the person by the Division or its 43 designee pursuant to NRS 453A.220 or 453A.250, a medical 44 marijuana establishment registration certificate issued to the 45 person by the Division or its designee pursuant to section 10 of





this act or a medical marijuana establishment agent registration
 card issued to the person by the Division or its designee pursuant
 to section 13 of this act does not, alone:

4 (a) Constitute probable cause to search the person or the 5 person's property; or

6 (b) Subject the person or the person's property to inspection by 7 any governmental agency.

8 2. Except as otherwise provided in this subsection, if officers 9 of a state or local law enforcement agency seize marijuana, [drug] 10 paraphernalia or other related property from a person engaged *in*, 11 *facilitating* or assisting in the medical use of marijuana:

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

15 (b) Any property interest of the person from whom the 16 marijuana, [drug] paraphernalia or other related property was seized 17 must not be forfeited pursuant to any provision of law providing for 18 the forfeiture of property, except as part of a sentence imposed after 19 conviction of a criminal offense.

(c) Upon a determination by the district attorney of the county in 20 which the marijuana, [drug] paraphernalia or other related property 21 22 was seized, or the district attorney's designee, that the person from whom the marijuana, [drug] paraphernalia or other related property 23 24 was seized is engaging in or assisting in the medical use of 25 marijuana in accordance with the provisions of this chapter, the law 26 enforcement agency shall immediately return to that person any usable marijuana, marijuana plants, [drug] paraphernalia or other 27 28 related property that was seized.

29  $\rightarrow$  The provisions of this subsection do not require a law 30 enforcement agency to care for live marijuana plants.

31 3. For the purposes of paragraph (c) of subsection 2, the 32 determination of a district attorney or the district attorney's designee 33 that a person is engaging in or assisting in the medical use of 34 marijuana in accordance with the provisions of this chapter shall be 35 deemed to be evidenced by:

36 (a) A decision not to prosecute;

37 (b) The dismissal of charges; or

38 (c) Acquittal.

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

40 453A.740 The Administrator of the Division shall adopt such 41 regulations as the Administrator determines are necessary to carry 42 out the provisions of this chapter. The regulations must set forth, 43 without limitation:

1. Procedures pursuant to which the Division will, in cooperation with the Department of Motor Vehicles, cause a registry





1 identification card to be prepared and issued to a qualified person as a type of identification card described in NRS 483.810 to 483.890, 2 3 inclusive. The procedures described in this subsection must provide that the Division will: 4

(a) Issue a registry identification card to a qualified person after 5 6 the card has been prepared by the Department of Motor Vehicles; or

(b) Designate the Department of Motor Vehicles to issue a 7 8 registry identification card to a person if:

9 (1) The person presents to the Department of Motor Vehicles 10 valid documentation issued by the Division indicating that the Division has approved the issuance of a registry identification card 11 12 to the person; and

13 (2) The Department of Motor Vehicles, before issuing the 14 registry identification card, confirms by telephone or other reliable 15 means that the Division has approved the issuance of a registry 16 identification card to the person.

[Criteria for determining whether a marijuana plant is a 17 2. 18 mature marijuana plant or an immature marijuana plant.

19 -3. Fees for:

(a) Providing to an applicant an application for a registry 20 21 identification card, which fee must not exceed [\$50;] \$25; and

22 (b) Processing and issuing a registry identification card, which fee must not exceed [\$150.] \$75. 23

Sec. 24.3. NRS 453A.800 is hereby amended to read as 24 25 follows: 26

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

27 1. Require an insurer, organization for managed care or any 28 person or entity who provides coverage for a medical or health care 29 service to pay for or reimburse a person for costs associated with the 30 medical use of marijuana.

2. Require any employer to **[accommodate]** allow the medical 31 32 use of marijuana in the workplace.

3. Require an employer to modify the job or working 33 conditions of a person who engages in the medical use of 34 marijuana that are based upon the reasonable business purposes 35 36 of the employer but the employer must attempt to make reasonable accommodations for the medical needs of an employee who 37 38 engages in the medical use of marijuana if the employee holds a valid registry identification card, provided that such reasonable 39 accommodation would not: 40

41 (a) Pose a threat of harm or danger to persons or property or 42 impose an undue hardship on the employer; or

43 (b) Prohibit the employee from fulfilling any and all of his or 44 her job responsibilities.





1 Sec. 24.4. Chapter 372A of NRS is hereby amended by adding 2 thereto a new section to read as follows:

3 1. An excise tax is hereby imposed on each wholesale sale in 4 this State of marijuana by a cultivation facility to another medical 5 marijuana establishment at the rate of 2 percent of the sales price 6 of the marijuana. The excise tax imposed pursuant to this 7 subsection is the obligation of the cultivation facility.

2. An excise tax is hereby imposed on each wholesale sale in 8 this State of edible marijuana products or marijuana-infused 9 products by a facility for the production of edible marijuana 10 products or marijuana-infused products to another medical 11 12 marijuana establishment at the rate of 2 percent of the sales price of those products. The excise tax imposed pursuant to this 13 subsection is the obligation of the facility for the production of 14 edible marijuana products or marijuana-infused products which 15 sells the edible marijuana products or marijuana-infused products 16 17 to the other medical marijuana establishment.

18 3. An excise tax is hereby imposed on each retail sale in this 19 State of marijuana, edible marijuana products or marijuana-20 infused products by a medical marijuana dispensary at the rate of 21 2 percent of the sales price of the marijuana, edible marijuana 22 products or marijuana-infused products. The excise tax imposed 23 pursuant to this subsection:

(a) Is the obligation of the medical marijuana dispensary.

25 (b) Is separate from and in addition to any general state and 26 local sales and use taxes that apply to retail sales of tangible 27 personal property.

28 (c) Must be considered part of the total retail price to which 29 general state and local sales and use taxes apply.

30 4. The revenues collected from the excise taxes imposed 31 pursuant to subsections 1, 2 and 3 must be distributed as follows:

(a) Seventy-five percent must be paid over as collected to the
State Treasurer to be deposited to the credit of the State
Distributive School Account in the State General Fund.

(b) Twenty-five percent must be expended to pay the costs of
the Health Division of the Department of Health and Human
Services in carrying out the provisions of sections 10 to 20,
inclusive, of this act.

5. The Department shall review regularly the rates of the excise taxes imposed pursuant to subsections 1, 2 and 3 and make recommendations to the Legislature, as appropriate, regarding adjustments that the Department determines would benefit the residents of this State.

44 6. As used in this section:





1 (a) "Cultivation facility" has the meaning ascribed to it in section 3.5 of this act. 2 3 (b) "Edible marijuana products" has the meaning ascribed to 4 it in section 5.3 of this act. (c) "Facility for the production of edible marijuana products 5 6 or marijuana-infused products" has the meaning ascribed to it in section 7.3 of this act. 7 (d) "Marijuana-infused products" has the meaning ascribed to 8 9 it in section 7.9 of this act. 10 (e) "Medical marijuana dispensary" has the meaning ascribed 11 to it in section 8 of this act. 12 (f) "Medical marijuana establishment" has the meaning 13 ascribed to it in section 8.3 of this act. Sec. 24.5. NRS 372A.060 is hereby amended to read as 14 15 follows: 16 372A.060 1. This chapter does not apply to fanyl: 17 (a) Any person who is registered or exempt from registration pursuant to NRS 453.226 or any other person who is lawfully in 18 19 possession of a controlled substance H; or (b) Except as otherwise provided in section 24.4 of this act, any 20 21 person who acquires, possesses, cultivates, manufactures, delivers, 22 transfers, transports, supplies, sells or dispenses marijuana for the 23 medical use of marijuana as authorized pursuant to chapter 453A 24 of NRS. 25 Compliance with this chapter does not immunize a person 2. 26 from criminal prosecution for the violation of any other provision of 27 law. 28 Sec. 24.7. NRS 372A.070 is hereby amended to read as 29 follows: 30 372A.070 1. A person shall not sell, offer to sell or possess 31 with the intent to sell a controlled substance unless he or she first: 32 (a) Registers with the Department as a dealer in controlled 33 substances and pays an annual fee of \$250; and 34 (b) Pays a tax on: 35 (1) [Each gram of marijuana, or portion thereof, of \$100; 36 (2) Each gram of fany other a controlled substance, or portion thereof, of \$1,000; and 37 [(3)] (2) Each 50 dosage units of a controlled substance that 38 39 is not sold by weight, or portion thereof, of \$2,000. For the purpose of calculating the tax imposed by 40 2. [subparagraphs] subparagraph (1) [and (2)] of paragraph (b) of 41 42 subsection 1, the controlled substance must be measured by the 43 weight of the substance in the dealer's possession, including the weight of any material, compound, mixture or preparation that is 44 45 added to the controlled substance.





1 3. The Department shall not require a registered dealer to give 2 his or her name, address, social security number or other identifying 3 information on any return submitted with the tax.

4 4. Any person who violates subsection 1 is subject to a civil 5 penalty of 100 percent of the tax in addition to the tax imposed by 6 subsection 1. Any civil penalty imposed pursuant to this subsection 7 must be collected as part of the tax.

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

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

14

7. As used in this section:

15 *(a) "Controlled substance" does not include marijuana, edible* 16 *marijuana products or marijuana-infused products.* 

17 (b) "Edible marijuana products" has the meaning ascribed to 18 it in section 5.3 of this act.

19 (c) "Marijuana-infused products" has the meaning ascribed to 20 it in section 7.9 of this act.

21 Sec. 24.9. Section 19.5 of this act is hereby amended to read 22 as follows:

23 Sec. 19.5 1. The State of Nevada and the medical 24 marijuana dispensaries in this State which hold valid medical 25 marijuana establishment registration certificates will 26 recognize a nonresident card only under the following 27 circumstances:

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

(b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the issuance of such a card, that a physician advise the person that the medical use of marijuana may mitigate the symptoms or effects of the person's medical condition; (c) The nonresident card has an expiration date and has

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

39 (d) The [holder or bearer of the nonresident card signs an affidavit in a form prescribed by the Division which sets forth
41 that the holder or bearer is entitled to engage in the medical
42 use of marijuana in his or her state or jurisdiction of
43 residence; and

44 45

38

 $\frac{(e)}{(e)}$  state or jurisdiction from which the holder or bearer obtained the nonresident card maintains a database which





1	preserves such information as may be necessary to verify
2	the authenticity or validity of the nonresident card;
3	(e) The state or jurisdiction from which the holder or
4	bearer obtained the nonresident card allows the Division
5	and medical marijuana dispensaries in this State to access
6	the database described in paragraph (d);
7	(f) The Division determines that the database described
8	in paragraph (d) is able to provide to medical marijuana
9	dispensaries in this State information that is sufficiently
10	accurate, current and specific as to allow those dispensaries
11	to verify that a person who holds or bears a nonresident
12	card is entitled lawfully to do so; and
13	(g) The holder or bearer of the nonresident card agrees to
14	abide by, and does abide by, the legal limits on the possession
15	of marijuana for medical purposes in this State, as set forth in
16	NRS 453A.200.
17	2. For the purposes of the reciprocity described in this
18	section:
19	(a) The amount of medical marijuana that the holder or
20	bearer of a nonresident card is entitled to possess in his or her
21	state or jurisdiction of residence is not relevant; and
22	(b) Under no circumstances, while in this State, may the
23	holder or bearer of a nonresident card possess marijuana for
24	medical purposes in excess of the limits set forth in
25	NRS 453Â.200.
26	3. As used in this section, "nonresident card" means a
27	card or other identification that:
28	(a) Is issued by a state or jurisdiction other than Nevada;
29	and
30	(b) Is the functional equivalent of a registry identification
31	card, as determined by the Division.
32	Sec. 25. On or before April 1, 2014, the Health Division of the
33	Department of Health and Human Services shall adopt the
34	regulations required pursuant to section 20 of this act.
35	Sec. 25.5. 1. If the Director of the Department of Health and
36	Human Services determines that the revenues from the fees
37	collected pursuant to section 12 of this act are not sufficient in
38	Fiscal Year 2013-2014 or Fiscal Year 2014-2015 to pay authorized
39	expenditures necessary to carry out sections 10 to 20, inclusive of
40	this act, the Director of the Department of Health and Human
41	Services may request from the Director of the Department of
42	Administration a temporary advance from the State General Fund
43	for the payment of authorized expenditures to carry out sections 10
44	to 20, inclusive of this act.





2. The Director of the Department of Administration shall
 provide written notification to the State Controller and to the Senate
 and Assembly Fiscal Analysts of the Fiscal Analysis Division of the
 Legislative Counsel Bureau if the Director of the Department of
 Administration approves a request made pursuant to subsection 1.
 The State Controller shall draw a warrant upon receipt of the
 approval by the Director of the Department of Administration.

8 3. Any money which is temporarily advanced from the State 9 General Fund to the Director of the Department of Health and 10 Human Services pursuant to this section must be repaid on or before 11 the last business day in August immediately following the end of 12 Fiscal Year 2013-2014 and Fiscal Year 2014-2015, respectively.

13 Sec. 26. 1. This section and section 25.5 of this act become 14 effective upon passage and approval.

2. Sections 1 to 22, inclusive, 22.35 to 24.7, inclusive, and 25 of this act become effective upon passage and approval for the purpose of adopting regulations and carrying out other preparatory administrative acts, and on April 1, 2014, for all other purposes.

19 3. Sections 22.3 and 24.9 of this act become effective on 20 April 1, 2016.

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

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

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

31  $\rightarrow$  are repealed by the Congress of the United States.





## **ADOPTED REGULATION OF THE**

### DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

# OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

#### LCB File No. R004-14

#### Effective April 1, 2014

EXPLANATION - Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§1-25, 27-39, 41-48, 50-67, 69-129 and 131-139, NRS 453A.370; §26, NRS 453A.322, 453A.344 and 453A.370; §40, NRS 453A.332 and 453A.370; §49, NRS 453A.344 and 453A.370; §68, NRS 453A.354 and 453A.370; §130, NRS 453A.200 and 453A.370; §§140-145, NRS 453A.370 and 453A.740.

A REGULATION relating to medical marijuana; providing for the registration of medical marijuana establishments and medical marijuana establishment agents; providing requirements concerning the operation of medical marijuana establishments; providing additional requirements concerning the operation of medical marijuana dispensaries, cultivation facilities, facilities for the production of edible marijuana products or marijuana-infused products and independent testing laboratories; providing standards for the packaging and labeling of marijuana and marijuana products; providing requirements relating to the production of edible marijuana products and marijuana-infused products; providing standards for the cultivation and products of marijuana; and providing other matters properly relating thereto.

Section 1. Chapter 453A of NAC is hereby amended by adding thereto the provisions set

forth as sections 2 to 138, inclusive, of this regulation.

Sec. 2. "Batch" means a specific lot of marijuana grown from one or more seeds or

cuttings that are planted and harvested at the same time.

Sec. 3. "Batch number" means a unique numeric or alphanumeric identifier assigned to

a batch by a medical marijuana establishment when the batch is planted.

Sec. 4. "Cultivation facility" has the meaning ascribed to it in NRS 453A.056.

Sec. 5. "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.

Sec. 6. "Electronic verification system" has the meaning ascribed to it in NRS 453A.102.

Sec. 7. "Enclosed, locked facility" has the meaning ascribed to it in NRS 453A.103.

Sec. 8. "Excluded felony offense" has the meaning ascribed to it in NRS 453A.104.

Sec. 9. "Facility for the production of edible marijuana products or marijuana-infused products" has the meaning ascribed to it in NRS 453A.105.

Sec. 10. *"Independent testing laboratory" has the meaning ascribed to it in NRS* 453A.107.

Sec. 11. "Inventory control system" has the meaning ascribed to it in NRS 453A.108.Sec. 12. "Lot" means:

1. The flowers from one or more marijuana plants of the same strain, in a quantity that weighs 5 pounds or less; or

2. The leaves or other plant matter from one or more marijuana plants, other than full female flowers, in a quantity that weighs 15 pounds or less.

Sec. 13. "Marijuana-infused products" has the meaning ascribed to it in NRS 453A.112.

Sec. 14. "Medical marijuana dispensary" has the meaning ascribed to it in NRS

*453A.115*.

Sec. 15. "Medical marijuana establishment" has the meaning ascribed to it in NRS

*453A.116*.

Sec. 16. "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117. The term does not include a consultant who performs professional services for a medical marijuana establishment.

Sec. 17. "Medical marijuana establishment agent registration card" has the meaning ascribed to it in NRS 453A.118.

Sec. 18. "Medical marijuana establishment registration certificate" has the meaning ascribed to it in NRS 453A.119.

Sec. 19. "Paraphernalia" has the meaning ascribed to it in NRS 453A.125.

Sec. 20. "Pesticide" has the meaning ascribed to it in NRS 586.195.

Sec. 21. "Physician" has the meaning ascribed to it in NRS 0.040.

Sec. 22. "Usable marijuana" has the meaning ascribed to it in NRS 453A.160.

Sec. 23. 1. When a medical marijuana establishment is required pursuant to this chapter or chapter 453A of NRS to provide information, sign documents or ensure actions are taken, a person identified in this subsection shall comply with the requirement on behalf of the medical marijuana establishment:

(a) If a natural person is applying for a medical marijuana establishment registration certificate, the natural person;

(b) If a corporation is applying for a medical marijuana establishment registration certificate, a natural person who is an officer of the corporation;

(c) If a partnership is applying for a medical marijuana establishment registration certificate, a natural person who is a partner;

(d) If a limited-liability company is applying for a medical marijuana establishment registration certificate, a manager or, if the limited-liability company does not have a manager, a natural person who is a member of the limited-liability company;

(e) If an association or cooperative is applying for a medical marijuana establishment registration certificate, a natural person who is a member of the governing board of the association or cooperative; (f) If a joint venture is applying for a medical marijuana establishment registration certificate, a natural person who signed the joint venture agreement; and

(g) If a business organization other than those described in paragraphs (b) to (f), inclusive, is applying for a medical marijuana establishment registration certificate, a natural person who is a member of the business organization.

2. For the purposes of this chapter and chapter 453A of NRS, the following persons must comply with the provisions governing owners, officers and board members of a medical marijuana establishment:

(a) If a corporation is applying for a medical marijuana establishment registration certificate, the officers of the corporation;

(b) If a partnership is applying for a medical marijuana establishment registration certificate, the partners;

(c) If a limited-liability company is applying for a medical marijuana establishment registration certificate, the members of the limited-liability company;

(d) If an association or cooperative is applying for a medical marijuana establishment registration certificate, the members of the association or cooperative;

(e) If a joint venture is applying for a medical marijuana establishment registration certificate, the natural persons who signed the joint venture agreement; and

(f) If a business organization other than those described in paragraphs (a) to (e), inclusive, is applying for a medical marijuana establishment registration certificate, the members of the business organization.

Sec. 24. 1. Except as otherwise required in subsection 2, the requirements of this chapter concerning owners of medical marijuana establishments only apply to a person with an aggregate ownership interest of 5 percent or more in a medical marijuana establishment.

2. If, in the judgment of the Division, the public interest will be served by requiring any owner with an ownership interest of less than 5 percent in a medical marijuana establishment to comply with any provisions of this chapter concerning owners of medical marijuana establishments, the Division will notify that owner and he or she must comply with those provisions.

Sec. 25. 1. Once each year, the Division will determine whether a sufficient number of medical marijuana establishments exist to serve the people of this State and, if the Division determines that additional medical marijuana establishments are necessary, the Division will issue a request for applications to operate a medical marijuana establishment. The Division will provide notice of a request for applications to operate a medical marijuana establishment by:

(a) Posting on the website of the Division that the Division is requesting applicants to submit their applications;

(b) Posting a copy of the request for applications at the principal office of the Division, the Legislative Building and at not less than three other separate, prominent places within this State; and

(c) Making notification of the posting locations using the electronic mailing list maintained by the Division for medical marijuana establishment information. 2. When the Division issues a request for applications pursuant to this section, the Division will include in the request the point values that will be allocated to each applicable portion of the application.

3. The Division will accept applications in response to a request for applications issued pursuant to this section for 10 business days beginning on the date which is 45 business days after the date on which the Division issued the request for applications.

4. If the Division receives an application in response to a request for applications issued pursuant to this section on a date other than the dates set forth in subsection 3, the Division must not consider the application and must return the application to the entity that submitted the application.

Sec. 26. An application submitted in response to a request for applications issued pursuant to section 25 of this regulation must include:

1. A one-time, nonrefundable application fee of \$5,000.

2. An application on a form prescribed by the Division pursuant to subsection 2 of NRS 453A.322. The application must include, without limitation:

(a) Whether the applicant is applying for a medical marijuana establishment registration certificate for an independent testing laboratory, a cultivation facility, a facility for the production of edible marijuana products or marijuana-infused products or a medical marijuana dispensary;

(b) The name of the proposed medical marijuana establishment, as reflected in the articles of incorporation or other documents filed with the Secretary of State;

(c) The type of business organization of the applicant, such as individual, corporation, partnership, limited-liability company, association or cooperative, joint venture or any other business organization;

(d) Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business, and the articles of incorporation, articles of organization or partnership or joint venture documents of the applicant;

(e) The physical address where the proposed medical marijuana establishment will be located and the physical address of any co-owned or otherwise affiliated medical marijuana establishments;

(f) The mailing address of the applicant;

- (g) The telephone number of the applicant;
- (h) The electronic mail address of the applicant;
- (i) If the applicant is applying for a medical marijuana establishment registration certificate to operate a medical marijuana dispensary, the proposed hours of operation during which the medical marijuana dispensary plans to be available to dispense medical marijuana to patients who hold valid registry identification cards or to the designated primary caregivers of such patients;

(j) An attestation that the information provided to the Division to apply for the medical marijuana establishment registration certificate is true and correct according to the information known by the affiant at the time of signing; and

(k) The signature of a natural person for the proposed medical marijuana establishment as described in subsection 1 of section 23 of this regulation and the date on which the person signed the application.

3. Documentation from a financial institution in this State, or any other state or the District of Columbia, which demonstrates:

(a) That the applicant has at least \$250,000 in liquid assets as required pursuant to subsubparagraph (III) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322, which are unencumbered and can be converted within 30 days after a request to liquidate such assets; and

(b) The source of those liquid assets.

4. To assist the Division in considering the criterion of merit set forth in subsection 9 of NRS 453A.328, evidence of the amount of taxes paid to, or other beneficial financial contributions made to, this State or its political subdivisions within the last 5 years by the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment.

5. A description of the proposed organizational structure of the proposed medical marijuana establishment, including, without limitation:

(a) An organizational chart showing all owners, officers and board members of the proposed medical marijuana establishment;

(b) A list of all owners, officers and board members of the proposed medical marijuana establishment that contains the following information for each person:

(1) The title of the person;

(2) A short description of the role the person will serve in for the organization and his or her responsibilities;

(3) Whether the person has served or is currently serving as an owner, officer or board member for another medical marijuana establishment;

(4) Whether the person has served as an owner, officer or board member for a medical marijuana establishment that has had its medical marijuana establishment registration certificate revoked;

(5) Whether the person has previously had a medical marijuana establishment agent registration card revoked;

(6) Whether the person is an attending physician currently providing written documentation for the issuance of registry identification cards;

(7) Whether the person is a law enforcement officer;

(8) Whether the person is currently an employee or contractor of the Division; and

(9) Whether the person has an ownership or financial investment interest in any other medical marijuana establishment.

6. For each owner, officer and board member of the proposed medical marijuana establishment:

(a) An attestation signed and dated by the owner, officer or board member that he or she has not been convicted of an excluded felony offense, and that the information provided to support the application to operate a medical marijuana establishment is true and correct;

(b) A narrative description, not to exceed 750 words, demonstrating:

(1) Past experience working with governmental agencies and highlighting past community involvement;

(2) Any previous experience at operating other businesses or nonprofit organizations; and

(3) Any demonstrated knowledge or expertise with respect to the compassionate use of marijuana to treat medical conditions; and

(c) A resume.

7. To assist the Division in considering the criterion of merit set forth in subsection 7 of NRS 453A.328, documentation concerning the adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana, including, without limitation, building and construction plans with supporting details.

8. To assist the Division in considering the criterion of merit set forth in subsection 8 of NRS 453A.328, the integrated plan of the proposed medical marijuana establishment for the care, quality and safekeeping of medical marijuana from seed to sale, including, without limitation, a plan for testing and verifying medical marijuana, a transportation plan and procedures to ensure adequate security measures, including, without limitation, building security and product security.

9. A plan for the business which includes, without limitation, a description of the inventory control system of the proposed medical marijuana establishment to satisfy the requirements of sub-subparagraph (II) of subparagraph (3) of paragraph (a) of subsection 3 of NRS 453A.322.

10. To assist the Division in considering the criterion of merit set forth in subsection 1 of NRS 453A.328, a financial plan which includes, without limitation:

(a) Financial statements showing the resources of the applicant;

(b) If the applicant is relying on money from an owner, officer or board member, evidence that the person has unconditionally committed such money to the use of the applicant in the event the Division awards a medical marijuana establishment registration certificate to the applicant and the applicant obtains the necessary approvals from local governments to operate the proposed medical marijuana establishment; and

(c) Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation.

11. Evidence that the applicant has a plan to staff, educate and manage the proposed medical marijuana establishment on a daily basis, which must include, without limitation:

(a) A detailed budget for the proposed medical marijuana establishment, including preopening, construction and first year operating expenses;

(b) An operations manual that demonstrates compliance with this chapter;

(c) An education plan which must include, without limitation, providing educational materials to the staff of the proposed medical marijuana establishment; and

*(d) A plan to minimize the environmental impact of the proposed medical marijuana establishment.* 

12. To assist the Division in considering the criteria of merit set forth in subsections 6 and
7 of NRS 453A.328, a proposal demonstrating:

(a) The likely impact of the proposed medical marijuana establishment on the community in which it is proposed to be located; and

(b) The manner in which the proposed medical marijuana establishment will meet the needs of the persons who are authorized to engage in the medical use of marijuana.

13. If a local government in which a proposed medical marijuana establishment will be located has not enacted zoning restrictions or the applicant is not required to secure approval that the applicant is in compliance with any such restrictions, a professionally prepared survey which demonstrates that the applicant has satisfied all the requirements of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322.

14. A response to and information which supports any other criteria of merit the Division determines to be relevant, which will be specified and requested by the Division at the time the Division issues a request for applications which includes the point values that will be allocated to the applicable portions of the application pursuant to subsection 2 of section 25 of this regulation.

Sec. 27. For the purposes of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322, the distance must be measured from the front door of the proposed medical marijuana establishment to the closest point of the property line of a school or community facility.

Sec. 28. 1. If, within 10 business days after the date on which the Division begins accepting applications in response to a request for applications issued pursuant to section 25 of this regulation, the Division receives more than one application and the Division determines that more than one of the applications is complete and in compliance with this chapter and chapter 453A of NRS, the Division will rank the applications, within each applicable local governmental jurisdiction for any applicants which are in a jurisdiction that limits the number of a type of medical marijuana establishment and statewide for each applicant which is in a jurisdiction that does not specify a limit, in order from first to last based on compliance with the provisions of this chapter and chapter 453A of NRS and on the content of the applications as it relates to:

(a) The ownership or authorized use of property as required by sub-subparagraph (IV) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322;

(b) Documentation of liquid assets as required by sub-subparagraph (III) of subparagraph
(2) of paragraph (a) of subsection 3 of NRS 453A.322;

(c) Evidence of taxes paid and other beneficial financial contributions as described in subsection 9 of NRS 453A.328; and

(d) The description of the proposed organizational structure of the proposed medical marijuana establishment and information concerning each owner, officer and board member of the proposed medical marijuana establishment, including, without limitation, the information provided pursuant to subsections 5 and 6 of section 26 of this regulation.

2. The Division will not further evaluate an application that does not demonstrate a sufficient response to the criteria set forth in subsection 1 and will not issue a medical marijuana establishment registration certificate to that applicant.

3. If the Division receives any findings from a report concerning the criminal history of an applicant or person who is proposed to be an owner, officer or board member of a proposed medical marijuana establishment that disqualify that person from being qualified to serve in that capacity, the Division will provide notice to the applicant and give the applicant an opportunity to revise its application. If a person who is disqualified from serving as an owner, officer or board member remains on the application as a proposed owner, officer or board member 90 days after the date on which the Division initially received the application, the Division may disqualify the application.

Sec. 29. 1. Except as otherwise provided in this section, the Division will issue provisional medical marijuana establishment registration certificates in accordance with subsection 3 of NRS 453A.326 and section 31 of this regulation to the highest ranked

applicants until the Division has issued the number of medical marijuana establishment registration certificates designated by the Division.

2. If two or more applicants have the same total number of points for the last application being awarded a provisional medical marijuana establishment registration certificate, the Division will select the applicant which has scored the highest number of points as it relates to the proposed organizational structure of the proposed medical marijuana establishment and the information concerning each owner, officer and board member of the proposed medical marijuana establishment, including, without limitation, the information provided pursuant to subsections 5 and 6 of section 26 of this regulation.

Sec. 30. If, within 10 business days after the date on which the Division begins accepting applications in response to a request for applications issued pursuant to section 25 of this regulation, the Division receives only one application from an applicant:

1. In a specific local governmental jurisdiction which limits the number of a type of medical marijuana establishment to one; or

2. Statewide, if the applicant is in a jurisdiction which does not limit the number of a type of medical marijuana establishment,

→ and the Division determines that the application is complete and in compliance with this chapter and chapter 453A of NRS, the Division will issue a provisional medical marijuana establishment registration certificate to that applicant in accordance with subsection 3 of NRS 453A.326 and section 31 of this regulation.

**Sec. 31.** 1. Except as otherwise provided in subsection 2, the issuance of a medical marijuana establishment registration certificate by the Division is provisional and not an approval to begin operations as a medical marijuana establishment until such time as:
(a) The medical marijuana establishment is in compliance with all applicable local governmental ordinances and rules; and

(b) The local government has issued a business license, or otherwise approved the applicant, for the operation of the medical marijuana establishment.

2. If the local government for a jurisdiction in which a medical marijuana establishment is located does not issue business licenses and does not approve or disapprove medical marijuana establishments in its jurisdiction, a medical marijuana establishment registration certificate becomes an approval to begin operations as a medical marijuana establishment when the medical marijuana establishment is in compliance with all applicable local governmental ordinances and rules.

Sec. 32. If the Division does not issue a medical marijuana establishment registration certificate to an applicant to operate a medical marijuana establishment, the Division must provide written notice to the applicant stating that the Division did not issue a medical marijuana establishment registration certificate to the applicant as a result of the provisions of sections 28 and 29 of this regulation.

Sec. 33. 1. The Division may, at any time it determines an inspection is needed, conduct an investigation into the premises, facilities, qualifications of personnel, methods of operation, policies and purposes of any medical marijuana establishment and of any person proposing to engage in the operation of a medical marijuana establishment. An inspection of a facility may include, without limitation, investigation of standards for safety from fire on behalf of the Division by the local fire protection agency. If a local fire protection agency is not available, the State Fire Marshal may conduct the inspection after the medical marijuana establishment pays the appropriate fee to the State Fire Marshal for such inspection. 2. The Division will not issue a medical marijuana establishment registration certificate until the Division completes an inspection of the medical marijuana establishment. Such an inspection may require more than one visit to the medical marijuana establishment.

3. In addition to complying with the provisions of chapter 372A of NRS and chapter 372A of NAC governing the imposition of an excise tax on medical marijuana establishments, a medical marijuana establishment may not operate until it has been issued a medical marijuana establishment registration certificate from the Division.

4. The Division will not issue a medical marijuana establishment registration certificate until it has received a satisfactory report of full compliance with and completion of all applicable public safety inspections required by state and local jurisdictions, including, without limitation, fire, building, health and air quality inspections, except as otherwise provided in subsection 3 of section 63 of this regulation.

Sec. 34. 1. If a medical marijuana establishment is not fully operational within 18 months after the date on which the Division issued the medical marijuana establishment registration certificate, the Division may revoke the medical marijuana establishment registration certificate. If the Division revokes a medical marijuana establishment registration certificate pursuant to this subsection, the applicable annual renewal fee paid by the establishment is not refundable.

2. If the Division revokes the medical marijuana establishment registration certificate of a medical marijuana establishment pursuant to subsection 1, the medical marijuana establishment may not reapply for a medical marijuana establishment registration certificate until at least 12 months after the date on which the previous medical marijuana establishment registration certificate was revoked.

Sec. 35. 1. A medical marijuana establishment must surrender its medical marijuana establishment registration certificate and reapply for a medical marijuana establishment registration certificate during the next request for applications issued by the Division pursuant to section 25 of this regulation:

(a) Before all or substantially all of the assets of the medical marijuana establishment or 10 percent or more of the stock of the medical marijuana establishment are transferred; or

(b) Except as otherwise provided in this section, any time there is a change in the location of the medical marijuana establishment if:

(1) It is a material change that requires the medical marijuana establishment to go through an approval process by a local governmental entity; or

(2) The new location is more than 5 miles from its original approved location.

2. A medical marijuana establishment may change the location of the medical marijuana establishment to a new location that is 5 miles or less from its original approved location if:

(a) It provides to the Division before it changes location:

(1) Written justification for the need to change the location; and

(2) Land use approval for the new location from the local government, if applicable; and

*(b) The Division determines that the written justification is sufficient to justify the change in location.* 

3. A medical marijuana establishment may change the location of the medical marijuana establishment to a new location if the local government in which the medical marijuana establishment is located enacts zoning restrictions which prohibit the location of the medical

marijuana establishment after the Division has issued a medical marijuana establishment registration certificate to the medical marijuana establishment.

4. If a medical marijuana establishment is closing, the manager of the medical marijuana establishment must notify the Division of the closing at least 15 days before the medical marijuana establishment is closed and the medical marijuana establishment must surrender its medical marijuana establishment registration certificate to the Division immediately upon closing.

5. If, after investigation, the Division determines that there is cause to believe that a medical marijuana establishment has made changes in ownership or other changes to circumvent the provisions of NRS 453A.334 which prevent the transfer of a medical marijuana establishment registration certificate, the Division will take action to revoke the medical marijuana establishment registration certificate of that medical marijuana establishment registration certificate of that medical marijuana

6. A medical marijuana establishment is responsible to the Division for all costs incurred by the Division to determine whether any changes in ownership or other changes were made to circumvent the provisions of NRS 453A.334 which prevent the transfer of a medical marijuana establishment registration certificate.

Sec. 36. In addition to the information required to be submitted to the Division pursuant to subsection 5 of NRS 453A.322, a person or entity that wishes to renew a medical marijuana establishment registration certificate must submit to the Division:

1. An application in the format prescribed by the Division that includes:

(a) The identification number of the medical marijuana establishment;

(b) The name of the entity applying to renew the medical marijuana establishment registration certificate, as reflected in the articles of incorporation or other documents filed with the Secretary of State;

(c) The name of the person designated to submit applications for medical marijuana establishment agent registration cards on behalf of the medical marijuana establishment pursuant to subsection 2 of NRS 453A.332;

(d) If the medical marijuana establishment is a medical marijuana dispensary, the proposed hours of operation during which the medical marijuana dispensary plans to be available to dispense medical marijuana to patients who hold valid registry identification cards or to the designated primary caregivers of such patients;

(e) The number of the medical marijuana establishment agent registration cards issued to each owner, officer or board member of the medical marijuana establishment;

(f) For each owner, officer and board member of the medical marijuana establishment, whether the owner, officer or board member:

(1) Has served as an owner, officer or board member for a medical marijuana establishment that has had its medical marijuana establishment registration certificate revoked;

(2) Is an attending physician currently providing written documentation for the issuance of registry identification cards;

(3) Is a law enforcement officer;

(4) Is an employee or contractor of the Division; or

(5) Has an ownership or financial investment interest in any other medical marijuana establishment;

(g) An attestation that the information provided to the Division to renew the medical marijuana establishment registration certificate is true and correct according to the information known by the affiant at the time of signing; and

(h) The signature of a natural person for the medical marijuana establishment as described in subsection 1 of section 23 of this regulation and the date on which he or she signed the application.

2. A copy of an annual financial statement of the medical marijuana establishment for the previous year, or for the portion of the previous year during which the medical marijuana establishment was operational, which is prepared according to generally accepted accounting principles.

3. A report of an audit by an independent certified public accountant of the annual financial statement submitted pursuant to subsection 2.

Sec. 37. 1. Submission of an application for a medical marijuana establishment registration certificate constitutes permission for entry to and reasonable inspection of the medical marijuana establishment by the Division, with or without notice. An inspector conducting an inspection pursuant to this section does not need to be accompanied during the inspection.

2. The Division may, upon receipt of a complaint against a medical marijuana establishment, except for a complaint concerning the cost of services, a complaint concerning the efficacy of medical marijuana or a complaint related to customer service issues, conduct an investigation during the operating hours of the medical marijuana establishment, with or without notice, into the premises, facilities, qualifications of personnel, methods of operation, policies, procedures and records of that medical marijuana establishment or any other medical marijuana establishment which may have information pertinent to the complaint.

3. The Division may enter and inspect any building or premises at any time, with or without notice, to:

(a) Secure compliance with any provision of this chapter or chapter 453A of NRS;

(b) Prevent a violation of any provision of this chapter or chapter 453A of NRS; or

(c) Conduct an unannounced inspection of a medical marijuana establishment in response to an allegation of noncompliance with this chapter or chapter 453A of NRS.

4. The Division will enter and inspect at least annually, with or without notice, each building or the premises of a medical marijuana establishment to ensure compliance with the standards for health and sanitation.

5. The Division will enter and inspect, with or without notice, any building or premises operated by a medical marijuana establishment within 72 hours after the Division is notified that the medical marijuana establishment is operating without a medical marijuana establishment registration certificate.

Sec. 38. 1. If the Division determines that there are any deficiencies in the operation of a medical marijuana establishment or in the provision of services by a medical marijuana establishment, the Division may suspend its medical marijuana establishment registration certificate and request a written plan of correction from the medical marijuana establishment.

2. A medical marijuana establishment whose medical marijuana establishment registration certificate has been suspended pursuant to subsection 1 shall develop a plan of correction for each deficiency and submit the plan to the Division for approval within 10 business days after receipt of the statement of deficiencies. The plan of correction must include specific requirements for corrective action, which must include times within which the deficiencies are to be corrected.

3. If the plan submitted pursuant to subsection 2 is not acceptable to the Division, the Division may direct the medical marijuana establishment to resubmit a plan of correction or the Division may develop a directed plan of correction with which the medical marijuana establishment must comply.

Sec. 39. 1. The Division will deny an application for or an application to renew a medical marijuana establishment registration certificate if:

(a) The application or the medical marijuana establishment is not in compliance with any provision of this chapter or chapter 453A of NRS; or

(b) An owner, officer or board member of the medical marijuana establishment:

(1) Is an employee or contractor of the Division;

(2) Has an ownership or financial investment interest in an independent testing laboratory and also is an owner, officer or board member of a medical marijuana dispensary, cultivation facility or facility for the production of edible marijuana products or marijuanainfused products; or

(3) Provides false or misleading information to the Division.

2. The Division will revoke a medical marijuana establishment registration certificate if:

(a) The medical marijuana establishment engages in an activity set forth in NRS 453A.340;

(b) An owner, officer or board member of the establishment has been convicted of an excluded felony offense; or

(c) The Division receives formal notice from the applicable local government that the medical marijuana establishment has had its authorization to operate terminated.

3. The Division may deny an application for or an application to renew a medical marijuana establishment registration certificate or may suspend or revoke any medical marijuana establishment registration certificate issued under the provisions of this chapter and chapter 453A of NRS upon any of the following grounds:

(a) Violation by the applicant or the medical marijuana establishment of any of the provisions of this chapter or chapter 453A of NRS.

(b) The failure or refusal of an applicant or medical marijuana establishment to comply with any of the provisions of this chapter or chapter 453A of NRS.

(c) The failure or refusal of a medical marijuana establishment to carry out the policies and procedures or comply with the statements provided to the Division in the application of the medical marijuana establishment.

(d) Operating a medical marijuana establishment without a medical marijuana establishment registration certificate.

(e) The failure or refusal to return an adequate plan of correction to the Division within 10 days after receipt of a statement of deficiencies pursuant to section 38 of this regulation.

(f) The failure or refusal to correct any deficiency specified by the Division within the period specified in a plan of correction developed pursuant to section 38 of this regulation.

(g) The failure or refusal to cooperate fully with an investigation or inspection by the Division.

(h) The failure to comply with the provisions of chapter 372A of NRS and chapter 372A of NAC governing the imposition of an excise tax on medical marijuana establishments.

4. If the Division denies an application for or an application to renew a medical marijuana establishment registration certificate or revokes a medical marijuana establishment registration certificate, the Division must provide notice to the applicant or medical marijuana establishment that includes, without limitation, the specific reasons for the denial or revocation.

5. Before denying an application for or an application to renew a medical marijuana establishment registration certificate or revoking a medical marijuana establishment registration certificate as a result of the actions of an owner, officer or board member of the medical marijuana establishment pursuant to paragraph (b) of subsection 1 or paragraph (b) of subsection 2, the Division may provide the medical marijuana establishment with an opportunity to correct the situation.

6. The Division will not deny an application to renew a medical marijuana establishment registration certificate or revoke a medical marijuana establishment registration certificate based on a change in ownership of the medical marijuana establishment if the medical marijuana establishment is in compliance with the provisions of this chapter and chapter 453A of NRS.

Sec. 40. To obtain or renew a medical marijuana establishment agent registration card pursuant to NRS 453A.332, for a person employed by or contracted with a medical marijuana establishment or a person who volunteers at a medical marijuana establishment other than a consultant who performs professional services for the medical marijuana establishment, the medical marijuana establishment shall, in addition to the information required to be submitted to the Division pursuant to NRS 453A.332, submit to the Division: 1. A copy of any valid government-issued identification card of the person which includes a photograph of the person.

2. The name and identification number of the medical marijuana establishment.

3. The signature of the natural person designated to submit applications for medical marijuana establishment agent registration cards on behalf of the medical marijuana establishment pursuant to subsection 2 of NRS 453A.332 and the date of that signature.

4. An attestation signed and dated by the person that the person has not been convicted of an excluded felony offense.

5. Either:

(a) A statement that the person does not currently hold a valid medical marijuana establishment agent registration card; or

*(b)* The number of the person's current medical marijuana establishment agent registration card.

6. A current photograph of the person.

7. If fingerprints were submitted pursuant to subsection 5 of NRS 453A.332 to the Division as part of an application for a medical marijuana establishment agent registration card for another medical marijuana establishment within the 6 months immediately preceding the date of the application, the number of the medical marijuana establishment agent card issued to the person as a result of the application.

Sec. 41. 1. The Division will issue medical marijuana establishment agent registration cards for each of the following categories:

(a) An independent testing laboratory;

(b) A cultivation facility;

(c) A facility for the production of edible marijuana products or marijuana-infused products; or

(d) A medical marijuana dispensary.

2. Each medical marijuana establishment agent registration card issued pursuant to NRS 453A.332 must indicate the applicable category. The person to whom the medical marijuana establishment registration card is issued may only be employed by or volunteer at the type of medical marijuana establishment for which he or she is registered.

3. A medical marijuana establishment shall ensure that training is provided to a medical marijuana establishment agent before that person begins to work or volunteer at the medical marijuana establishment. Such training must include, without limitation:

(a) The proper use of security measures and controls that have been adopted by the medical marijuana establishment for the prevention of diversion, theft or loss of marijuana;

(b) Procedures and instructions for responding to an emergency; and

(c) State and federal statutes and regulations regarding confidentiality of information related to the medical use of marijuana.

4. In addition to the training set forth in subsection 3, a medical marijuana dispensary shall ensure that instruction is provided to a medical marijuana establishment agent before that person begins to work or volunteer at the medical marijuana dispensary. Such instruction must include, without limitation:

(a) The different strains of marijuana;

(b) The different methods of using marijuana, edible marijuana products and marijuanainfused products; and (c) Learning to recognize signs of medicine abuse or instability in the medical use of marijuana by a patient.

5. In addition to the training set forth in subsection 3, an independent testing laboratory shall ensure that instruction is provided to a medical marijuana establishment agent before that person begins to work or volunteer at the independent testing laboratory. Such instruction must include, without limitation:

(a) The good laboratory practices adopted by the independent testing laboratory; and

(b) The standard operating procedures and the quality control and quality assurance programs of the independent testing laboratory.

6. In addition to the training set forth in subsection 3, a cultivation facility shall ensure that instruction is provided to a medical marijuana establishment agent before that person begins to work or volunteer at the cultivation facility. Such instruction must include, without limitation:

(a) The methods of cultivation used by the cultivation facility;

(b) The methods of fertilization used by the cultivation facility;

(c) Methods for recognizing the signs of insect infestation, pathogens and disease in marijuana plants, and the procedures for eradication and the safe disposal of plants so affected;

(d) The nutritional requirements of marijuana plants at various growth stages, including, without limitation, proper mixing and dispersal of fertilizer, flushing procedures and procedures for postharvest trimming, drying and curing; and (e) The safe handling of equipment, including, without limitation, high-intensity discharge lamps, electrical ballasts, pumps, fans, cutting implements and other equipment for cultivation.

7. In addition to the training set forth in subsection 3, a facility for the production of edible marijuana products or marijuana-infused products shall ensure that instruction is provided to a medical marijuana establishment agent before that person begins to work or volunteer at the facility for the production of edible marijuana products or marijuana-infused products. Such instruction must include, without limitation:

(a) Understanding the difference between topical products, edible marijuana products and marijuana-infused products, as applicable to the operations of the facility for the production of edible marijuana products or marijuana-infused products;

(b) The procedures used by the facility for the production of edible marijuana products or marijuana-infused products to create edible marijuana products or marijuana-infused products; and

(c) The proper procedures for handling edible marijuana products or marijuana-infused products, including, without limitation, the procedures used to prepare, produce, package and store such products as required by the provisions of this chapter and chapter 453A of NRS.

Sec. 42. An applicant submitting an application for a medical marijuana establishment agent registration card pursuant to NRS 453A.332 or renewing, amending, changing or replacing a medical marijuana establishment agent registration card shall submit the application electronically in the format prescribed by the Division. Sec. 43. To make a change to the name or address on a medical marijuana establishment agent registration card, the medical marijuana establishment agent must submit to the Division a request for the change, which must include:

1. The name on and the number of the current medical marijuana establishment agent registration card of the cardholder;

2. The new name or address of the cardholder;

3. The effective date of the new name or address of the cardholder;

4. For a change of the address of the cardholder, the county and state in which the new address is located; and

5. For a change of the name of the cardholder, a copy of any valid government-issued identification card of the cardholder which includes a photograph of the person and the new name and address of the cardholder.

Sec. 44. To request a replacement medical marijuana establishment agent registration card that has been lost, stolen or destroyed, the medical marijuana establishment agent shall submit to the Division, within 3 working days after the card was lost, stolen or destroyed, a request for a replacement card which must include:

1. The name and date of birth of the cardholder;

2. If known, the number of the lost, stolen or destroyed medical marijuana establishment agent registration card; and

3. If the cardholder cannot provide the number of the lost, stolen or destroyed medical marijuana establishment agent registration card, a copy of:

(a) Any valid government-issued identification card of the cardholder which includes a photograph of the person; or

(b) A medical marijuana establishment agent registration card previously issued to the person.

Sec. 45. If the Division issues a medical marijuana establishment agent registration card based on a request pursuant to section 43 or 44 of this regulation, the new medical marijuana establishment agent registration card must have the same expiration date as the medical marijuana establishment registration agent card being changed or replaced.

Sec. 46. 1. The Division will provide written notice to a medical marijuana establishment agent that his or her medical marijuana establishment agent registration card is void and no longer valid when:

(a) The medical marijuana establishment registration certificate listed on the medical marijuana establishment agent registration card of the cardholder is no longer valid; or

(b) The Division receives the written notice required by subsection 3 of NRS 453A.332 or subsection 3 or 4 of section 55 of this regulation that the medical marijuana establishment agent:

(1) No longer serves as an owner, officer or board member of the medical marijuana establishment;

(2) Is no longer employed by or contracted with the medical marijuana establishment; or

(3) No longer volunteers at the medical marijuana establishment.

2. Written notice provided by the Division pursuant to this section is not a revocation and is not considered a final decision of the Division subject to administrative review.

Sec. 47. 1. The Division will deny an application for or an application to renew a medical marijuana establishment agent registration card if the applicant:

(a) Does not meet the requirements set forth in NRS 453A.332; or

(b) Previously had a medical marijuana establishment agent registration card revoked.

2. The Division may deny an application for or an application to renew a medical marijuana establishment agent registration card if the applicant provides false or misleading information to the Division.

3. The Division will revoke a medical marijuana establishment agent registration card if the medical marijuana establishment agent:

(a) Dispenses or otherwise diverts marijuana to a person who is not authorized by law to possess marijuana in accordance with the provisions of this chapter and chapter 453A of NRS;

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

(c) Engages in an activity set forth in NRS 453A.342.

4. The Division may revoke a medical marijuana establishment agent registration card if the medical marijuana establishment agent knowingly violates any provision of this chapter or chapter 453A of NRS.

5. If the Division denies an application for or an application to renew a medical marijuana establishment agent registration card or revokes a medical marijuana establishment agent registration card, the Division will provide notice to the applicant or medical marijuana establishment agent that includes, without limitation, the specific reasons for the denial or revocation.

**Sec. 48.** 1. A violation of any of the provisions of sections 23 to 138, inclusive, of this regulation is grounds for disciplinary action by the Division, including, without limitation,

*immediate revocation of a medical marijuana establishment registration certificate pursuant to subsection 3 of NRS 453A.340.* 

2. A violation of any of the provisions of sections 23 to 138, inclusive, of this regulation is grounds for disciplinary action by the Division, including, without limitation, immediate revocation of a medical marijuana establishment agent registration card pursuant to subsection 3 of NRS 453A.342.

Sec. 49. 1. Except as otherwise provided in subsection 2 of NRS 453A.344, the Division will charge and collect the following fees:

For the initial issuance of a medical marijuana establishment registration	
certificate for a medical marijuana dispensary	\$30,000
For the renewal of a medical marijuana establishment registration certificate	
for a medical marijuana dispensary	5,000
For the initial issuance of a medical marijuana establishment registration	
certificate for a cultivation facility	3,000
For the renewal of a medical marijuana establishment registration certificate	
for a cultivation facility	1,000
For the initial issuance of a medical marijuana establishment registration	
certificate for a facility for the production of edible marijuana products or	
marijuana-infused products	3,000
For the renewal of a medical marijuana establishment registration certificate	
for a facility for the production of edible marijuana products or marijuana-	
infused products	1,000

For the initial issuance of a medical marijuana establishment agent registration	
card	75
For the renewal of a medical marijuana establishment agent registration card	75
For the initial issuance of a medical marijuana establishment registration	
certificate for an independent testing laboratory	5,000
For the renewal of a medical marijuana establishment registration certificate	
for an independent testing laboratory	3,000

2. For the ongoing activities of the Division relating to the inspection of medical marijuana establishments, not related to processing an application by a medical marijuana establishment, the Division will collect an assessment from each medical marijuana establishment for the time and effort attributed to the oversight of the medical marijuana establishment that is based upon the hourly rate established for each inspector or auditor of medical marijuana establishments as determined by the budget of the Division.

Sec. 50. A medical marijuana establishment shall post its medical marijuana establishment registration certificate, business license and any other authorization to conduct business in a conspicuous place within the medical marijuana establishment.

Sec. 51. A medical marijuana establishment shall not use:

1. A name or logo unless the name or logo has been approved by the Administrator of the Division; or

2. Any sign or advertisement unless the sign or advertisement has been approved by the Administrator of the Division.

Sec. 52. A medical marijuana establishment shall not sell a lot of usable marijuana, edible marijuana products or marijuana-infused products until all required quality assurance testing has been completed.

Sec. 53. 1. Except as otherwise provided in this section, the only persons who may be on the premises of a medical marijuana establishment are:

(a) A medical marijuana establishment agent;

(b) A patient who holds a valid registry identification card;

(c) The designated primary caregiver of a patient who holds a valid registry identification card; or

(d) A person inspecting the medical marijuana establishment pursuant to section 33 or 37 of this regulation.

2. Any person other than those authorized to be on the premises of a medical marijuana establishment pursuant to subsection 1 must obtain a visitor identification badge from a medical marijuana establishment agent before entering the premises of the medical marijuana establishment.

3. A person who obtains a visitor identification badge pursuant to subsection 2, including, without limitation, an outside vendor or contractor:

(a) Must be escorted and monitored by a medical marijuana establishment agent at all times he or she is on the premises of the medical marijuana establishment;

(b) Must visibly display his or her visitor identification badge at all times he or she is on the premises of the medical marijuana establishment; and

(c) Must return the visitor identification badge to a medical marijuana establishment agent upon leaving the premises of the medical marijuana establishment. 4. Each medical marijuana establishment shall maintain a visitor log which includes the name of the visitor and the date, time and purpose of each visit by a person other than those authorized to be on the premises of the medical marijuana establishment pursuant to subsection 1. The medical marijuana establishment shall make its visitor log available to the Division upon request.

5. Each regular, seasonal or temporary employee of or volunteer at a medical marijuana establishment must obtain a medical marijuana establishment agent registration card pursuant to the provisions of this chapter and chapter 453A of NRS and may not be authorized to be on the premises of the medical marijuana establishment by obtaining a visitor identification badge pursuant to the provisions of this section.

Sec. 54. A medical marijuana establishment shall:

- 1. Develop, document and implement policies and procedures regarding:
- (a) Job descriptions and employment contracts, including, without limitation:
  - (1) The duties, authority, responsibilities and qualifications of personnel;
  - (2) Supervision of personnel;
  - (3) Training in and adherence to confidentiality requirements;
  - (4) Periodic performance evaluations; and
  - (5) Disciplinary actions.

(b) Business records, such as manual or computerized records of assets and liabilities, monetary transactions, journals, ledgers and supporting documents, including, without limitation, agreements, checks, invoices and vouchers.

- (c) Inventory control, including, without limitation:
  - (1) Tracking;

(2) Packaging;

(3) Accepting marijuana from patients who hold valid registry identification cards and from their designated primary caregivers;

(4) Acquiring marijuana from other medical marijuana establishments; and

(5) Disposing of unusable marijuana.

(d) Records of patients who hold valid registry identification cards, including, without limitation, purchases, denials of sale, any delivery options, confidentiality and retention.

(e) Patient education and support, including, without limitation:

(1) The availability of different strains of marijuana and the purported effects of the different strains;

(2) Information about the purported effectiveness of various methods, forms and routes of administering medical marijuana; and

(3) Prohibition on the smoking of marijuana in public places, places open to the public and places exposed to public view.

2. Maintain copies of the policies and procedures developed pursuant to subsection 1 at the medical marijuana establishment and provide copies to the Division for review upon request.

Sec. 55. A medical marijuana establishment shall:

1. Ensure that each medical marijuana establishment agent has his or her medical marijuana establishment agent registration card in his or her immediate possession when the medical marijuana establishment agent:

(a) Is employed by or volunteering at the medical marijuana establishment; or

(b) Is transporting marijuana, edible marijuana products or marijuana-infused products for the medical marijuana establishment.

2. Not allow a person who does not possess a medical marijuana establishment agent registration card issued under the medical marijuana establishment registration certificate to:

(a) Serve as an officer or board member for the medical marijuana establishment;

(b) Be employed by or have a contract to provide services for the medical marijuana establishment; or

(c) Volunteer at or on behalf of the medical marijuana establishment.

3. Provide written notice to the Division, including the date of the event, within 10 working days after the date on which a medical marijuana establishment agent no longer:

(a) Serves as an officer or board member for the medical marijuana establishment;

(b) Is employed by or has a contract to provide services for the medical marijuana establishment; or

(c) Volunteers at or on behalf of the medical marijuana establishment.

4. Provide written notice to the Division, including the date of the event, within 10 days after the date on which an owner, officer or board member ceases to serve in that capacity at the medical marijuana establishment.

Sec. 56. Before a medical marijuana establishment agent dispenses medical marijuana to the holder of a valid registry identification card or the designated primary caretaker of such a person, the medical marijuana establishment agent shall:

1. Verify the identity of the holder of the registry identification card or the designated primary caregiver;

2. Offer any appropriate patient education or support materials;

3. Verify the validity of the registry identification card of the patient or the designated primary caretaker;

4. Verify that the amount of medical marijuana the patient or the designated primary caregiver is requesting would not cause the patient to exceed the limit on obtaining no more than 2 1/2 ounces of medical marijuana during any one 14-day period as set forth in NRS 453A.200 or the limit on obtaining edible marijuana products and marijuana-infused products set forth in section 130 of this regulation; and

5. Enter the following information into the electronic verification system:

(a) The name and number of the registry identification card of the patient or the name of the designated primary caregiver of the patient;

(b) The amount of medical marijuana dispensed;

(c) Whether the medical marijuana was dispensed to the patient or to the designated primary caregiver of the patient;

(d) The date and time at which the medical marijuana was dispensed;

(e) The number of the medical marijuana establishment agent registration card of the medical marijuana establishment agent; and

(f) The number of the medical marijuana establishment registration certificate of the medical marijuana establishment.

Sec. 57. 1. Each medical marijuana establishment shall designate in writing a medical marijuana establishment agent who has oversight of the inventory control system of the medical marijuana establishment.

2. A medical marijuana establishment shall only acquire marijuana, edible marijuana products or marijuana-infused products from:

(a) Another medical marijuana establishment, including, without limitation, a cultivation facility and a facility for the production of edible marijuana products or marijuana-infused products, except that a medical marijuana dispensary may not purchase marijuana from another medical marijuana dispensary; or

(b) A person who holds a valid registry identification card or his or her designated primary caregiver in the manner set forth in subsection 5 of NRS 453A.352.

3. Each medical marijuana establishment shall establish and implement an inventory control system that documents:

(a) Each day's beginning inventory, acquisitions, harvests, sales, disbursements, disposal of unusable marijuana and ending inventory.

(b) When acquiring medical marijuana from a person who holds a valid registry identification card or his or her designated primary caregiver:

(1) A description of the medical marijuana acquired, including the amount and strain as specified by the cardholder or caregiver, if known;

(2) The name and number of the valid registry identification card of the person who provided the medical marijuana or, if provided by a designated primary caregiver, his or her name;

(3) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent receiving the medical marijuana on behalf of the medical marijuana dispensary; and

(4) The date of acquisition.

(c) When acquiring medical marijuana from another medical marijuana establishment:

(1) A description of the medical marijuana acquired, including the amount, strain and batch number;

(2) The name and identification number of the medical marijuana establishment registration certificate of the medical marijuana establishment providing the medical marijuana;

(3) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent providing the medical marijuana;

(4) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent receiving the medical marijuana on behalf of the medical marijuana establishment; and

(5) The date of acquisition.

(d) For each batch of marijuana cultivated:

(1) The batch number.

(2) Whether the batch originated from marijuana seeds or marijuana cuttings.

(3) The strain of the marijuana seeds or marijuana cuttings planted.

(4) The number of marijuana seeds or marijuana cuttings planted.

(5) The date on which the marijuana seeds or cuttings were planted.

(6) A list of all chemical additives used in the cultivation, including, without limitation, nonorganic pesticides, herbicides and fertilizers.

(7) The number of marijuana plants grown to maturity.

(8) Harvest information, including, without limitation:

(I) The date of harvest;

(II) The final yield weight of processed usable marijuana; and

(III) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent responsible for the harvest.

(9) The disposal of marijuana that is not usable marijuana, including:

(1) A description of and reason for the marijuana being disposed of, including, if applicable, the number of failed or other unusable marijuana plants;

(II) The date of disposal;

(III) Confirmation that the marijuana was rendered unusable before disposal;

*(IV)* The method of disposal; and

(V) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent responsible for the disposal.

(e) When providing medical marijuana to another medical marijuana establishment:

(1) The amount, strain and batch number of medical marijuana provided to the medical marijuana establishment;

(2) The name and medical marijuana establishment registration certificate number of the other medical marijuana establishment;

(3) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent who received the medical marijuana on behalf of the other medical marijuana establishment; and

(4) The date on which the medical marijuana was provided to the medical marijuana establishment.

*(f) When receiving edible marijuana products from another medical marijuana establishment:* 

(1) A description of the edible marijuana products received from the medical marijuana establishment, including the total weight of each edible marijuana product and the estimated amount and batch number of the marijuana in each edible marijuana product.

(2) The total estimated amount and batch number of marijuana in the edible marijuana products.

(3) The name and:

(I) Medical marijuana establishment registration certificate number of the medical marijuana establishment providing the edible marijuana products to the receiving medical marijuana establishment;

(II) Medical marijuana establishment agent registration card number of the medical marijuana establishment agent providing the edible marijuana products to the receiving medical marijuana establishment; and

(III) Medical marijuana establishment agent registration card number of the medical marijuana establishment agent receiving the edible marijuana products on behalf of the receiving medical marijuana establishment.

(4) The date on which the edible marijuana products were provided to the medical marijuana establishment.

(g) When receiving marijuana-infused products from another medical marijuana establishment:

(1) A description of the marijuana-infused products received from the medical marijuana establishment, including the total weight of each marijuana-infused product and the estimated amount and batch number of the marijuana infused in each marijuana-infused product. (2) The total estimated amount and batch number of marijuana infused in the marijuana-infused products.

(3) The name and:

(I) Medical marijuana establishment registration certificate number of the medical marijuana establishment providing the marijuana-infused products to the receiving medical marijuana establishment;

(II) Medical marijuana establishment agent registration card number of the medical marijuana establishment agent providing the marijuana-infused products to the receiving medical marijuana establishment; and

(III) Medical marijuana establishment agent registration card number of the medical marijuana establishment agent receiving the marijuana-infused products on behalf of the receiving medical marijuana establishment.

(4) The date on which the marijuana-infused products were provided to the medical marijuana establishment.

4. Each medical marijuana establishment shall:

(a) Establish and maintain a perpetual inventory system which adequately documents the flow of materials through the manufacturing process;

(b) Establish procedures which reconcile the raw material used to the finished product on the basis of each job. Significant variances must be documented, investigated by management personnel and immediately reported to the Division and to the medical marijuana establishment that ordered the edible marijuana product or marijuana-infused product; and

(c) Provide for quarterly physical inventory counts to be performed by persons independent of the manufacturing process which are reconciled to the perpetual inventory records. Significant variances are to be documented, investigated by management personnel and immediately reported to the Division.

5. If a medical marijuana establishment identifies a reduction in the amount of medical marijuana in the inventory of the medical marijuana establishment not due to documented causes, the medical marijuana establishment shall determine where the loss has occurred and take and document corrective action. If the reduction in the amount of medical marijuana in the inventory of the medical marijuana establishment is due to suspected criminal activity by a medical marijuana establishment agent, the medical marijuana establishment shall report the medical marijuana establishment agent to the Division and to the appropriate law enforcement agencies.

6. A medical marijuana establishment shall:

(a) Maintain the documentation required in subsections 3, 4 and 5 at the medical marijuana establishment for at least 5 years after the date on the document; and

(b) Provide the documentation required in subsections 3, 4 and 5 to the Division for review upon request.

Sec. 58. 1. A medical marijuana establishment agent authorized by the medical marijuana establishment for which he or she is employed or volunteers may transport marijuana, paraphernalia, edible marijuana products and marijuana-infused products between the medical marijuana establishment and:

(a) Another medical marijuana establishment; and

(b) A person who holds a valid registry identification card or his or her designated primary caregiver.

2. Not more than 10 ounces of marijuana, edible marijuana products or marijuanainfused products, or any combination thereof, may be transported at any one time from a medical marijuana establishment to persons who hold valid registry identification cards or their designated primary caregivers.

3. When transporting marijuana, paraphernalia, edible marijuana products or marijuana-infused products to a person who holds a valid registry identification card or his or her designated caregiver pursuant to subsection 1, a medical marijuana establishment agent must:

(a) Before transportation, confirm verbally with the patient or designated primary caregiver by telephone that the patient or designated primary caregiver ordered the marijuana, paraphernalia, edible marijuana products or marijuana-infused products and verify the identity of the patient;

(b) Enter the details of the confirmation obtained pursuant to paragraph (a) in a log which must be available for inspection by the appropriate law enforcement agency; and

(c) Secure a signature from the patient or designated primary caregiver when the items are delivered and may only leave the items with the patient or designated primary caregiver.

4. Before transporting marijuana, paraphernalia, edible marijuana products or marijuana-infused products pursuant to subsection 1, a medical marijuana establishment agent must:

(a) Complete a trip plan that includes, without limitation:

(1) The name of the medical marijuana establishment agent in charge of the transportation;

(2) The date and start time of the trip;

(3) A description of the marijuana, paraphernalia, edible marijuana products and marijuana-infused products being transported; and

(4) The anticipated route of transportation.

(b) Provide a copy of the trip plan completed pursuant to paragraph (a) to the medical marijuana establishment for which he or she is providing the transportation.

5. During the transportation of marijuana, paraphernalia, edible marijuana products or marijuana-infused products pursuant to subsection 1, the medical marijuana establishment agent must:

(a) Carry a copy of the trip plan completed pursuant to paragraph (a) of subsection 4 with him or her for the duration of the trip;

(b) Have his or her medical marijuana establishment agent registration card in his or her immediate possession;

(c) Use a vehicle without any identification relating to marijuana and which is equipped with a secure lockbox or locking cargo area which must be used for the sanitary and secure transportation of marijuana, paraphernalia, edible marijuana products or marijuana-infused products;

(d) Have a means of communicating with the medical marijuana establishment for which he or she is providing the transportation; and

(e) Ensure that all marijuana, paraphernalia, edible marijuana products or marijuanainfused products are not visible.

6. After transporting marijuana, paraphernalia, edible marijuana products or marijuanainfused products pursuant to subsection 1, a medical marijuana establishment agent must enter the end time of the trip and any changes to the trip plan that was completed pursuant to paragraph (a) of subsection 4.

7. Each medical marijuana establishment agent transporting marijuana, paraphernalia, edible marijuana products or marijuana-infused products pursuant to subsection 1, must:

(a) Report any vehicle accident that occurs during the transportation to a person designated by the medical marijuana establishment to receive such reports within 2 hours after the accident occurs; and

(b) Report any loss or theft of marijuana, paraphernalia, edible marijuana products or marijuana-infused products that occurs during the transportation to a person designated by the medical marijuana establishment to receive such reports immediately after the medical marijuana establishment agent becomes aware of the loss or theft. A medical marijuana establishment that receives a report of loss or theft pursuant to this paragraph must immediately report the loss or theft to the appropriate law enforcement agency and to the Division as required by section 59 of this regulation.

8. A medical marijuana establishment shall:

(a) Maintain the documents required in paragraph (a) of subsection 4 and subsections 6 and 7; and

(b) Provide a copy of the documents required in paragraph (a) of subsection 4 and subsections 6 and 7 to the Division for review upon request.

9. Each medical marijuana establishment shall maintain a log of all reports received pursuant to subsection 7.

Sec. 59. A medical marijuana establishment shall:

1. Document and report any loss or theft of medical marijuana from the medical marijuana establishment to the appropriate law enforcement agency and to the Division; and

2. Maintain copies of any documentation required pursuant to this chapter and chapter 453A of NRS for at least 5 years after the date on the documentation and provide copies of the documentation to the Division for review upon request.

Sec. 60. To prevent unauthorized access to medical marijuana at a medical marijuana establishment, the medical marijuana establishment must have:

1. Security equipment to deter and prevent unauthorized entrance into limited access areas that includes, without limitation:

(a) Devices or a series of devices to detect unauthorized intrusion, which may include a signal system interconnected with a radio frequency method, such as cellular or private radio signals, or other mechanical or electronic device;

(b) Exterior lighting to facilitate surveillance;

(c) Electronic monitoring, including, without limitation:

(1) At least one call-up monitor that is 19 inches or more;

(2) A video printer capable of immediately producing a clear still photo from any video camera image;

(3) Video cameras with a recording resolution of at least 704 x 480 or the equivalent which provide coverage of all entrances to and exits from limited access areas and all entrances to and exits from the building and which are capable of identifying any activity occurring in or adjacent to the building;

(4) A video camera at each point-of-sale location which allows for the identification of any person who holds a valid registry identification card or his or her designated primary caregiver purchasing medical marijuana;

(5) A video camera in each grow room which is capable of identifying any activity occurring within the grow room in low light conditions;

(6) A method for storing video recordings from the video cameras for at least 30 calendar days;

(7) A failure notification system that provides an audible and visual notification of any failure in the electronic monitoring system; and

(8) Sufficient battery backup for video cameras and recording equipment to support at least 5 minutes of recording in the event of a power outage; and

(d) Immediate automatic or electronic notification to alert local law enforcement agencies of an unauthorized breach of security at the medical marijuana establishment in the interior of each building of the medical marijuana establishment.

2. Policies and procedures:

(a) That restrict access to the areas of the medical marijuana establishment that contain medical marijuana to persons authorized to be in those areas only;

(b) That provide for the identification of persons authorized to be in the areas of the establishment that contain medical marijuana;

(c) That prevent loitering;

(d) For conducting electronic monitoring; and

(e) For the use of the automatic or electronic notification to alert local law enforcement agencies of an unauthorized breach of security at the medical marijuana establishment.

Sec. 61. 1. Each medical marijuana establishment must ensure that each medical marijuana establishment agent who is employed by or volunteers at the medical marijuana establishment:

(a) Cleans his or her hands and exposed portions of his or her arms in a hand-washing sink:

(1) Before preparing edible marijuana products or marijuana-infused products, including, without limitation, working with ingredients, equipment or utensils;

(2) During preparation, as often as necessary to remove soil and contamination and to prevent cross-contamination when changing tasks;

(3) After handling soiled equipment or utensils;

(4) After touching bare human body parts other than his or her clean hands and exposed portions of arms; and

(5) After using the toilet facilities.

(b) If working directly in the preparation of edible marijuana products or marijuanainfused products:

(1) Keeps his or her fingernails trimmed, filed and maintained so that the edges and surfaces are cleanable; and

(2) Unless wearing intact gloves in good repair, does not have fingernail polish or artificial fingernails on his or her fingernails.

(c) Wears clean clothing appropriate to the tasks assigned to him or her.

2. If the person designated by a medical marijuana establishment to address health conditions at the medical marijuana establishment determines that a medical marijuana establishment agent who is employed by or volunteers at the medical marijuana establishment
has a health condition that may adversely affect the safety or quality of the edible marijuana products or marijuana-infused products at the medical marijuana establishment, that medical marijuana establishment agent is prohibited from having direct contact with any marijuana or equipment or materials for processing edible marijuana products or marijuana-infused products until the designated person determines that the health condition of the medical marijuana establishment agent will not adversely affect the edible marijuana products or marijuana-infused products.

- Sec. 62. 1. A building used as a medical marijuana establishment must have:
- (a) At least one toilet facility which must contain:
  - (1) A flushable toilet;
  - (2) Mounted toilet tissue;
  - (3) A sink with running water;
  - (4) Soap contained in a dispenser; and

(5) Disposable, single-use paper towels in a mounted dispenser or a mechanical air hand dryer.

(b) At least one hand-washing sink not located in a toilet facility.

(c) Designated storage areas for edible marijuana products or marijuana-infused products or materials used in direct contact with such products separate from storage areas for toxic or flammable materials.

(d) If preparation or packaging of edible marijuana products or marijuana-infused products is done in the building, a designated area for the preparation or packaging that:

(1) Includes work space that can be sanitized; and

(2) Is only used for the preparation or packaging of edible marijuana products or marijuana-infused products.

2. For any commercial weighing and measuring equipment used at a medical marijuana establishment, the medical marijuana establishment must:

(a) Ensure that the commercial device is licensed pursuant to chapter 581 of NRS;

(b) Maintain documentation of the license of the commercial device; and

(c) Provide a copy of the license of the commercial device to the Division for review upon request.

Sec. 63. 1. A medical marijuana establishment that prepares, sells or dispenses edible marijuana products must:

(a) Before preparing, selling or dispensing an edible marijuana product obtain written authorization from the Division to prepare, sell or dispense edible marijuana products;

(b) If the medical marijuana establishment prepares edible marijuana products, ensure that the edible marijuana products are prepared according to the applicable requirements set forth in NRS 453A.360 and the operating procedures included in its application pursuant to subparagraph (4) of paragraph (a) of subsection 3 of NRS 453A.322;

(c) If the edible marijuana products are not prepared at the medical marijuana establishment, obtain and maintain at the medical marijuana establishment a copy of the current written authorization to prepare edible marijuana products from the medical marijuana establishment that prepares the edible marijuana products; and

(d) If the medical marijuana establishment sells or dispenses edible marijuana products, ensure that the edible marijuana products are sold or dispensed according to the applicable requirements set forth in NRS 453A.360. 2. A medical marijuana establishment is responsible for the content and quality of any edible marijuana product sold or dispensed by the medical marijuana establishment.

3. A facility for the production of edible marijuana products is not subject to the provisions of chapter 446 of NRS or chapter 446 of NAC.

Sec. 64. A medical marijuana establishment is responsible to the State or a local governmental entity for all costs incurred by the State or local governmental entity in cleaning up, mitigating or remedying any environmental damage caused by the medical marijuana establishment.

Sec. 65. A medical marijuana establishment may not treat or otherwise adulterate usable marijuana with any organic or nonorganic chemical or other compound whatsoever to alter the color, appearance, weight or smell of the usable marijuana.

Sec. 66. Each medical marijuana dispensary shall:

1. Ensure that the medical marijuana dispensary is operating and available to dispense or sell marijuana, edible marijuana products or marijuana-infused products to patients who hold valid registry identification cards or to the designated primary caregivers of such patients during, and only during, the designated hours of operation of the medical marijuana dispensary as provided to the Division pursuant to paragraph (i) of subsection 2 of section 26 of this regulation and the hours authorized by the local government in which the medical marijuana marijuana dispensary is located; and

2. Post, in a place that can be viewed by persons entering the medical marijuana dispensary, the hours of operation during which the medical marijuana dispensary will dispense or sell marijuana, edible marijuana products or marijuana-infused products to

patients who hold valid registry identification cards or to the designated primary caregivers of such patients.

Sec. 67. 1. Each medical marijuana dispensary shall ensure that:

(a) A patient record is established and maintained for each holder of a valid registry identification card who obtains marijuana, edible marijuana products or marijuana-infused products from the medical marijuana dispensary;

(b) An entry in a patient record:

(1) Is recorded only by a medical marijuana establishment agent who is authorized by the policies and procedures of the medical marijuana dispensary to make an entry;

(2) Is dated and signed by the medical marijuana establishment agent who is recording the entry;

(3) Includes the number of the medical marijuana establishment agent registration card of the medical marijuana establishment agent who is recording the entry; and

(4) Is not changed to make the initial entry illegible;

(c) If an electronic signature is used to sign an entry, the medical marijuana establishment agent whose signature the electronic code represents is accountable for the use of the electronic signature;

(d) A patient record is only accessed by a medical marijuana establishment agent authorized by the policies and procedures of the medical marijuana dispensary to access the patient record;

(e) A patient record is provided to the Division for review upon request.;

(f) A patient record is protected from loss, damage or unauthorized use; and

(g) A patient record is maintained for at least 5 years after the date on which the patient or his or her designated primary caregiver last requested marijuana, edible marijuana products or marijuana-infused products from the medical marijuana dispensary.

2. If a medical marijuana dispensary maintains patient records electronically, the medical marijuana dispensary shall ensure that:

(a) There are safeguards to prevent unauthorized access; and

*(b) The date and time of an entry in a patient record is recorded electronically by an internal clock.* 

3. A medical marijuana dispensary shall ensure that the patient record for a holder of a valid registry identification card who requests or whose designated primary caregiver on behalf of the holder of the valid registry identification card requests marijuana, edible marijuana products or marijuana-infused products from the medical marijuana dispensary contains:

(a) Patient information that includes:

(1) The name of the patient;

- (2) The date of birth of the patient; and
- (3) The name of the designated primary caregiver of the patient, if applicable;

(b) Documentation of any patient education and support materials provided to the patient or the designated primary caregiver of the patient, including, without limitation, a description of the materials and the date on which the materials were provided; and

(c) For each time the patient requests and does not obtain marijuana, edible marijuana products or marijuana-infused products from the medical marijuana dispensary or, if applicable, the designated primary caregiver requests on behalf of the patient and does not obtain marijuana, edible marijuana products or marijuana-infused products from the medical marijuana dispensary, the following:

(1) The date;

(2) The name and number of the registry identification card of the patient who requested the marijuana, edible marijuana products or marijuana-infused products; and

(3) The reason the marijuana, edible marijuana products or marijuana-infused products was not provided.

Sec. 68. Each medical marijuana dispensary which recognizes a nonresident card pursuant to NRS 453A.364 shall, in addition to the requirements of section 67 of this regulation, enter the information it obtains concerning the nonresident card pursuant to NRS 453A.364 in the electronic verification system.

Sec. 69. 1. A medical marijuana dispensary must store all usable marijuana, edible marijuana products and marijuana-infused products behind a counter or other barrier to ensure a customer does not have direct access to the marijuana, edible marijuana products or marijuana-infused products.

2. Upon the request of a customer, a medical marijuana dispensary must disclose the name of the independent testing laboratory which performed the required quality assurance tests for the medical marijuana establishment.

Sec. 70. A cultivation facility or facility for the production of edible marijuana products or marijuana-infused products shall not label usable marijuana, edible marijuana products or marijuana-infused products as "organic" unless the marijuana plants used are produced, processed and certified in a manner that is consistent with the national organic standards established by the United States Department of Agriculture in accordance with the Organic Foods Production Act of 1990.

Sec. 71. 1. A cultivation facility must disclose in writing with each lot of usable marijuana provided to a medical marijuana dispensary:

(a) All soil amendments, fertilizers and other crop production aids applied to the growing medium or marijuana plant included in the lot; and

(b) The name of the independent testing laboratory which performed the required quality assurance tests and the results of the required quality assurance tests for the lot.

2. A cultivation facility may provide a medical marijuana dispensary free samples of usable marijuana packaged in a sample jar protected by a plastic or metal mesh screen to allow customers to smell the product before purchase. A sample jar may not contain more than 3 1/2 grams of usable marijuana. The sample jar and the usable marijuana within may not be sold to a customer and must be either returned to the cultivation facility which provided the usable marijuana and sample jar or destroyed by the medical marijuana dispensary after use and documented by the medical marijuana dispensary using its inventory control system pursuant to NRS 453A.356 and section 57 of this regulation.

Sec. 72. 1. Except as otherwise provided in subsection 2, a cultivation facility must ensure that access to the enclosed, locked facility where marijuana is cultivated is limited to the officers, board members and authorized medical marijuana establishment agents of the cultivation facility.

2. Each cultivation facility shall ensure that an authorized medical marijuana establishment agent accompanies any person other than another medical marijuana establishment agent associated with the medical marijuana establishment when the person is present in the enclosed, locked facility where marijuana is cultivated or produced by the cultivation facility.

3. Each cultivation facility shall ensure that any marijuana growing at the cultivation facility:

(a) Cannot be observed from outside the cultivation facility; and

(b) Does not emit an odor that is detectable from outside the cultivation facility.

Sec. 73. 1. Any product containing marijuana must be packaged in child-resistant packaging in accordance with 16 C.F.R. § 1700 or the standards specified in subsection 2 or 3.

2. Except as otherwise provided in subsection 3, marijuana-infused products in solid or liquid form must be packaged in plastic which is 4 millimeters or more in thickness and must be heat-sealed without an easy-open tab, dimple, corner or flap so that it is difficult for a child to open and as a tamperproof measure.

3. Marijuana-infused products in liquid form may be sealed using a metal crown corkstyle bottle cap.

4. Any container or packaging containing usable marijuana, edible marijuana products or marijuana-infused products must protect the contents from contamination and must not impart any toxic or deleterious substance to the usable marijuana or marijuana product.

Sec. 74. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall:

1. Use for labeling all marijuana, edible marijuana products and marijuana-infused products the standard label described in sections 76 to 79, inclusive, of this regulation;

2. Exercise strict control over labeling materials issued for use in labeling operations for marijuana, edible marijuana products and marijuana-infused products;

3. Carefully examine labeling materials issued for a batch for identity and conformity to the labeling specified in the applicable production or control records; and

4. Have and follow written procedures describing in sufficient detail the control procedures employed for the issuance of labeling.

Sec. 75. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall:

1. Examine packaged and labeled products during finishing operations to provide assurance that the containers and packages have the correct labels;

2. Collect a representative sample of units at the completion of finishing operations and ensure that the samples are visually examined for correct labeling; and

3. Record the results of the examinations performed pursuant to subsections 1 and 2 in the applicable production or control records.

Sec. 76. 1. Any medical marijuana establishment that packages marijuana, edible marijuana products or marijuana-infused products must individually package, label and seal the marijuana or marijuana products in unit sizes such that no single unit contains more than a 2 1/2 ounce supply of marijuana.

2. For marijuana, edible marijuana products or marijuana-infused products that are intended to be dispensed or sold to a holder of a valid registry identification card or his or her designated primary caregiver:

(a) The text used on all labeling must be printed in at least 10-point font and may not be in italics; and

(b) Each label must be at least 2 3/4 inches high by 4 inches wide.

Sec. 77. 1. A cultivation facility or facility for the production of edible marijuana products or marijuana-infused products shall label all marijuana, edible marijuana products and marijuana-infused products before it sells the marijuana or marijuana products to a medical marijuana dispensary and shall securely affix to the package a label that includes, without limitation, in legible English:

(a) The name of the medical marijuana establishment and its medical marijuana establishment registration certificate number;

- (b) The lot number;
- (c) The date of harvest;
- (d) The date of final testing;
- (e) The date on which the product was packaged;

(f) The cannabinoid profile and potency levels and terpinoid profile as determined by the independent testing laboratory;

(g) If the product is perishable, the expiration date; and

(h) The quantity of marijuana being sold.

2. The label required by subsection 1 for a container or package containing usable marijuana, edible marijuana products or marijuana-infused products sold by a cultivation facility or facility for the production of edible marijuana products or marijuana-infused products must be in substantially the following form:

JT'S NURSERY		
Certificate Number: 123 456 789 001 0001		
Lot Number:		
1234		
Harvested on:		
01/01/2013		
Final Testing Date: 01/15/2013		
Packaged on: 01/17/2013		
Best if used by: March 17, 2013		
16.7% THC 1.5% CBD 0.3% CBN		
Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene 3.5 mg/g		
Net Weight: 2 lbs.		

**Sec. 78.** 1. A medical marijuana dispensary must affix to each container or package containing usable marijuana sold at retail a label which must include, without limitation:

(a) The business or trade name and the medical marijuana establishment registration certificate number of the cultivation facility that cultivated and sold the usable marijuana.

(b) The lot number.

(c) The date and quantity dispensed, including the net weight measured in ounces and grams or by volume, as appropriate.

(d) The name and registry identification card number of the patient and, if applicable, the name of his or her designated primary caregiver.

(e) The name and address of the medical marijuana dispensary.

(f) The cannabinoid profile and potency levels and terpinoid profile as determined by the independent testing laboratory.

(g) A warning that states: "This product may have intoxicating effects and may be habit forming."

(h) The statement: "This product may be unlawful outside of the State of Nevada."

- (i) The date on which the marijuana was harvested.
- 2. The label required by subsection 1 for a container or package containing usable

marijuana sold at retail must be in substantially the following form:

Joe's Plant Emporium Lot#: 1234 Cert.#: 123 456 789 001 0001 Harvested: 01/01/2013 Dispensed to: John J. Smith #1234987 on 11/27/2013 by We Care Dispensary 123 Main Street, Carson City, NV 89701 WARNING:

This product may have intoxicating effects and may be habit forming.

 16.7% THC
 1.5% CBD
 0.3% CBN

 Myrcene 5.6 mg/g
 Limonene 5.1 mg/g
 Valencene 3.5 mg/g

Net Weight: .25 ounces (7 grams)

This product may be unlawful outside the State of Nevada.

3. A medical marijuana dispensary must provide with all usable marijuana sold at retail accompanying material that discloses any pesticides applied to the marijuana plants and growing medium during production and processing and contains the following warnings:

(a) "Warning: This product may have intoxicating effects and may be habit forming. Smoking is hazardous to your health."

(b) "There may be health risks associated with consumption of this product."

(c) "Should not be used by women who are pregnant or breast feeding."

(d) "For use only by the person named on the label of the dispensed product. Keep out of the reach of children."

(e) "Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug."

4. The text used on all accompanying material must be printed in at least 12-point font and may not be in italics.

Sec. 79. 1. A medical marijuana dispensary must affix to each container or package containing edible marijuana products or marijuana-infused products sold at retail a label which must include, without limitation:

(a) The business or trade name and the medical marijuana establishment registration certificate number of the facility for the production of edible marijuana products or marijuana-infused products that manufactured and sold the product.

(b) The lot numbers of all marijuana used to create the product.

(c) The batch number of the product.

(d) The date and quantity dispensed, including the net weight in ounces and grams or by volume, as appropriate.

(e) The name and registry identification card number of the patient and, if applicable, the name of his or her designated caregiver.

(f) The name and address of the medical marijuana dispensary.

(g) The date on which the product was manufactured.

(h) If the product is perishable, a suggested use-by date.

*(i) The total milligrams of active cannabinoids and terpinoids in the product, as provided by the independent testing laboratory that tested the product.* 

(j) A list of all ingredients and all major food allergens as identified in 21 U.S.C. §§ 343.

(k) A warning that states: "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by 2 or more hours."

(1) If a marijuana extract was added to the product, a disclosure of the type of extraction process and any solvent, gas or other chemical used in the extraction process, or any other compound added to the extract.

(m) A warning that states: "This product may have intoxicating effects and may be habit forming."

(n) A statement that: "This product may be unlawful outside of the State of Nevada."

2. The front and back of the label required by subsection 1 for a container or package containing edible marijuana products or marijuana-infused products sold at retail must be in substantially the following form:

We Care Dispensary, 123 Main Street, Carson City, NV 89701

**Date Dispensed:** 3/27/2014 **To:** John J. Smith #1234987

Cookie Net Weight: 6oz (168 Grams) Serving Size: 10mg of THC Contains 10 servings and a total of 100 MG of THC Use by: 6/3/2014 Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene 3.5 mg/g

**CAUTION:** When eaten or swallowed the intoxicating effects of this product can be delayed 2 or more hours.

This product may be unlawful outside the State of Nevada.

## Manufactured at: Joe's Kitchen Cert.#: 321654987101 0401 123 Main Street, Las Vegas, NV on 2/1/14

Lot#: 1234 Batch #5463

**INGREDIENTS:** Flour, Butter, Canola Oil, Sugar, Chocolate, Marijuana, Strawberries

CONTAINS ALLERGENS: Milk, Wheat

Contains marijuana extract processed with butane.

**WARNING:** This product may have intoxicating effects and may be habit forming.

3. A medical marijuana dispensary must provide with all edible marijuana products and marijuana-infused products sold at retail accompanying material that discloses any pesticides applied to the marijuana plants and growing medium during production of the marijuana used to create the extract added to the edible marijuana products or marijuana-infused products and the type of extraction method used, including, without limitation, any solvents, gases or other chemicals or compounds used to produce or that are added to the extract, and contains the following warnings:

(a) "There may be health risks associated with consumption of this product."

(b) "This product contains or is infused with marijuana or active compounds of marijuana."

(c) "Should not be used by women who are pregnant or breast feeding."

(d) "For use only by the person named on the label of the dispensed product. Keep out of the reach of children."

(e) "Products containing marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug." (f) "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by 2 or more hours."

4. The text used on all accompanying material must be printed in at least 12-point font and may not be in italics.

**Sec. 80.** As used in sections 80 to 101, inclusive, of this regulation, unless the context otherwise requires:

1. "Potentially hazardous marijuana products and ingredients" means an edible item that is natural or synthetic and that requires temperature control because it is in a form capable of supporting:

(a) The rapid and progressive growth of infectious or toxigenic microorganisms;

(b) The growth and toxin production of <u>Clostridium botulinum</u>; or

(c) In raw shell eggs, the growth of <u>Salmonella Enteritidis</u>.

2. The term "potentially hazardous marijuana products and ingredients" includes, without limitation:

(a) An animal item that is raw or heat-treated;

(b) An item of plant origin that is heat-treated or consists of raw seed sprouts;

(c) Cut melons and tomatoes; and

(d) Garlic-in-oil mixtures that are not modified in a way that results in mixtures which prohibit growth.

3. The term "potentially hazardous marijuana products and ingredients" does not include:

(a) An ingredient with a value of water activity of 0.85 or less;

(b) An ingredient with a pH level of 4.6 or below when measured at 75°F (24°C); or

(c) An ingredient, in a hermetically sealed and unopened container, that is commercially processed to achieve and maintain commercial sterility under conditions of nonrefrigerated storage and distribution.

Sec. 81. Based on the risks inherent to the operation of a facility for the production of edible marijuana products or marijuana-infused products, the persons responsible for managing each such facility shall demonstrate to the Division knowledge of disease prevention, and the requirements of this chapter and chapter 453A of NRS by:

1. Complying with the provisions of this chapter and chapter 453A of NRS and having no violations of a critical nature during inspections.

2. Attending appropriate courses and training and implementing an appropriate training program for all medical marijuana establishment agents engaged in the production of edible marijuana products or marijuana-infused products at the facility.

3. Responding correctly to the questions of an inspector of medical marijuana establishments regarding:

(a) The relationship between the prevention of disease and the personal hygiene of a medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products.

(b) The prevention of the transmission of disease by a medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products who has a disease or medical condition that may transmit disease.

(c) The symptoms associated with the diseases that are transmissible through marijuana products and ingredients.

(d) The significance of the relationship between maintaining the temperature for a certain amount of time for potentially hazardous marijuana products and ingredients and the prevention of illness transmission.

(e) The hazards involved in the consumption of raw or undercooked meat, poultry and eggs.

(f) The required temperatures and times for safe cooking of potentially hazardous marijuana products and ingredients, including, without limitation, meat, poultry and eggs.

(g) The required temperatures and times for the safe refrigerated storage, hot holding, cooling and reheating of potentially hazardous marijuana products and ingredients.

(h) The relationship between the prevention of illness transmission and the management and control of:

(1) Cross contamination;

(2) Hand contact with finished marijuana products and ingredients;

(3) Hand washing; and

(4) Maintaining the establishment in a clean condition and in good repair.

(i) The correct procedures for cleaning and sanitizing utensils and the surfaces of equipment that have direct contact with marijuana products and ingredients.

(j) The identification of poisonous or toxic materials in the facility and the procedures necessary to ensure that those materials are safely stored, dispensed, used and disposed of according to applicable state and federal laws and regulations.

Sec. 82. Each medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products shall keep his or her hands and the exposed portions of his or her arms clean. Sec. 83. 1. Each medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products shall, when required pursuant to section 84 of this regulation, clean his or her hands and the exposed portions of his or her arms for at least 20 seconds, using a cleaning compound in a hand-washing sink that is appropriately equipped

2. Each medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products shall use the following cleaning procedure in the order stated to clean his or her hands and the exposed portions of his or her arms, including, without limitation, surrogate prosthetic devices for hands and arms:

(a) Rinse under clean, running warm water.

*(b)* Apply an amount of cleaning compound recommended by the manufacturer of the cleaning compound.

(c) Rub together vigorously for at least 15 seconds while:

(1) Paying particular attention to removing soil from underneath the fingernails during the cleaning procedure; and

(2) Creating friction on the surfaces of the hands and arms, fingertips and areas between the fingers.

(d) Thoroughly rinse under clean, running warm water.

(e) Immediately follow the cleaning procedure with thorough drying.

Sec. 84. Each medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products shall clean his or her hands and exposed portions of his or her arms in the manner set forth in section 83 of this regulation: 1. Immediately before engaging in preparation for the production of edible marijuana products or marijuana-infused products, including, without limitation, working with exposed marijuana products, clean equipment and utensils and unwrapped single-service and singleuse articles;

2. After touching bare human body parts other than clean hands and exposed portions of arms, including, without limitation, surrogate prosthetic devices for hands and arms;

3. After using the toilet room;

4. After coughing, sneezing, using a handkerchief or disposable tissue, using tobacco, eating or drinking;

5. After handling soiled equipment or utensils;

6. During preparation for the production of edible marijuana products or marijuanainfused products, as often as necessary to remove soil and contamination and to prevent crosscontamination when changing tasks;

7. When switching between working with raw marijuana products and working with finished edible marijuana products or marijuana-infused products;

8. Before donning gloves for working with marijuana products; and

9. After engaging in other activities that contaminate the hands.

Sec. 85. 1. A medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products shall not have contact with exposed, finished marijuana products with his or her bare hands and shall use suitable utensils, including, without limitation, deli tissue, spatulas, tongs, single-use gloves or dispensing equipment when handling exposed, finished edible marijuana products or marijuana-infused products. 2. A medical marijuana establishment agent engaged in the production of edible marijuana products or marijuana-infused products shall minimize bare hand and arm contact with exposed marijuana products that are not in a finished form.

Sec. 86. 1. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that it obtains non-marijuana ingredients for edible marijuana products or marijuana-infused products from sources that comply with the requirements of federal and state law and regulations and are approved by the Division, including, without limitation, commercial and retail businesses.

2. A facility for the production of edible marijuana products or marijuana-infused products shall not use or prepare non-marijuana ingredients prepared or stored in a private home.

Sec. 87. 1. Except as otherwise provided in subsection 2, each facility for the production of edible marijuana products or marijuana-infused products shall ensure that marijuana products and ingredients are protected from cross-contamination by:

(a) Separating raw animal ingredients during storage, preparation, holding and display from raw marijuana products, or other raw finished ingredients such as fruits and vegetables, and from cooked or baked and finished edible marijuana products or marijuana-infused products.

(b) Except when combined as ingredients, separating types of raw animal ingredients from each, including, without limitation, meat, poultry and eggs, during storage, preparation, holding and display by preparing each type of raw animal ingredient at a different time or in a different area and:

(1) Using separate equipment for each type of raw animal ingredient; or

(2) Arranging each type of raw animal ingredient in equipment so that crosscontamination of one type of raw animal ingredient with another is prevented.

(c) Preparing each type of raw animal ingredient at different times or in separate areas.

2. The provisions of this section do not apply to items stored frozen in a freezer.

Sec. 88. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that:

1. Pasteurized eggs or egg products are substituted for raw eggs in the preparation of edible marijuana products or marijuana-infused products.

2. Marijuana products and ingredients only have contact with the surfaces of:

- (a) Equipment and utensils that are cleaned and sanitized; or
- (b) Single-service and single-use articles that have not previously been used.

3. Ingredients such as eggs, meat, poultry and marijuana containing these raw animal ingredients are cooked to heat all parts of the marijuana product to a temperature and for a time that complies with one of the following methods based on the product that is being cooked:

(a) At  $145^{\circ}F(63^{\circ}C)$  or above for 15 seconds for:

- (1) Raw eggs; and
- (2) Meat, including, without limitation, commercially-raised game animals.
- (b) At 155°F (68°C) or above for 15 seconds for:

(1) Mechanically tenderized and injected meats; and

(2) Meat and commercially raised game animals if it is comminuted.

(c) At 165°F (74°C) or above for 15 seconds for poultry, stuffed meat, stuffed pasta, stuffed poultry or stuffing containing meat or poultry.

4. Except during preparation, cooking or cooling, potentially hazardous marijuana products and ingredients shall be maintained:

(a) At 135°F (57°C) or above; or

(b) At 41°F (5°C) or less.

Sec. 89. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that:

1. Finished potentially hazardous marijuana products and ingredients prepared and held by the facility for more than 24 hours are clearly marked to indicate the date or day by which the item must be consumed on the premises, sold or discarded when held at a temperature of 41°F (5°C) or less for a maximum of 7 days; and

2. Finished potentially hazardous marijuana products and ingredients that are prepared and packaged by a commercial processing plant are clearly marked at the time that the original container is opened and, if the item is held for more than 24 hours, indicate the date or day by which the item must be consumed on the premises, sold or discarded, based on the temperature and time combination set forth in subsection 1. The day on which the original container is opened in the medical marijuana establishment must be counted as "day 1." The day or date marked by the facility for the production of edible marijuana products or marijuana-infused products may not exceed a use-by date of the manufacturer if the manufacturer determined the use-by date.

Sec. 90. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that the materials that are used in the construction of utensils and the contact surfaces of equipment: 1. Do not allow the migration of deleterious substances or impart colors, odors or tastes to marijuana products; and

2. Under normal use conditions are:

(a) Safe;

(b) Durable, corrosion-resistant and nonabsorbent;

(c) Sufficient in weight and thickness to withstand repeated warewashing;

(d) Finished to have a smooth, easily cleanable surface; and

(e) Resistant to pitting, chipping, crazing, scratching, scoring, distortion and

decomposition.

Sec. 91. 1. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that it provides:

(a) A sink with at least three compartments for manually washing, rinsing and sanitizing equipment and utensils; and

(b) Sink compartments that are large enough to accommodate immersion of the largest equipment and utensils.

2. If equipment or utensils are too large for the warewashing sink, a facility for the production of edible marijuana products or marijuana-infused products must use a warewashing machine or alternative equipment.

Sec. 92. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that its ventilation hood systems and devices are sufficient in number and capacity to prevent grease or condensation from collecting on walls and ceilings.

Sec. 93. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that: 1. In a mechanical operation, the temperature of the fresh hot water sanitizing rinse as it enters the manifold is not more than 194°F (90°C) or less than 180°F (82°C).

2. A chemical sanitizer used in a sanitizing solution for a manual or mechanical operation at contact times is used in accordance with the manufacturer's label use instructions that are approved by the Environmental Protection Agency, and as follows:

(a) A chlorine solution must have a minimum temperature based on the concentration and pH of the solution as listed in the following chart:

Concentration Range mg/L	Minimum Temperature	
	pH 10 or less °F (°C)	pH 8 or less °F (°C)
25 - 49	120°F (49°C)	120°F (49°C)
50 - 99	100°F (38°C)	75°F (24°C)
100 or more	55°F (13°C)	55°F (13°C)

- (b) An iodine solution must have:
  - (1) A minimum temperature of 68°C (20°C);
  - (2) A pH of 5.0 or less or a pH not higher than the level for which the manufacturer

specifies the solution is effective, whichever limit is higher; and

- (3) A concentration between 12.5 mg/L and 25 mg/L.
- (c) A quaternary ammonium compound solution must:
  - (1) Have a minimum temperature of 75°F (24°C);

(2) Have a concentration of not less than 200 mg/L;

(3) Be used as indicated by the use directions of the manufacturer included on the label; and

(4) Be used only in water with 500 mg/L hardness or less, or in water having a hardness not greater than specified by the manufacturer's label use instructions that are approved by the Environmental Protection Agency, whichever limit is higher.

3. If a chemical sanitizer other than chlorine, iodine or a quaternary ammonium compound is used, it is applied in accordance with the manufacturer's label use instructions that are approved by the Environmental Protection Agency.

Sec. 94. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that:

1. The surfaces of equipment and utensils that have direct contact with marijuana products are clean to sight and touch;

2. The surfaces of cooking equipment and pans that have direct contact with marijuana products are kept free of encrusted grease deposits and other soil accumulations; and

3. The surfaces of equipment that do not have direct contact with marijuana products are kept free of an accumulation of dust, dirt, residue and other debris.

Sec. 95. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that:

1. The surfaces of equipment and utensils that have direct contact with marijuana products are cleaned:

(a) Before each use with a different type of raw animal ingredient, including, without limitation, beef, pork or poultry;

(b) Each time there is a change from working with raw marijuana products to working with finished marijuana products;

(c) Between uses with raw fruits and vegetables and with potentially hazardous marijuana products and ingredients, using the appropriate time and temperature controls to ensure the safety of the marijuana products; and

(d) At any time during operation when contamination may have occurred.

2. If they come into contact with potentially hazardous marijuana products and ingredients, surfaces and utensils are cleaned throughout the day at least once every 4 hours.

3. The surfaces of utensils and equipment that have direct contact with marijuana products and ingredients that are not potentially hazardous are cleaned:

(a) At any time when contamination may have occurred; and

(b) In equipment, including, without limitation, ice bins and beverage dispensing nozzles, and enclosed components of equipment, such as ice makers, cooking oil storage tanks and distribution lines, beverage and syrup dispensing lines or tubes, coffee bean grinders and water vending equipment:

(1) At a frequency specified by the manufacturer; or

(2) If the manufacturer does not specify a frequency, at a frequency necessary to prevent the accumulation of soil or mold.

Sec. 96. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that:

1. The surfaces of cooking and baking equipment that have direct contact with marijuana products are cleaned at least once every 24 hours; and

2. The cavities and door seals of microwave ovens are cleaned at least once every 24 hours by using the recommended cleaning procedure of the manufacturer.

Sec. 97. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that:

1. The surfaces and utensils that have direct contact with marijuana products are adequately sanitized.

2. The utensils and surfaces of equipment that have direct contact with marijuana products are sanitized before use after cleaning.

3. After being cleaned, surfaces of equipment and utensils that have direct contact with marijuana products are sanitized in:

(a) Hot water manual operations by immersion for at least 30 seconds with a temperature of 170°F (77°C) or above;

(b) Hot water mechanical operations by being cycled through equipment that is set up and achieving a utensil surface temperature of 160°F (71°C) as measured by an irreversible registering temperature indicator; or

(c) Chemical manual or mechanical operations, including, without limitation, the application of sanitizing chemicals by immersion, manual swabbing, brushing or pressure spraying methods using a solution as specified on the manufacturer's label use instructions that are approved by the Environmental Protection Agency, by providing:

(1) An exposure time of at least 10 seconds for a standard chlorine solution;

(2) An exposure time of at least 7 seconds for a chlorine solution of 50 mg/L that has a pH of 10 or less and a temperature of at least 100°F (38°C) or a pH of 8 or less and a temperature of at least 75°F (24°C); or

 (3) An exposure time of at least 30 seconds for any other chemical sanitizing solutions.
 Sec. 98. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that the light intensity in the facility is:

1. At least 20 foot candles (215 lux):

(a) At a distance of 30 inches (75 cm) above the floor in walk-in refrigeration units and areas for storage of dry marijuana products and in other areas and rooms during periods of cleaning;

(b) Inside equipment such as reach-in and under-counter refrigerators; and

(c) At a distance of 30 inches (75 cm) above the floor in areas used for hand washing, warewashing and equipment and utensil storage and in toilet rooms.

2. At least 50 foot candles (540 lux) at a surface where a medical marijuana establishment agent engaged in the production of edible marijuana products or marijuanainfused products is working with marijuana products or working with utensils or equipment, including, without limitation, knives, slicers, grinders or saws where employee safety is a factor.

Sec. 99. Each facility for the production of edible marijuana products or marijuanainfused products shall ensure that it provides mechanical ventilation of sufficient capacity as necessary to keep rooms free of excessive heat, steam, condensation, vapors, obnoxious odors, smoke and fumes.

Sec. 100. 1. Except as otherwise provided in subsection 2, each facility for the production of edible marijuana products or marijuana-infused products shall ensure that filters for liquid filtration used in the manufacture, processing or packaging of marijuana-infused products intended for human use do not release fibers into such products.

2. Fiber-releasing filters may be used when it is not possible to manufacture marijuanainfused products without the use of these filters. If the use of a fiber-releasing filter is necessary, the facility for the production of edible marijuana products or marijuana-infused products shall use an additional nonfiber-releasing filter having a maximum nominal pore size rating of 0.2 micron, or 0.45 micron if the manufacturing conditions so dictate, to reduce the content of particles in the marijuana-infused product.

3. A facility for the production of edible marijuana products or marijuana-infused products shall not use an asbestos-containing filter.

Sec. 101. 1. A facility for the production of edible marijuana products or marijuanainfused products may only use the methods, equipment, solvents, gases and mediums set forth in this section when creating marijuana extracts.

2. A facility for the production of edible marijuana products or marijuana-infused products may use the hydrocarbons N-butane, isobutane, propane, heptane or other solvents or gases exhibiting low to minimal potential human health-related toxicity approved by the Division. These solvents must be of at least 99 percent purity and a facility for the production of edible marijuana products or marijuana-infused products must, when using such solvents:

(a) Use the solvents in a professional grade, closed-loop extraction system designed to recover the solvents;

(b) Work in a spark-free environment with proper ventilation; and

(c) Follow all applicable local fire, safety and building codes in the processing and storage of the solvents.

3. A facility for the production of edible marijuana products or marijuana-infused products may use a professional grade, closed-loop CO<sub>2</sub> gas extraction system where every

vessel is rated to a minimum of 900 pounds per square inch and it follows all applicable local fire, safety and building codes in the processing and the storage of the solvents. The  $CO_2$  must be of at least 99 percent purity.

4. A facility for the production of edible marijuana products or marijuana-infused products may use heat, screens, presses, steam distillation, ice water and other methods without employing solvents or gases to create kief, hashish, bubble hash, infused dairy butter, or oils or fats derived from natural sources, and other extracts.

5. A facility for the production of edible marijuana products or marijuana-infused products may use food grade glycerin, ethanol and propylene glycol solvents to create marijuana extracts.

6. A facility for the production of edible marijuana products or marijuana-infused products which creates marijuana extracts must develop standard operating procedures, good manufacturing practices and a training plan before producing marijuana extracts for the marketplace. Any person using solvents or gases in a closed-looped system to create marijuana extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and safely handle and store the solvents and gases.

7. The acceptable parts per million for 1 gram of finished extract of residual solvent or gas will be determined by the Independent Laboratory Advisory Committee established pursuant to section 124 of this regulation.

Sec. 102. Sections 102 to 115, inclusive, of this regulation set forth the minimum good manufacturing practices for the cultivation and preparation of marijuana and marijuana products for administration to humans.

Sec. 103. 1. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall have a quality control unit that:

(a) Has the responsibility and authority to approve or reject all components, product containers, closures, in-process materials, packaging materials, labeling and marijuana or marijuana products;

(b) Has the authority to review production records to assure that no errors have occurred or, if errors have occurred, that they have been fully investigated and resolved;

(c) Is responsible for approving or rejecting marijuana or marijuana products manufactured, processed, packaged or held under contract by another medical marijuana establishment; and

(d) Is responsible for approving or rejecting all procedures or specifications which may impact the identity, strength, quality and purity of the marijuana or marijuana products.

2. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall:

(a) Set forth the responsibilities and procedures applicable to the quality control unit in writing; and

(b) Follow the written responsibilities and procedures set forth pursuant to paragraph (a).

Sec. 104. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that:

1. Each medical marijuana establishment agent who is employed by or volunteers at the medical marijuana establishment and who is engaged in cultivating, manufacturing,

processing, packaging or holding marijuana or marijuana products wears clean clothing appropriate for the duties he or she performs;

2. Protective apparel, such as head, face, hand and arm coverings, are worn as necessary to protect marijuana or marijuana products from contamination; and

3. Each medical marijuana establishment agent who is employed by or volunteers at the medical marijuana establishment practices good sanitation and health habits.

Sec. 105. 1. Each medical marijuana establishment shall ensure that any building used to manufacture, process, package or hold marijuana or marijuana products:

(a) Is of suitable size, construction and location to facilitate cleaning, maintenance and proper operations; and

(b) Has adequate space for the orderly placement of equipment and materials to prevent miscalculation or misuse of any component in any step of the manufacture, control, packaging, labeling or distribution of marijuana or marijuana products between different components, product containers, closures, labels, in-process materials and marijuana or marijuana products and to prevent contamination.

2. Each medical marijuana establishment shall ensure that:

(a) The flow of components, product containers, closures, labels, in-process materials and marijuana and marijuana products through any building used to manufacture, process, package or hold marijuana or marijuana products is designed to prevent contamination;

(b) The operations of the medical marijuana establishment are performed within specifically defined areas of adequate size; and

(c) There are separate or defined areas or such other control systems for the operations of the medical marijuana establishment as are necessary to prevent contamination or miscalculation or misuse of any component in any step of the manufacture, control, packaging, labeling or distribution of marijuana or marijuana products during the course of the following procedures:

(1) Receipt, identification, storage and withholding from use of components, product containers, closures and labels, pending the appropriate sampling, testing or examination by the quality control unit before release for manufacturing, processing or packaging;

(2) Holding rejected components, product containers, closures and labels before disposition;

- (3) Storage of released components, product containers, closures and labels;
- (4) Storage of in-process materials;
- (5) Processing operations;
- (6) Packaging and labeling operations;
- (7) Quarantine storage before the release of marijuana or marijuana products;
- (8) Storage of marijuana or marijuana products after release;
- (9) Control and laboratory operations; and
- (10) Sanitary processing, which includes as appropriate:
  - (I) Floors, walls and ceilings made of smooth, hard surfaces that are easily

cleanable;

(II) Temperature and humidity controls;

(III) An air supply filtered through high-efficiency particulate air filters under positive pressure;

- *(IV)* A system for monitoring environmental conditions;
- (V) A system for cleaning and sanitizing rooms and equipment; and

(VI) A system for maintaining any equipment used to control sanitary conditions. Sec. 106. 1. Each independent testing laboratory, cultivation facility and medical marijuana dispensary shall ensure that adequate lighting is provided in all areas of the medical marijuana establishment.

2. If it is necessary for an independent testing laboratory, cultivation facility or medical marijuana dispensary to have dim or no lighting in a certain area of the medical marijuana establishment for a specific reason, the medical marijuana establishment must have a written policy which specifies:

(a) The area needing dim or no lighting; and

(b) The reason the area needs dim or no lighting.

Sec. 107. 1. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that any building used to manufacture, process, package or hold marijuana or marijuana products:

(a) Has adequate ventilation; and

(b) Contains equipment for adequate control over air pressure, microorganisms, dust, humidity and temperature when appropriate for the manufacture, processing, packaging or holding of marijuana or marijuana products.

2. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary must use filtration systems, including, without limitation, prefilters and particulate matter air filters, when appropriate on air supplies to production areas. If air is recirculated to production areas, the medical marijuana establishment must take measures to control recirculation of dust from production. In areas where air contamination occurs during production, the medical marijuana establishment must ensure that there are adequate exhaust systems or other systems adequate to control contaminants.

Sec. 108. Each medical marijuana establishment shall ensure that:

1. Any building used to manufacture, process, package or hold marijuana or marijuana products supplies potable water under continuous positive pressure in a plumbing system free of defects that could contribute to the contamination of any marijuana or marijuana products. Potable water must meet the standards prescribed in the Primary Drinking Water Regulations, 40 C.F.R. Part 141. Water not meeting such standards is not permitted in the potable water system.

2. Drains are of adequate size and, where connected directly to a sewer, are provided with an air break or other mechanical device to prevent back-siphonage.

Sec. 109. 1. Each medical marijuana establishment shall ensure that it has written procedures:

(a) Assigning responsibility for sanitation and describing in sufficient detail the cleaning schedules, methods, equipment and materials to be used in cleaning the buildings and facilities of the medical marijuana establishment; and

(b) For the use of appropriate rodenticides, insecticides, fungicides, fumigating agents and cleaning and sanitizing agents by the medical marijuana establishment.

2. Each medical marijuana establishment shall ensure that the written procedures described in subsection 1 are followed.

3. All sanitation procedures of a medical marijuana establishment apply to work performed by contractors or temporary medical marijuana establishment agents for the
medical marijuana establishment as well as work performed by full-time medical marijuana establishment agents during the ordinary course of operations.

Sec. 110. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that any building used to manufacture, process, package or hold marijuana or marijuana products is maintained in a good state of repair.

Sec. 111. 1. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that any equipment used to manufacture, process, package or hold marijuana or marijuana products:

(a) Is of appropriate design and adequate size and is suitably located to facilitate operations for its intended use and for its cleaning and maintenance; and

(b) Is constructed so that surfaces which have direct contact with components, in-process materials, marijuana or marijuana products are not reactive, additive or absorptive so as to alter the safety, identity, strength, quality or purity of the marijuana or marijuana products beyond the official or other established requirements.

2. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that:

(a) Any substances required for its operation, such as lubricants or coolants, do not come into contact with components, product containers, in-process materials, marijuana or marijuana products so as to alter the safety, identity, strength, quality or purity of the marijuana or marijuana products beyond the official or other established requirements; (b) Equipment and utensils are cleaned, maintained and, as appropriate for the nature of the marijuana or marijuana products, sanitized and sterilized at appropriate intervals to prevent malfunctions or contamination that would alter the safety, identity, strength, quality or purity of the marijuana or marijuana products beyond the official or other established requirements; and

(c) Written procedures are established and followed for the cleaning and maintenance of equipment and utensils used to manufacture, process, package or hold marijuana or marijuana products. These procedures must include, without limitation:

(1) Assignment of responsibility for cleaning and maintaining equipment;

(2) Maintenance and cleaning schedules, including, where appropriate, sanitizing schedules;

(3) A description in sufficient detail of the methods, equipment and materials used in cleaning and maintenance operations and the methods of disassembling and reassembling equipment as necessary to assure proper cleaning and maintenance;

(4) Protection of clean equipment from contamination before use; and

(5) Inspection of equipment for cleanliness immediately before use.

3. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary must maintain records of any maintenance, cleaning, sanitizing and inspection carried out pursuant to this section.

Sec. 112. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that:

1. It has written procedures describing in sufficient detail the receipt, identification, storage, handling, sampling, testing and approval or rejection of components, product containers and closures and that it follows those procedures;

2. Components, product containers and closures are at all times handled and stored in a manner so as to prevent contamination;

3. Bagged or boxed components, product containers or closures are stored off the floor and are suitably spaced to permit cleaning and inspection; and

4. Each container or grouping of containers for components, product containers or closures is identified with a distinctive code for each lot in each shipment received. This code must be used in recording the disposition of each lot. Each lot must be appropriately identified as to its status such as quarantined, approved or rejected.

Sec. 113. 1. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall have written procedures for production and process control that are designed to assure that the marijuana or marijuana products have the identity, strength, quality and purity they purport or are represented to possess.

2. The written procedures required pursuant to subsection 1 and any changes to those procedures must be drafted, reviewed and approved by the appropriate organizational units of the medical marijuana establishment and reviewed and approved by the quality control unit of the medical marijuana establishment.

3. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall follow written production and process control procedures in executing various production and process control functions and shall document these procedures at the time of performance. Any deviation from the written procedures must be recorded and justified by the medical marijuana establishment.

Sec. 114. 1. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall establish and follow written procedures describing in sufficient detail the receipt, identification, storage, handling, sampling, examination and testing of labeling and packaging materials.

2. Any labeling or packaging materials that meet the appropriate written specifications established pursuant to subsection 1 may be approved and released for use. Any labeling or packaging materials that do not meet the specifications established pursuant to subsection 1 must be rejected to prevent their use in operations for which they are unsuitable.

3. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall:

(a) Store separately with suitable identification the labels and other labeling materials for each type of marijuana or marijuana product, and the different strength, dosage form or quantity of contents;

(b) Limit access to the storage area described in paragraph (a) to authorized personnel of the medical marijuana establishment; and

(c) Destroy obsolete and outdated labels, labeling and other packaging materials.

Sec. 115. 1. Each cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary shall ensure that marijuana or marijuana products that have been subjected to improper storage conditions, including, without limitation, extremes in temperature, humidity, smoke, fumes, pressure, age

or radiation due to natural disasters, fires, accidents or equipment failures, are not salvaged and returned to the marketplace.

2. Whenever it is unclear whether marijuana or marijuana products have been subjected to the conditions described in subsection 1, a cultivation facility, facility for the production of edible marijuana products or marijuana-infused products or medical marijuana dispensary may conduct salvaging operations only if there is:

(a) Evidence from laboratory tests and assays that the marijuana or marijuana products meet all applicable standards of identity, strength, quality and purity; and

(b) Evidence from inspection of the premises that the marijuana or marijuana products and their associated packaging were not subjected to improper storage conditions as a result of the disaster or accident, if any.

3. A cultivation facility, facility for the production of edible marijuana products or marijuana-infused products and medical marijuana dispensary must maintain records, including, without limitation, the name, lot number and disposition for marijuana or marijuana products salvaged pursuant to subsection 2.

Sec. 116. 1. Each independent testing laboratory must employ a scientific director who must be responsible for:

(a) Ensuring that the laboratory achieves and maintains quality standards of practice; and

(b) Supervising all staff of the laboratory.

2. The scientific director of an independent testing laboratory must have earned:

(a) A doctorate degree in chemical or biological sciences from an accredited college or university and have at least 2 years of post-degree laboratory experience; (b) A master's degree in chemical or biological sciences from an accredited college or university and have at least 4 years of post-degree laboratory experience; or

(c) A bachelor's degree in chemical or biological sciences from an accredited college or university and have at least 6 years of post-degree laboratory experience.

Sec. 117. 1. Each independent testing laboratory must:

(a) Follow the most current version of the <u>Cannabis Inflorescence: Standards of Identity</u>, <u>Analysis, and Quality Control</u> monograph published by the American Herbal Pharmacopoeia; or

(b) Notify the Division of the alternative testing methodology the laboratory is following for each quality assurance test it conducts. The Division may require the independent testing laboratory to have the testing methodology followed pursuant to this paragraph validated by an independent third-party to ensure that the methodology followed by the laboratory produces scientifically accurate results before the laboratory may use the methodology when conducting testing services.

2. The Division may require an independent testing laboratory to have its basic proficiency to execute correctly the analytical testing methodologies used by the laboratory validated and monitored on an ongoing basis by an independent third-party.

3. Each independent testing laboratory shall:

(a) Either:

(1) Adopt and follow minimum good laboratory practices which must, at a minimum, satisfy the <u>OECD Principles of Good Laboratory Practice and Compliance Monitoring</u> published by the Organisation for Economic Co-operation and Development; or

(2) Become certified by the International Organization for Standardization and agree to have the inspections and reports of the International Organization for Standardization made available to the Division.

(b) Maintain internal standard operating procedures.

(c) Maintain a quality control and quality assurance program.

4. The Division or an independent third-party authorized by the Division may conduct an inspection of the practices, procedures and programs adopted, followed and maintained pursuant to subsection 3 and inspect all records of the independent testing laboratory that are related to the inspection.

5. The Division hereby adopts by reference:

(a) The <u>Cannabis Inflorescence: Standards of Identity, Analysis, and Quality Control</u> monograph published by the American Herbal Pharmacopoeia. A copy of that publication may be obtained from the American Herbal Pharmacopoeia, P.O. Box 66809, Scotts Valley, California 95067, or at the Internet address <u>http://www.herbal-ahp.org/</u>, for the price of \$44.95.

(b) The <u>OECD Principles of Good Laboratory Practice and Compliance Monitoring</u> published by the Organisation for Economic Co-operation and Development. A copy of that publication may be obtained free of charge from the Organisation for Economic Co-operation and Development at the Internet address

http://www.oecd.org/env/ehs/testing/oecdseriesonprinciplesofgoodlaboratorypracticeglpandco mpliancemonitoring.htm.

Sec. 118. 1. Each independent testing laboratory must use the general body of required quality assurance tests for usable marijuana, marijuana-infused products, extracts of

marijuana and edible marijuana products set forth in this section. Such tests may include moisture content, potency analysis, foreign matter inspection, microbial screening, pesticide and other chemical residue and metals screening and residual solvents levels. An independent testing laboratory may request additional sample material in excess of the amounts listed in the table set forth in this section for the purposes of completing required quality assurance tests. An independent testing laboratory may retrieve samples from the premises of another medical marijuana establishment and transport the samples directly to the laboratory.

2. The tests required pursuant to subsection 1 and the sample size of products required for the required testing of each type of marijuana or marijuana product by an independent testing laboratory are as follows:

Product	Tests Required	Sample Size Needed to Complete all Tests
Usable marijuana	1. Moisture content2. Potency analysis3. Terpene analysis4. Foreign matter inspection5. Microbial screening6. Mycotoxin screening7. Heavy metal screening8. Pesticide residue analysis	12 grams or less

Product	Tests Required	Sample Size Needed to Complete all Tests
Extract of marijuana	1. Potency analysis	7 grams or less
(nonsolvent) like kief, hashish,	2. Foreign matter inspection	
bubble hash, infused dairy	3. Microbial screening	
butter, or oils or fats derived	4. Terpene analysis	
from natural sources		
Extract of marijuana (solvent-	1. Potency analysis	2 grams or less
based) made with a $CO_2$	2. Terpene analysis	
extractor	3. Microbial screening	
Extract of marijuana (solvent-	1. Potency analysis	2 grams or less
based) made using n-butane,	2. Terpene analysis	
isobutane, propane, heptane,	3. Residual solvent test	
or other solvents or gases	4. Microbial screening (only	
approved by the Division of at	if using marijuana that failed	
least 99 percent purity	the initial test)	
Extract of marijuana made	1. Potency analysis	2 grams or less
with food grade ethanol	2. Terpene analysis	
	3. Microbial screening (only	
	if using marijuana that failed	
	the initial test)	

Tests Required	Sample Size Needed to
	Complete all Tests
1. Potency analysis	20 grams or less
2. Terpene analysis	
3. Microbial screening (only	
if using marijuana that failed	
the initial test)	
1. Potency analysis	1 unit
2. Terpene analysis	
3. Microbial screening	
1. Potency analysis	1 unit
2. Terpene analysis	
3. Microbial screening	
Potency analysis	1 unit
	1. Potency analysis   2. Terpene analysis   3. Microbial screening (only   if using marijuana that failed   the initial test)   1. Potency analysis   2. Terpene analysis   3. Microbial screening   1. Potency analysis   2. Terpene analysis   3. Microbial screening   1. Potency analysis   3. Microbial screening   3. Microbial screening   3. Microbial screening

Sec. 119. An independent testing laboratory shall not handle, test or analyze marijuana unless:

1. The laboratory has been issued a medical marijuana establishment registration certificate;

2. The laboratory is independent from all other persons involved in the medical marijuana industry in Nevada; and

3. No person with a direct or indirect interest in the laboratory has a direct or indirect financial interest in:

(a) A medical marijuana dispensary;

(b) A facility for the production of edible marijuana products or marijuana-infused products;

(c) A cultivation facility;

(d) A physician who provides or has provided written documentation for the issuance of registry identification cards; or

(e) Any other entity that may benefit from the cultivation, manufacture, dispensing, sale, purchase or use of marijuana or marijuana products.

Sec. 120. 1. Immediately before packaging:

(a) Raw marijuana for sale to a medical marijuana dispensary, facility for the production of edible marijuana products or marijuana-infused products or another cultivation facility, a cultivation facility shall segregate all harvested marijuana into homogenized batches and select a random sample from each batch for testing by an independent testing laboratory. The independent testing laboratory must collect the samples unless the cultivation facility designates a person responsible for segregating all harvested marijuana into homogenized batches pursuant to this subsection in accordance with the standards set forth by the laboratory and the cultivation facility to ensure a random, homogenized sample. If the cultivation facility designates a person to segregate homogenized batches, the cultivation facility must file an attestation with the Division as to the manner in which each random, homogenized sample is selected for testing. (b) Edible marijuana products or marijuana-infused products, a facility for the production of edible marijuana products or marijuana-infused products shall select a random sample from each batch for testing by an independent testing laboratory. The independent testing laboratory must collect the samples unless the facility for the production of edible marijuana products or marijuana-infused products designates a person responsible for identifying the samples in accordance with the standards set forth by the laboratory and the facility for the production of edible marijuana products or marijuana-infused products. If the facility for the production of edible marijuana products or marijuana-infused products designates a person to collect the samples, the facility shall file an attestation with the Division as to the manner in which each sample is selected for testing.

2. An independent testing laboratory that receives a sample pursuant to this section shall test the sample for cannabinoids, terpenoids, microbial contaminants, mycotoxins, heavy metals and pesticide chemical residue, residual solvents levels and for purposes of conducting an active ingredient analysis, as specified in the policy manual for independent testing laboratories created by the Division.

3. From the time that a batch has been homogenized for sample testing and eventual packaging and sale to a medical marijuana dispensary, facility for the production of edible marijuana products or marijuana-infused products or, if applicable, another cultivation facility until the independent testing laboratory provides the results from its tests and analysis, the facility which provided the sample shall segregate and withhold from use the entire batch, except the samples that have been removed for testing. During this period of segregation, the facility which provided the sample shall maintain the batch in a secure, cool and dry location so as to prevent the marijuana from becoming contaminated or losing its efficacy. Under no

circumstances shall the facility which provided the sample sell the marijuana or edible marijuana products or marijuana-infused products, as applicable, to a medical marijuana dispensary, facility for the production of edible marijuana products or marijuana-infused products or, if applicable, another cultivation facility before the time that the independent testing laboratory has completed its testing and analysis and provided those results, in writing, to the facility which provided the sample.

4. An independent testing laboratory shall immediately return or dispose of any sample received pursuant to this section upon the completion of any testing, use or research. If an independent testing laboratory disposes of a sample received pursuant to this section, the laboratory shall document the disposal of the sample using its inventory control system pursuant to NRS 453A.356 and section 57 of this regulation.

5. Except as otherwise provided in section 127 of this regulation, if a sample provided to an independent testing laboratory pursuant to this section does not pass the microbial, mycotoxin, heavy metal, pesticide chemical residue or residual solvents levels test based on the standards of the Division, the facility which provided the sample shall dispose of the entire batch from which the sample was taken and document the disposal of the sample using its inventory control system pursuant to NRS 453A.356 and section 57 of this regulation.

6. For the purposes of the microbial test, a sample provided to an independent testing laboratory pursuant to this section shall be deemed to have passed if it satisfies the standards set forth in Table 9 of the <u>Cannabis Inflorescence: Standards of Identity, Analysis, and</u> <u>Quality Control</u> monograph adopted by reference pursuant to section 117 of this regulation. 7. For the purposes of the mycotoxin test, a sample provided to an independent testing laboratory pursuant to this section shall be deemed to have passed if it meets the following standards:

TestSpecificationThe total of aflatoxin B1,aflatoxin B2, aflatoxin G1 andaflatoxin G2.....< <20 uG/KG of Substance</td>Ochratoxin A.....< <20 uG/KG of Substance</td>

8. For the purposes of the heavy metal test, a sample of marijuana shall be deemed to have passed if it meets the following standards:

<u>Metal</u>

Natural Health Products

Acceptable limits uG/KG

Arsenic	
Cadmium	
Lead	
Mercury	

9. The Independent Laboratory Advisory Committee established pursuant to section 124 of this regulation shall establish the list of pesticides approved for use in the cultivation and production of marijuana, edible marijuana products and marijuana-infused products to be

sold or used in this State. For the purposes of the pesticide chemical residue test, a sample provided to an independent testing laboratory pursuant to this section shall be deemed to have passed if it satisfies the most stringent acceptable standard for an approved pesticide chemical residue in any food item as set forth in Subpart C of 40 C.F.R. Part 180.

10. If a sample provided to an independent testing laboratory pursuant to this section passes the microbial, mycotoxin, heavy metal, pesticide chemical residue and residual solvents levels tests, the independent testing laboratory shall release the entire batch for immediate manufacturing, packaging and labeling for sale to a medical marijuana dispensary, a facility for the production of edible marijuana products or marijuana-infused products or, if applicable, another cultivation facility.

11. An independent testing laboratory shall file with the Division an electronic copy of each laboratory test result for any batch that does not pass the microbial, mycotoxin, heavy metal, pesticide chemical residue or residual solvents levels test at the same time that it transmits those results to the facility which provided the sample. In addition, the independent testing laboratory shall maintain the laboratory test results and make them available to the Division upon request.

12. The Division will take immediate disciplinary action against any medical marijuana establishment which fails to comply with the provisions of this section or falsifies records related to this section, including, without limitation, revoking the medical marijuana establishment registration certificate of the medical marijuana establishment.

Sec. 121. 1. The Division will establish a proficiency testing program for independent testing laboratories.

2. Each independent testing laboratory must participate in the proficiency testing program established pursuant to this section.

3. If required by the Division as part of being issued or renewing a medical marijuana establishment registration certificate, the independent testing laboratory must have successfully participated in the proficiency testing program within the preceding 12 months.

4. To maintain continued registration as an independent testing laboratory, a laboratory must participate in the designated proficiency testing program with continued satisfactory performance as determined by the Division.

5. An independent testing laboratory must analyze proficiency test samples using the same procedures with the same number of replicate analyses, standards, testing analysts and equipment as used for product testing.

6. The scientific director of the independent testing laboratory and all testing analysts that participated in a proficiency test must sign corresponding attestation statements.

7. The scientific director of the independent testing laboratory must review and evaluate all proficiency test results.

8. An independent testing laboratory must take and document remedial action when a score of less than 100 percent is achieved during a proficiency test. Documentation of remedial action must include, without limitation, a review of samples tested and results reported since the last successful proficiency test.

9. Successful participation is the positive identification of 80 percent of the target analytes that the independent testing laboratory reports to include quantitative results when applicable. Any false positive results reported will be considered an unsatisfactory score for the proficiency test. 10. Unsuccessful participation in a proficiency test may result in limitation, suspension or revocation of the medical marijuana establishment registration certificate of the independent testing laboratory.

Sec. 122. Each independent testing laboratory must establish policies for an adequate chain of custody and requirements for samples of products provided to the laboratory for testing or research purposes, including, without limitation, policies and requirements for:

1. Issuing instructions for the minimum sample and storage requirements;

2. Documenting the condition of the external package and integrity seals utilized to prevent contamination of, or tampering with, the sample;

3. Documenting the condition and amount of the sample provided at the time of receipt;

4. Documenting all persons handling the original samples, aliquots and extracts;

5. Documenting all transfers of samples, aliquots and extracts referred to another

independent testing laboratory for additional testing or whenever requested by a client;

6. Maintaining a current list of authorized medical marijuana establishment agents and restricting entry to the laboratory to only those authorized;

7. Securing the laboratory during nonworking hours;

8. Securing short- and long-term storage areas when not in use;

9. Utilizing a secured area to log-in and aliquot samples;

10. Ensuring samples are stored appropriately; and

11. Documenting the disposal of samples, aliquots and extracts.

Sec. 123. 1. Each independent testing laboratory that claims to be accredited must provide the Division with copies of each annual inspection report from the accrediting

organization, including, without limitation, any deficiencies identified in and any corrections made in response to the report.

2. An independent testing laboratory may not claim to be accredited unless it is accredited by an accrediting organization that is nationally recognized and approved by the Division.

3. Inspection by an accrediting organization is not a substitute for inspection by the Division.

Sec. 124. 1. The Division will establish an Independent Laboratory Advisory Committee comprised of members which ensure that the membership of the Advisory Committee is representative of the independent testing laboratories and other medical marijuana establishments in this State.

2. The Advisory Committee shall:

(a) Provide recommendations to the Division regarding the testing of medical marijuana;

(b) Make recommendations to the Division for any changes to this chapter relating to the testing of medical marijuana; and

(c) Assist the Division in creating and updating a policy manual to be used by the Division to guide the testing of edible marijuana products and marijuana-infused products by independent testing laboratories.

Sec. 125. 1. Upon the request of the Division, a cultivation facility and a facility for the production of edible marijuana products or marijuana-infused products must provide an independent testing laboratory designated by the Division with a sample of marijuana or a marijuana product in the amount listed in section 118 of this regulation for random quality assurance compliance checks in a secure manner such that the laboratory can confirm that it has received and is testing the correct sample.

2. The independent testing laboratory that receives a sample pursuant to subsection 1 shall, as directed by the Division:

(a) Screen the sample for pesticides, chemical residues and unsafe levels of metals;

- (b) Perform any other quality assurance test deemed necessary by the Division; and
- (c) Report its results to the Division.

3. The cultivation facility or facility for the production of edible marijuana products or marijuana-infused products is responsible for all costs involved in screening or testing performed pursuant to this section.

Sec. 126. An independent testing laboratory is not limited in the amount of usable marijuana and marijuana products it may have on the premises of the laboratory at any given time, but the laboratory must maintain records to prove that all usable marijuana and marijuana products on the premises are there for testing purposes only.

Sec. 127. 1. If a lot of usable marijuana fails a quality assurance test, any marijuana plant trim, leaf and other usable material from the same plants automatically fails the quality assurance test. Upon approval of the Division, a lot of marijuana that fails a quality assurance test may be used to make a  $CO_2$  or solvent-based extract. After processing, the  $CO_2$  or solvent-based extract must pass all required quality assurance tests.

2. At the request of a cultivation facility or a facility for the production of edible marijuana products or marijuana-infused products, the Division may, on a case-by-case basis, authorize a retest to validate the results of a failed test. The cultivation facility or facility for the production of edible marijuana products or marijuana-infused products is responsible for all costs involved in a retest performed pursuant to this section. Sec. 128. No employee of this State who is responsible for implementing or enforcing the provisions of this chapter or chapter 453A of NRS may have a direct or indirect financial interest in a medical marijuana establishment or be employed by or volunteer at a medical marijuana establishment.

Sec. 129. 1. The Division will, at least annually, consider:

- (a) The maximum fees set forth in NRS 453A.344 and section 49 of this regulation;
- (b) The revenue received from such fees; and
- (c) The gifts and grants received by the Division pursuant to NRS 453A.720.

2. Based on its evaluation conducted pursuant to subsection 1, the Division may reduce the fees set forth in section 49 of this regulation at such times as, in its judgment, the Division considers a reduction equitable in relation to ensuring that the fees are revenue neutral and reflecting the gifts and grants received by the Division pursuant to NRS 453A.720.

Sec. 130. For the purposes of subparagraph (3) of paragraph (b) of subsection 3 of NRS 453A.200, the maximum allowable quantity of edible marijuana products and marijuana-infused products is an amount that is equivalent to 2 1/2 ounces of usable marijuana.

Sec. 131. The Division may, upon findings made following a public hearing that the public interest will be supported by limiting the cultivation of medical marijuana in this State, limit the amount of marijuana in production within this State.

Sec. 132. 1. A medical marijuana establishment:

(a) May only promote marijuana or a marijuana product through marketing the laboratory results on the label of the marijuana or marijuana product; and

(b) Must not use an independent testing laboratory or other laboratory to promote any other attributes of marijuana or a marijuana product.

2. The provisions of this chapter governing labeling and testing of marijuana and marijuana products apply to all marijuana and marijuana products, including, without limitation, pre-rolls.

Sec. 133. 1. The Division may charge and collect a fee from any medical marijuana establishment that is involved in a complaint submitted to the Division by a consumer to recover the costs of investigating the complaint after the investigation is completed if the complaint is substantiated. The fee will be based upon the hourly rate established for each investigator of medical marijuana establishments as determined by the budget of the Division.

2. As used in this section, "substantiated" means supported or established by evidence or proof.

Sec. 134. Except as otherwise provided in NRS 239.0115, any information received by the Division related to the security of a medical marijuana establishment is confidential and must not be disclosed by the Division.

Sec. 135. 1. Except as otherwise provided in this section and NRS 239.0115, the Division will and any designee of the Division shall maintain the confidentiality of and shall not disclose the name or any other identifying information of any person who facilitates or delivers services pursuant to this chapter or chapter 453A of NRS. Except as otherwise provided in NRS 239.0115, the name and any other identifying information of any person who facilitates or delivers services pursuant to this chapter or chapter or chapter 453A of NRS are confidential, not subject to subpoena or discovery and not subject to inspection by the general public. 2. Notwithstanding the provisions of subsection 1, the Division or its designee may release the name and other identifying information of a person who facilitates or delivers services pursuant to this chapter or chapter 453A of NRS to:

(a) Authorized employees of the Division or its designee as necessary to perform official duties of the Division; and

(b) Authorized employees of state and local law enforcement agencies only as necessary to verify that a person is lawfully facilitating or delivering services pursuant to this chapter or chapter 453A of NRS.

3. Nothing in this section prohibits the Division from providing a local government with a copy of all information and documentation provided as part of an application to operate a medical marijuana establishment upon the request of the local government.

Sec. 136. 1. The Division will register and track each attending physician who advises a patient that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical condition. To the extent possible, the Division will maintain a confidential record of:

(a) The number of patients whom the physician advises that the medical use of marijuana may mitigate the symptoms or effects of the patients' medical conditions;

(b) The chronic or debilitating medical conditions of such patients;

(c) The number of times the physician advises each patient that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical condition;

(d) The number of different chronic or debilitating medical conditions for which the physician advises each patient that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical conditions; and

(e) How frequently the physician advises each patient that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical condition.

2. Based on its evaluation of the records maintained pursuant to subsection 1, if the Division determines that an attending physician is advising patients that the medical use of marijuana may mitigate the symptoms or effects of the patients' medical conditions at a rate that appears unreasonably high, the Division will notify the Board of Medical Examiners or the State Board of Osteopathic Medicine in writing so that the appropriate board may investigate the notification as a complaint against the physician pursuant to chapter 630 or 633 of NRS, as applicable.

3. The Division will, for each calendar year, submit to the Board of Medical Examiners and the State Board of Osteopathic Medicine for each physician licensed by that board the information the Division maintains pursuant to subsection 1.

4. If the Division has reason to believe that the public health, safety or welfare imperatively requires action, the Division may refer, in writing, a case involving an alleged violation by a physician of any provision of this chapter or chapter 453A of NRS related to the medical use of marijuana to the Board of Medical Examiners or the State Board of Osteopathic Medicine so that the appropriate board may investigate the referral as a complaint against the physician pursuant to chapter 630 or 633 of NRS, as applicable.

Sec. 137. 1. The Division will maintain a log of each person who is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200.

2. The log must indicate, for each person:

(a) Whether the person is authorized to cultivate, grow or produce marijuana and whether the person is authorized to engage in two or more of those activities; and (b) Whether the person is authorized to do so because:

(1) The person who holds the registry identification card or his or her designated primary caregiver, if any, was cultivating, growing or producing marijuana in accordance with chapter 453A of NRS on or before July 1, 2013;

(2) All the medical marijuana dispensaries in the county of residence of the person who holds the registry identification card or his or her designated primary caregiver, if any, closed or were unable to supply the quantity or strain of marijuana necessary for the medical use of the person to treat his or her specific medical condition;

(3) As a result of illness or lack of transportation, the person who holds the registry identification card and his or her designated primary caregiver, if any, are unable reasonably to travel to a medical marijuana dispensary; or

(4) No medical marijuana dispensary was operating within 25 miles of the residence of the person who holds the registry identification card at the time the person first applied for his or her registry identification card.

3. The Division will ensure that the contents of the log are available for verification by law enforcement personnel 24 hours a day.

Sec. 138. If a patient who holds a valid registry identification card or his or her designated primary caregiver, if any, selects one medical marijuana dispensary to serve as the designated medical marijuana dispensary of the patient pursuant to NRS 453A.366, the Division will communicate the designation to the designated medical marijuana dispensary.

Sec. 139. NAC 453A.010 is hereby amended to read as follows:

453A.010 As used in [NAC 453A.010 to 453A.240, inclusive,] *this chapter*, unless the context otherwise requires, the words and terms defined in NAC 453A.020 to 453A.070,

inclusive, *and sections 2 to 22, inclusive, of this regulation,* have the meanings ascribed to them in those sections.

Sec. 140. NAC 453A.100 is hereby amended to read as follows:

453A.100 1. In addition to the materials required by NRS 453A.210, an application for a registry identification card must include:

(a) A written statement signed by the applicant's attending physician verifying that he or she was presented with a photographic identification of the applicant and the designated primary caregiver, if any, and that the applicant and the designated primary caregiver, if any, are the persons named in the application;

(b) On forms prescribed by the [Department,] *Division*, any information required by the Central Repository for Nevada Records of Criminal History;

(c) On forms prescribed by the [Department,] Division, any information required by the Department of Motor Vehicles;

(d) [A complete set of the fingerprints of the applicant and the designated primary caregiver, if any, taken by a state or local law enforcement agency;

(e) A notarized *A* medical marijuana program waiver and liability release form that is prescribed by the *[Department] Division* and signed by the applicant and designated primary caregiver, if any;

## [(f) A notarized]

*(e) An* acknowledgment form that is prescribed by the *[Department] Division* and signed by the applicant and designated primary caregiver, if any;

**[(g)]** (*f*) If the applicant is under 18 years of age, a minor release form signed by the designated primary caregiver of the minor; and

**[(h)] (g)** Proof that the applicant is a resident, including, without limitation, a photocopy of a driver's license issued by the Department of Motor Vehicles or a photocopy of an identification card issued by the Department of Motor Vehicles.

2. The Division will request a name-based check of an applicant, a caregiver or the parent of a child from the Central Repository for Nevada Records of Criminal History and, if such check is inadequate to determine the criminal history of an applicant, caregiver or parent of a child, the Division may request a complete set of the fingerprints of the applicant and the designated primary caregiver, if any.

3. As used in this section, "resident" has the meaning ascribed to it in NRS 453A.210.

Sec. 141. NAC 453A.110 is hereby amended to read as follows:

453A.110 1. If the [State Department of Agriculture] *Division* approves an application for a registry identification card:

(a) The [Department] *Division* will provide the applicant and designated primary caregiver, if any, with written notice of its approval. [by registered mail.]

(b) The applicant and designated primary caregiver, if any, must present the written notice and proof of identity to an appropriate office of the Department of Motor Vehicles in order to receive a registry identification card. Upon the presentation of the written notice and proof of identity, the Department of Motor Vehicles shall prepare and issue a registry identification card to the applicant and designated primary caregiver, if any, after it has confirmed by telephone or other reliable means that the [State Department of Agriculture] *Division* has approved the issuance of the card. 2. If the [Department] *Division* denies an application for a registry identification card, the [Department] *Division* will provide the applicant and designated primary caregiver, if any, with written notice of its denial by [registered] certified mail.

Sec. 142. NAC 453A.120 is hereby amended to read as follows:

453A.120 A person who is required to comply with the provisions of NRS 453A.230 shall notify the **[Department]** *Division* of any change in the information required by that section within 7 days after the change in that information.

Sec. 143. NAC 453A.130 is hereby amended to read as follows:

453A.130 **[1. Except as otherwise provided in subsection 2, a]** *A* person to whom a registry identification card has been issued may renew that card by:

[(a)] *1*. Submitting to the [State Department of Agriculture] *Division* a form for renewal prescribed by the [Department] *Division* and the materials required by NRS 453A.210 and NAC 453A.100; and

**[(b)]** 2. Returning his or her expired registry identification card to the Department of Motor Vehicles.

[2. A person who wishes to renew his or her registry identification card is not required to comply with the provisions of paragraph (d) of subsection 1 of NAC 453A.100.]

Sec. 144. NAC 453A.140 is hereby amended to read as follows:

453A.140 The [Department] Division will charge and collect the following fees:

2. For the issuance to a person of a registry identification card after the

card.....

Sec. 145. This regulation becomes effective on April 1, 2014.