

SENATE BILL NO. 49—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE CANNABIS COMPLIANCE BOARD)

PREFILED NOVEMBER 18, 2020

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to cannabis.
(BDR 56-268)

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

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

AN ACT relating to cannabis; prohibiting synthetic cannabinoids from being produced, sold or offered for sale in this State; authorizing the Cannabis Compliance Board to employ the services of persons the Board considers necessary for the purposes of hearing disciplinary proceedings; authorizing the Executive Director of the Board to serve a complaint on a respondent who is subject to a disciplinary proceeding; authorizing the Chair of the Board to grant one or more extensions to certain deadlines for holding a hearing; removing authorization for the Board to take testimony by deposition in hearings before the Board; revising provisions governing a regulatory waiver to the registration requirement for holders of an ownership interest of less than 5 percent in a cannabis establishment; changing the labeling requirement for cannabis products; revising provisions relating to cannabis; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 **Section 1** of this bill defines “synthetic cannabinoid” as a cannabinoid that is
2 produced artificially and is not derived from a plant of the genus *Cannabis*.
3 **Sections 1.8, 3.1 and 3.6** of this bill prohibit the production, distribution, sale or
4 offering for sale of a synthetic cannabinoid.

5 Existing law grants the Cannabis Compliance Board certain powers. (NRS
6 678A.440) **Section 1.2** of this bill authorizes the Board to employ the services of



7 such persons it considers necessary for the purposes of hearing disciplinary
8 proceedings. Existing law requires the Board to serve the complaint upon a
9 respondent that is subject to a disciplinary proceeding. (NRS 678A.520) **Section**
10 **1.3** of this bill authorizes the Executive Director of the Board to serve the
11 respondent with such a complaint. Existing law requires a disciplinary hearing to be
12 held within 45 days after receiving the respondent's answer to a complaint unless
13 an expedited hearing is determined to be appropriate by the Board. (NRS
14 678A.520) **Section 1.3** authorizes the Chair of the Board to grant one or more
15 extensions to the 45-day requirement pursuant to a request of a party or an
16 agreement by both parties.

17 Existing law allows for testimony provided by witnesses appearing at a hearing
18 before the Board to be taken by deposition in the manner provided by the Nevada
19 Rules of Civil Procedure. (NRS 678A.530) **Section 1.7** of this bill removes the
20 authorization for the Board to take the testimony of a witness by deposition in
21 hearings before the Board.

22 Existing law requires a person who owns an ownership interest in a cannabis
23 establishment of less than 5 percent to register with the Board. (NRS 678B.340)
24 Existing law authorizes the Board to waive the registration requirement for such
25 persons pursuant to policies and procedures adopted by regulation. (NRS
26 678A.450) Existing regulations of the Board establish the policies and procedures
27 for waiving this requirement. (Nevada Cannabis Compliance Regulation 5.125)
28 **Section 2** of this bill clarifies existing law to reflect the authority of the Board to
29 adopt policies and procedures that waive the registration requirement.
30 (NRS 678A.450)

31 Existing law requires each cannabis establishment to ensure that all cannabis
32 products offered for sale are labeled with the words "THIS IS A MEDICAL
33 CANNABIS PRODUCT" or "THIS IS A CANNABIS PRODUCT." (NRS
34 678B.520) **Section 3** of this bill changes the labeling requirement to ensure that all
35 cannabis products offered for sale are labeled with the words "THIS PRODUCT
36 CONTAINS CANNABIS."

37 Existing law prohibits the THC concentration in hemp from exceeding the
38 maximum THC concentration established by federal law for hemp. (NRS 557.160)
39 **Sections 3.7 and 3.9** of this bill instead require the State Department of Agriculture
40 to establish the maximum THC concentration for hemp.

41 Existing law defines marijuana as: (1) all parts of any plant of the genus
42 *Cannabis*, whether growing or not; (2) the seeds thereof; (3) the resin extracted
43 from any part of the plant, including concentrated cannabis; and (4) every
44 compound, manufacture, salt, derivative, mixture or preparation of the plant, its
45 seeds or resin. (NRS 453.096) **Section 3.3** of this bill adds to the definition of
46 marijuana: (1) any commodity or product made using hemp which exceeds the
47 maximum THC concentration established by the State Department of Agriculture;
48 and (2) a product or commodity made from hemp and manufactured or sold by a
49 cannabis establishment which exceeds the maximum THC concentration
50 established by the Cannabis Compliance Board.

51 Existing law defines THC as: (1) delta-9-tetrahydrocannabinol; (2) delta-8-
52 tetrahydrocannabinol; and (3) the optical isomers of such substances.
53 (NRS 453.139) **Section 3.5** of this bill revises the definition of THC as: (1)
54 delta-9-tetrahydrocannabinol and any structural, optical or geometric isomer
55 thereof; (2) delta-8-tetrahydrocannabinol; (3) delta-7-tetrahydrocannabinol; and (4)
56 delta-10-tetrahydrocannabinol.



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

1 **Section 1.** Chapter 678A of NRS is hereby amended by
2 adding thereto a new section to read as follows:

3 ***“Synthetic cannabinoid” means a cannabinoid that is:***

4 ***1. Produced artificially, whether from chemicals or from***
5 ***recombinant biological agents, including, without limitation, yeast***
6 ***and algae; and***

7 ***2. Is not derived from a plant of the genus Cannabis,***
8 ***including, without limitation, biosynthetic cannabinoids.***

9 **Sec. 1.1.** NRS 678A.010 is hereby amended to read as
10 follows:

11 678A.010 As used in this title, unless the context otherwise
12 requires, the words and terms defined in NRS 678A.020 to
13 678A.240, inclusive, ***and section 1 of this act*** have the meanings
14 ascribed to them in those sections.

15 **Sec. 1.2.** NRS 678A.440 is hereby amended to read as
16 follows:

17 678A.440 In addition to any other powers granted by this title,
18 the Board has the power to:

19 1. Enter into interlocal agreements pursuant to NRS 277.080 to
20 277.180, inclusive.

21 2. Establish and amend a plan of organization for the Board,
22 including, without limitation, organizations of divisions or sections
23 with leaders for such divisions or sections.

24 3. Appear on its own behalf before governmental agencies of
25 the State or any of its political subdivisions.

26 4. Apply for and accept any gift, donation, bequest, grant or
27 other source of money to carry out the provisions of this title.

28 5. Execute all instruments necessary or convenient for carrying
29 out the provisions of this title.

30 6. Prepare, publish and distribute such studies, reports,
31 bulletins and other materials as the Board deems appropriate.

32 7. Refer cases to the Attorney General for criminal prosecution.

33 8. Maintain an official Internet website for the Board.

34 9. Monitor federal activity regarding cannabis and report its
35 findings to the Legislature.

36 ***10. Employ the services of such persons the Board considers***
37 ***necessary for the purposes of hearing disciplinary proceedings.***

38 **Sec. 1.3.** NRS 678A.520 is hereby amended to read as
39 follows:

40 678A.520 1. If the Board proceeds with disciplinary action
41 pursuant to NRS 678A.510, the Board ***or the Executive Director***
42 shall serve a complaint upon the respondent either personally, or by



1 registered or certified mail at the address of the respondent that is on
2 file with the Board. Such complaint must be a written statement of
3 charges and must set forth in ordinary and concise language the acts
4 or omissions with which the respondent is charged. The complaint
5 must specify the statutes and regulations which the respondent is
6 alleged to have violated, but must not consist merely of charges
7 raised in the language of the statutes or regulations. The complaint
8 must provide notice of the right of the respondent to request a
9 hearing. The Chair of the Board may grant an extension to respond
10 to the complaint for good cause.

11 2. Unless granted an extension, the respondent must answer
12 within 20 days after the service of the complaint. In the answer the
13 respondent:

14 (a) Must state in short and plain terms the defenses to each claim
15 asserted.

16 (b) Must admit or deny the facts alleged in the complaint.

17 (c) Must state which allegations the respondent is without
18 knowledge or information to form a belief as to their truth. Such
19 allegations shall be deemed denied.

20 (d) Must affirmatively set forth any matter which constitutes an
21 avoidance or affirmative defense.

22 (e) May demand a hearing. Failure to demand a hearing
23 constitutes a waiver of the right to a hearing and to judicial review
24 of any decision or order of the Board, but the Board may order a
25 hearing even if the respondent so waives his or her right.

26 3. Failure to answer or to appear at the hearing constitutes an
27 admission by the respondent of all facts alleged in the complaint.
28 The Board may take action based on such an admission and on other
29 evidence without further notice to the respondent. If the Board takes
30 action based on such an admission, the Board shall include in the
31 record which evidence was the basis for the action.

32 4. The Board shall determine the time and place of the hearing
33 as soon as is reasonably practical after receiving the respondent's
34 answer. The Board shall deliver or send by registered or certified
35 mail a notice of hearing to all parties at least 10 days before the
36 hearing. The hearing must be held within 45 days after receiving the
37 respondent's answer unless an expedited hearing is determined to be
38 appropriate by the Board, in which event the hearing must be held as
39 soon as practicable. *The Chair of the Board may grant one or more*
40 *extensions to the 45-day requirement pursuant to a request of a*
41 *party or an agreement by both parties.*

42 **Sec. 1.7.** NRS 678A.530 is hereby amended to read as
43 follows:

44 678A.530 ~~1-1~~ Before a hearing before the Board, and during
45 a hearing upon reasonable cause shown, the Board shall issue



1 subpoenas and subpoenas duces tecum at the request of a party. All
2 witnesses appearing pursuant to subpoena, other than parties,
3 officers or employees of the State of Nevada or any political
4 subdivision thereof, are entitled to receive fees and mileage in the
5 same amounts and under the same circumstances as provided by law
6 for witnesses in civil actions in the district courts. Witnesses entitled
7 to fees or mileage who attend hearings at points so far removed
8 from their residences as to prohibit return thereto from day to day
9 are entitled, in addition to witness fees and in lieu of mileage, to the
10 per diem compensation for subsistence and transportation authorized
11 for state officers and employees for each day of actual attendance
12 and for each day necessarily occupied in traveling to and from the
13 hearings. Fees, subsistence and transportation expenses must be paid
14 by the party at whose request the witness is subpoenaed. The Board
15 may award as costs the amount of all such expenses to the
16 prevailing party.

17 ~~[2.—The testimony of any material witness residing within or~~
18 ~~without the State of Nevada may be taken by deposition in the~~
19 ~~manner provided by the Nevada Rules of Civil Procedure.]~~

20 **Sec. 1.8.** Chapter 678B of NRS is hereby amended by adding
21 thereto a new section to read as follows:

22 *The holder of a license or registration card issued pursuant to*
23 *this chapter shall not produce, distribute, sell or offer to sell in this*
24 *State any synthetic cannabinoid.*

25 **Sec. 2.** NRS 678B.340 is hereby amended to read as follows:

26 678B.340 1. Except as otherwise provided in ~~[this section,]~~
27 *any policies and procedures adopted by the Board pursuant to*
28 *paragraph (e) of subsection 1 of NRS 678A.450*, a person shall not
29 hold an ownership interest in a cannabis establishment of less than 5
30 percent, volunteer or work at, contract to provide labor to or be
31 employed by an independent contractor to provide labor to a
32 cannabis establishment as a cannabis establishment agent unless the
33 person is registered with the Board pursuant to this section.

34 2. A person who wishes to volunteer or work at a cannabis
35 establishment shall submit to the Board an application on a form
36 prescribed by the Board. The application must be accompanied by:

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

39 (b) A statement signed by the prospective cannabis
40 establishment agent pledging not to dispense or otherwise divert
41 cannabis to any person who is not authorized to possess cannabis in
42 accordance with the provisions of this title;

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



1 (d) The application fee, as set forth in NRS 678B.390; and
2 (e) Such other information as the Board may require by
3 regulation.

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

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

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

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

23 (d) A statement signed by the prospective cannabis
24 establishment agent asserting that it has not previously had a
25 cannabis establishment agent registration card revoked and that
26 none of its employees who will provide labor as a cannabis
27 establishment agent have previously had a cannabis establishment
28 agent registration card revoked;

29 (e) The application fee, as set forth in NRS 678B.390; and

30 (f) Such other information as the Board may require by
31 regulation.

32 4. ~~[A]~~ *Except as otherwise provided in any policies and*
33 *procedures adopted by the Board pursuant to paragraph (e) of*
34 *subsection 1 of NRS 678A.450, a person who wishes to hold an*
35 *ownership interest in a cannabis establishment of less than 5 percent*
36 *shall submit to the Board an application on a form prescribed by the*
37 *Board. The application must be accompanied by:*

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

40 (b) A statement signed by the prospective cannabis
41 establishment agent pledging not to dispense or otherwise divert
42 cannabis to any person who is not authorized to possess cannabis in
43 accordance with the provisions of this title;



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

4 (d) Any information required by the Board to complete an
5 investigation into the background of the prospective cannabis
6 establishment agent, including, without limitation, financial records
7 and other information relating to the business affairs of the
8 prospective cannabis establishment agent;

9 (e) The application fee, as set forth in NRS 678B.390; and

10 (f) Such other information as the Board may require by
11 regulation.

12 5. The Board may conduct any investigation of a prospective
13 cannabis establishment agent and, for an independent contractor,
14 each employee of the prospective cannabis establishment agent who
15 will provide labor as a cannabis establishment agent, that the Board
16 deems appropriate. In connection with such an investigation, the
17 Board may:

18 (a) Conduct or accept any background check the Board
19 determines to be reliable and expedient to determine the criminal
20 history of the prospective cannabis establishment agent or the
21 employee;

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

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

37 6. A cannabis establishment shall notify the Board within 10
38 business days after a cannabis establishment agent ceases to hold an
39 ownership interest in the cannabis establishment of less than
40 5 percent, be employed by, volunteer at or provide labor as a
41 cannabis establishment agent to the cannabis establishment.

42 7. A person who:

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

44 (b) Is less than 21 years of age; or



1 (c) Is not qualified, in the determination of the Board pursuant to
2 NRS 678B.200,

3 ↪ shall not serve as a cannabis establishment agent.

4 8. The provisions of this section do not require a person who is
5 an owner, officer or board member of a cannabis establishment to
6 resubmit information already furnished to the Board at the time the
7 establishment was licensed with the Board.

8 9. If an applicant for registration as a cannabis establishment
9 agent satisfies the requirements of this section, is found to be
10 qualified by the Board pursuant to NRS 678B.200 and is not
11 disqualified from serving as such an agent pursuant to this section or
12 any other applicable law, the Board shall issue to the person and, for
13 an independent contractor, to each person identified in the
14 independent contractor's application for registration as an employee
15 who will provide labor as a cannabis establishment agent, a cannabis
16 establishment agent registration card. If the Board does not act upon
17 an application for a cannabis establishment agent registration card
18 within 45 days after the date on which the application is received,
19 the application shall be deemed conditionally approved until such
20 time as the Board acts upon the application. A cannabis
21 establishment agent registration card expires 2 years after the date of
22 issuance and may be renewed upon:

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

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

25 10. A person to whom a cannabis establishment agent
26 registration card is issued or for whom such a registration card is
27 renewed shall submit to the Board on the date of the first
28 anniversary of the issuance or renewal an affidavit attesting that in
29 the preceding year there has been no change in the information
30 previously provided to the Board which would subject the person to
31 disciplinary action by the Board.

32 11. A cannabis establishment agent registration card issued
33 pursuant to this section to an independent contractor or an employee
34 of an independent contractor authorizes the independent contractor
35 or employee to provide labor to any cannabis establishment in this
36 State.

37 12. A cannabis establishment agent registration card issued
38 pursuant to this section to a person who wishes to volunteer or work
39 at a medical cannabis establishment authorizes the person to
40 volunteer or work at any cannabis establishment in this State for
41 which the category of the cannabis establishment agent registration
42 card authorizes the person to volunteer or work.

43 13. Except as otherwise prescribed by regulation of the Board,
44 an applicant for registration or renewal of registration as a cannabis
45 establishment agent is deemed temporarily registered as a cannabis



1 establishment agent on the date on which a complete application for
2 registration or renewal of registration is submitted to the Board. A
3 temporary registration as a cannabis establishment agent expires 45
4 days after the date upon which the application is received.

5 **Sec. 3.** NRS 678B.520 is hereby amended to read as follows:

6 678B.520 1. Each cannabis establishment shall, in
7 consultation with the Board, cooperate to ensure that all cannabis
8 products offered for sale:

9 (a) Are labeled clearly and unambiguously:

10 (1) As cannabis ~~[or medical cannabis]~~ with the words ~~["THIS~~
11 ~~IS A MEDICAL CANNABIS PRODUCT"]~~ ~~or~~ ~~"THIS IS A~~
12 ~~CANNABIS PRODUCT,"~~ ~~as applicable,]~~ **"THIS PRODUCT**
13 **CONTAINS CANNABIS"** in bold type; and

14 (2) As required by the provisions of this chapter and chapters
15 678C and 678D of NRS.

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

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

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

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

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

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

33 2. A cannabis production facility shall not produce cannabis
34 products in any form that:

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

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

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

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

44 3. A cannabis production facility shall:



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

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

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

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

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

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

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

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

16 (e) Package all cannabis products produced by the cannabis
17 production facility on the premises of the cannabis production
18 facility.

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

23 5. Each cannabis sales facility shall offer for sale containers for
24 the storage of cannabis and cannabis products which lock and are
25 designed to prohibit children from unlocking and opening the
26 container.

27 6. A cannabis sales facility shall:

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

30 (1) To keep cannabis and cannabis products out of the reach
31 of children;

32 (2) That cannabis products can cause severe illness in
33 children;

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

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

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



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

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

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

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

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

17 8. If the health authority, as defined in NRS 446.050, where a
18 cannabis production facility or cannabis sales facility which sells
19 edible cannabis products is located requires persons who handle
20 food at a food establishment to obtain certification, the cannabis
21 production facility or cannabis sales facility shall ensure that at least
22 one employee maintains such certification.

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

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

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

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

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

33 11. A cannabis establishment:

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

36 (1) Is false or misleading;

37 (2) Promotes overconsumption of cannabis or cannabis
38 products;

39 (3) Depicts the actual consumption of cannabis or cannabis
40 products; or

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



1 consumption of cannabis or cannabis products by a person who is
2 less than 21 years of age.

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

7 (c) Shall not place an advertisement:

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

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

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

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

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

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

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

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

27 12. Nothing in subsection 11 shall be construed to prohibit a
28 local government, pursuant to chapter 244, 268 or 278 of NRS, from
29 adopting an ordinance for the regulation of advertising relating to
30 cannabis which is more restrictive than the provisions of subsection
31 11 relating to:

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

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

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

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

43 13. If a cannabis establishment engages in advertising for
44 which it is required to determine the percentage of persons who are
45 less than 21 years of age and who may reasonably be expected to



1 view or hear the advertisement, the cannabis establishment shall
2 maintain documentation for not less than 5 years after the date on
3 which the advertisement is first broadcasted, published or otherwise
4 displayed that demonstrates the manner in which the cannabis
5 establishment determined the reasonably expected age of the
6 audience for that advertisement.

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

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

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

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

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

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

21 **Sec. 3.1.** Chapter 453 of NRS is hereby amended by adding
22 thereto a new section to read as follows:

23 *1. A person shall not produce, distribute, sell or offer to sell*
24 *in this State any synthetic cannabinoid.*

25 *2. As used in this section, "synthetic cannabinoid" has the*
26 *meaning ascribed to it in section 1 of this act.*

27 **Sec. 3.3.** NRS 453.096 is hereby amended to read as follows:

28 453.096 1. "Marijuana" means:

29 (a) All parts of any plant of the genus Cannabis, whether
30 growing or not;

31 (b) The seeds thereof;

32 (c) The resin extracted from any part of the plant, including
33 concentrated cannabis; ~~and~~

34 (d) Every compound, manufacture, salt, derivative, mixture or
35 preparation of the plant, its seeds or resin ~~and~~;

36 *(e) Any commodity or product made using hemp which*
37 *exceeds the maximum THC concentration established by the State*
38 *Department of Agriculture for hemp; and*

39 *(f) Any product or commodity made from hemp which is*
40 *manufactured or sold by a cannabis establishment which violates*
41 *any regulation adopted by the Cannabis Compliance Board*
42 *pursuant to paragraph (g) of subsection 1 of NRS 678A.450*
43 *relating to THC concentration.*

44 2. "Marijuana" does not include:



1 (a) Hemp, as defined in NRS 557.160, which is grown or
2 cultivated pursuant to the provisions of chapter 557 of NRS ; ~~for~~
3 ~~any commodity or product made using such hemp; or;~~

4 (b) The mature ~~[stems]~~ stalks of the plant, fiber produced from
5 the ~~[stems,]~~ stalks, oil or cake made from the seeds of the plant, any
6 other compound, manufacture, salt, derivative, mixture or
7 preparation of the mature ~~[stems]~~ stalks (except the resin extracted
8 therefrom), fiber, oil or cake, or the sterilized seed of the plant
9 which is incapable of germination ~~[]~~ ; or

10 (c) *Any commodity or product made using hemp, as defined in*
11 *NRS 557.160, which does not exceed the maximum THC*
12 *concentration established by the State Department of Agriculture*
13 *for hemp.*

14 **Sec. 3.5.** NRS 453.139 is hereby amended to read as follows:

15 453.139 “THC” means ~~[~~

16 ~~—1. Delta-9-tetrahydrocannabinol;]~~ *delta-9-tetrahydrocannabinol*
17 *and any structural, optical or geometric isomer thereof, including,*
18 *without limitation:*

19 ~~[2.]~~ *1. Delta-8-tetrahydrocannabinol; [and*

20 ~~—3. The optical isomers of such substances.]~~

21 *2. Delta-7-tetrahydrocannabinol; and*

22 *3. Delta-10-tetrahydrocannabinol.*

23 **Sec. 3.6.** Chapter 557 of NRS is hereby amended by adding
24 thereto a new section to read as follows:

25 *1. A grower or producer shall not produce, distribute, sell in*
26 *or offer to sell in this State any synthetic cannabinoid.*

27 *2. As used in this section, “synthetic cannabinoid” has the*
28 *meaning ascribed to it in section 1 of this act.*

29 **Sec. 3.7.** NRS 557.160 is hereby amended to read as follows:

30 557.160 1. “Hemp” means any plant of the genus *Cannabis*
31 *sativa* L. and any part of such a plant, including, without limitation,
32 the seeds thereof and all derivatives, extracts, cannabinoids,
33 isomers, acids, salts and salts of isomers, whether growing or not,
34 with a THC concentration that does not exceed the maximum THC
35 concentration established by ~~[federal law]~~ *the State Department of*
36 *Agriculture* for hemp.

37 2. “Hemp” does not include any commodity or product made
38 using hemp.

39 **Sec. 3.9.** NRS 557.260 is hereby amended to read as follows:

40 557.260 1. The Department may adopt regulations necessary
41 to:

42 (a) Establish quality standards and requirements for the
43 packaging and labeling of agricultural hemp seed;

44 (b) Provide for the certification and registration of sites used for
45 growing, producing or handling hemp; and



1 (c) Comply with any requirement imposed by the United States
2 Department of Agriculture, including, without limitation, any
3 requirement related to reporting information regarding growers,
4 handlers and producers.

5 2. *The Department shall adopt regulations establishing the*
6 *maximum THC concentration for hemp.*

7 3. A producer shall comply with:

8 (a) Any regulation adopted by the Department pursuant to
9 subsection 1 ~~1~~ or 2; and

10 (b) The provisions of NRS 587.015 to 587.123, inclusive, and
11 any regulations adopted pursuant thereto.

12 3. Any agricultural hemp seed which is obtained by a grower
13 and was produced:

14 (a) In this State must be produced by a producer; and

15 (b) In another state must be produced by a person who is
16 registered and approved to produce and sell agricultural hemp seed
17 pursuant to the laws of that state.

18 4. The Department shall provide adequate information to
19 growers to identify producers from which a grower may purchase
20 agricultural hemp seed.

21 5. A handler may only obtain hemp from a grower and
22 agricultural hemp seed for cleaning and future propagation from a
23 producer.

24 **Sec. 4.** This act becomes effective upon passage and approval.

