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CANNABIS COMPLIANCE BOARD STATE OF NEVADA

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HON. MICHAEL DOUGLAS
Chair

TYLER KLIMAS
Executive Director

NOTICE

Date: May 26, 2022

To: All Licensees and Other Interested Persons

Subject: Notice of Hearing for Consideration of Proposed Amendments and/or Additions to the Nevada Cannabis Compliance Board Regulations 1, 4, 5, 6, 9, 10, 11, 12, 13, and 15.

The Nevada Cannabis Compliance Board (CCB) will hold a public hearing for the purpose of considering the adoption, amendment or repeal of the regulation(s) stated below.

The public hearing will be held on or about the hour of 9:00 a.m. on June 28, 2022, at the following locations:

Grant Sawyer State Office Building
Room 2450
555 East Washington Avenue
Las Vegas, Nevada 89101

Gaming Control Board
Room 100
1919 College Parkway
Carson City, NV 89706

The public may also view the meeting at the time noticed herein by live stream link located at:
<https://ccb.nv.gov/public-meetings/>

For Possible Action

Purpose: The need and purpose of the proposed changes to the NCCR(s) is to establish regulations for the applications for cannabis consumption lounges and licensing and regulation of cannabis consumption lounges.

Application Regulations

Regulation 1.051: Added the definition of "Address."

Regulation 1.081: Added the definition of "Conditional License."

Regulation 1.193: Added the definition of "Prospective License."

Regulation 5.020: An amendment to clarify the application is limited to a cannabis consumption lounge, the required notice and time period for submission of applications.

Regulation 5.040: An amendment to establish how applications for a cannabis consumption lounge will be submitted and what is required to be in the application.

Regulation 5.045: An amendment to establish the requirements of prospective and conditional licenses for cannabis consumption lounges.

Regulation 5.050: An amendment to establish the requirements of cannabis consumption lounge to receive a final license.

Regulation 5.053: An addition to identify how to petition for re-evaluation of suitability by the Board.
Regulation 5.055: An amendment to establish requirements for selection of social equity applicants.
Regulation 5.060: An amendment to identify the procedure if there are less applications received than available cannabis establishment licenses during an open application period.
Regulation 5.065: An amendment to establish the procedure to request a reduction of initial issuance and renewal fees for independent cannabis consumption conditional licenses.
Regulation 5.085: An amendment to clarify the requirements for a request for an extension of time for final inspections
Regulation 5.110: An addition to include the requirements for the transfer of an independent cannabis consumption lounge license.

Consumption Lounge Regulations

Regulation 1.197: Added the definition of “Ready-to-consume cannabis product.”
Regulation 1.222: Added the definition of “Single-use cannabis product.”
Regulation 4.050: An amendment to add violations to Category III Violations for cannabis consumption lounges.
Regulation 4.055: An amendment to add violations to Category IV Violations for cannabis consumption lounges.
Regulation 4.060: An amendment to add violations to Category V Violations for cannabis consumption lounges.
Regulation 5.100: An amendment to clarify the grounds for denial of issuance or renewal of license and notice of denial.
Regulation 5.150: An amendment to add cannabis receiver and cannabis consumption lounge agent registration card types.
Regulation 6.070: An amendment to include persons that are authorized to be on the premises of a cannabis consumption lounge.
Regulation 6.072: An amendment to add disclosure of health risks and training and instruction requirements for cannabis establishment agents that work or volunteer in a cannabis consumption lounge.
Regulation 6.075: An amendment to add to disposal of unconsumed cannabis and cannabis product rendered unusable to inventory control requirements.
Regulation 6.080: An amendment to require that a cannabis consumption lounge may only acquire single-use cannabis products, cannabis, and adult-use cannabis products from a cannabis sales facility, pursuant to Title 56 of NRS; exemption of cannabis consumption lounge from requirements to acquire concentrated cannabis or products containing concentrated cannabis from another cannabis establishment; change of “inventory” to “tracking.”
Regulation 6.082: An amendment to change “inventory” to “tracking.”
Regulation 6.085: Amendments to security measures including to increase the size of the call-up monitor, electronic monitoring requirements, response to emergency personnel, criminal activity reporting, signage, and employee requirements.
Regulation 6.090: Amendments to include requirements and reporting guidelines for employees that are ill.
Regulation 9.015: An amendment to require cannabis consumption lounges to have a certified food protection manager available during operating hours that food is being served.
Regulation 9.025: An amendment to change “product manufacturing facility” to include all cannabis establishments.
Regulation 9.030: An amendment to add cannabis consumption lounges to requirements for protecting products and ingredients from cross-contamination.
Regulation 9.035: An amendment to add cannabis consumption lounges to the requirements for use of pasteurized eggs and egg products, cleanliness, and temperature control requirements.
Regulation 9.040: An amendment to add cannabis consumption lounges to the requirements for the marking of potentially hazardous cannabis products.

Regulation 9.050: An amendment to include sink and warewashing requirements for all cannabis establishments that handle cannabis which is not pre-packaged.

Regulation 9.060: An amendment to include cannabis consumption lounges in requirements for materials used in construction of utensils and contact surfaces.

Regulation 9.065: An amendment to include cannabis consumption lounges in requirements for lighting.

Regulation 9.075: An amendment to include cannabis consumption lounges in requirements for sufficiency of ventilation hood systems and devices.

Regulation 9.080: An amendment to include cannabis consumption lounges in requirements for sufficiency of mechanical ventilation.

Regulation 9.085: An amendment to clarify all cannabis establishments fall under requirements for cleanliness of surfaces of equipment and utensils that come in contact with cannabis or cannabis products.

Regulation 9.090: An amendment to clarify all cannabis establishments fall under the requirements for frequency of cleaning of surfaces of equipment and utensils that come in contact with cannabis or cannabis products.

Regulation 9.095: An amendment to clarify all cannabis establishments fall under requirements for sanitation of surfaces and utensils to come in contact with cannabis or cannabis products.

Regulation 9.100: An amendment to include cannabis consumption lounges in cleanliness requirements for surfaces of cooking and baking equipment and door seals of microwave ovens.

Regulation 10.015: An amendment to include cannabis consumption lounges in quality control unit requirements.

Regulation 10.020: An amendment to include cannabis consumption lounges in requirements for adequate ventilation, filtration systems, and related equipment required for building.

Regulation 10.025: An amendment to include cannabis consumption lounges in requirements for establishment of and adherence to written procedures for labeling and packaging materials.

Regulation 10.030: An amendment to include cannabis consumption lounges in requirements for establishment of and adherence to written procedures for production and process control to assure quality of cannabis and cannabis products, review and approval of procedures, and recording and justification of deviation from procedures.

Regulation 10.035: An amendment to include cannabis consumption lounges in requirements for the establishment of and adherence to written procedures for components, product containers and closures.

Regulation 10.040: An amendment to include cannabis consumption lounges in requirements for appropriateness, cleanliness and maintenance of equipment, utensils and substances, and maintenance of records.

Regulation 10.045: An amendment to include cannabis consumption lounges in requirements to ensure cleanliness of employees and volunteers.

Regulation 10.050: An amendment to include cannabis consumption lounges in the requirements for restrictions on salvaging cannabis and cannabis products and maintenance of records.

Regulation 11.015: An amendment to clarify that no person with a direct or indirect interest in a cannabis independent laboratory has as direct or indirect financial interest in a cannabis consumption lounge.

Regulation 12.025: An amendment to include cannabis consumption lounges in requirements for labeling products “organic.”

Regulation 12.040: An amendment to include cannabis consumption lounges in requirements for labeling of usable cannabis and single-use cannabis products.

Regulation 12.045: An amendment to include cannabis consumption lounges in requirements for labeling of cannabis products.

Regulation 12.050: An amendment to include cannabis consumption lounges in requirements for disclosures and warnings; amended language for required disclosures and warnings; and addition of warning for overconsumption; an addition of a warning for cannabis consumption lounges that allow inhalation of cannabis.

Regulation 12.055: An amendment to include cannabis consumption lounges in required labeling.

Regulation 12.060: An amendment to include cannabis consumption lounges in requirements for examination of products during finishing operations, collection of representative sample of units, and recording of results.

Regulation 13.010: An amendment to clarify that a cannabis establishment shall not transport cannabis or cannabis products to an independent cannabis consumption lounge unless the cannabis establishment hold a license for a cannabis distributor.

Regulation 13.040: An amendment to clarify the requirements for delivery to an attached or adjacent cannabis consumption lounge.

Regulation 15: Regulation 15 outlines the requirements for the operation of cannabis consumption lounges.

The proposed changes to the regulation(s) will be considered by the CCB in accordance with the provisions of NRS 678A.460(1)(c), which provides that on the date and at the time and place designated, any interested person or their duly authorized representative, or both, shall be afforded the opportunity to present statements, arguments or contentions in writing, with or without the opportunity to present the same orally. Any person desiring to present statements, arguments, or contentions concerning the proposed regulation changes may provide such in writing to the Executive Assistant at regulations@ccb.nv.gov by 5:00 P.M. on the day prior to the meeting. If oral presentations are permitted, the persons intending to make such presentations must be personally present at the public hearing. Allowances for remote appearance may be made for those with disabilities only, but such requests must be made at least eight calendar days prior to the meeting.

These item(s) will be heard by the CCB at the June 28, 2022, meeting, and may be continued and heard at subsequent meetings of the CCB as required to effectuate the above-stated purposes.

The proposed changes to the regulation language will be posted on the Cannabis Compliance Board website <https://ccb.nv.gov/public-meetings/>. Any questions should be directed to regulations@ccb.nv.gov.

Notice of this meeting was posted on the Internet through the Cannabis Compliance Board website <https://ccb.nv.gov/public-meetings/> and on the Internet website maintained by the Legislative Counsel Bureau <http://leg.state.nv.us/> and the Department of Administration website <https://notice.nv.gov/>. This notice has been posted at the following locations: 700 E. Warm Springs Road, Suite 100, Las Vegas, Nevada; 1550 College Parkway, Suite 142, Carson City, Nevada.

Proposed Changes to NCCR Regulation 1

New

~~Deleted~~

1.051 “Address” defined.

1.081 “Conditional License” defined.

1.193 “Prospective License” defined.

1.051 “Address” defined. “Address” for purposes of NRS 678B.250(3)(a)(2)(II) and NCCR 5.040 means at least the specific local jurisdiction, either county or incorporated city, where the cannabis establishment will be physically located.

1.081 “Conditional License” defined. “Conditional License” refers to the status of a license for a cannabis establishment license wherein the applicant has completed the suitability investigation by Board Agents and found suitable after the Board’s suitability review but has not met all of the requirements to hold a final license for a cannabis establishment. This reference applies only to conditional licenses issued after April 1, 2022.

1.193 “Prospective License” defined. “Prospective License” refers to the status of an application for a license for a cannabis establishment wherein the applicant has met the minimum scoring guidelines to qualify for licensure and has been selected to proceed to a suitability investigation by the Board Agents and suitability review by the Board but has not been found suitable by the Board. This is not a license for a cannabis establishment. This status does not apply to licensees who hold a final license for an adult-use cannabis retail store who apply for a retail cannabis consumption lounge pursuant to NCCR 5.060.

Proposed Changes to NCCR Regulation 5

New

~~Deleted~~

5.020 Request for applications to operate a cannabis consumption lounge **establishment**: Notice by Board; required provisions; time period for submission of applications.

~~5.040 **Licensing of cannabis establishments: Criteria of merit; relative weight. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how the Board will determine the ranking of the applications made in response to a request by the Board pursuant to NCCR 5.020.** Submission of application for a cannabis consumption lounge license.~~

~~5.045 **Ranking of applications for retail cannabis store; proportional allocation of licenses for retail cannabis stores within each county; notification to locality of acceptance of applicants; prevention of monopolistic practices; revision or disqualification of application for criminal history of applicant or other person named in application** Cannabis consumption lounge prospective and conditional licenses.~~

~~5.050 **Request by applicant for ranked application score; request to review scoring information; designation of Board employee to respond to request; maintenance of information in application file. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how an applicant may review the scoring of an application made in response to a request by the Board pursuant to NCCR 5.020.** Cannabis consumption lounge final licenses.~~

5.053 **Petition for re-evaluation of suitability by the Board.**

~~5.055 **Issuance of license if Board receives only one application in response to request for applications; notification to locality. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how the Board will handle only one application made in response to a request by the Board pursuant to NCCR 5.020.** Selection of social equity applicants.~~

~~5.060 **Issuance of license is conditional until certain requirements for approval to begin operations are satisfied. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on conditional licenses issued in response to a request by the Board pursuant to NCCR 5.020.** Issuance of license if Board receives less applications than available cannabis establishment licenses for an open application period; issuance of license if adult-use cannabis retail store applies for a retail cannabis consumption lounge.~~

~~5.065 **Written notice of denial of application.** Procedure to request a reduction of initial and renewal fees for independent cannabis consumption lounge licenses.~~

5.085 Surrender of conditional license if cannabis establishment has not received final inspection; extension of time for final inspection; fee not refundable.

5.020 Request for applications to operate a cannabis consumption lounge **establishment**: Notice by Board; required provisions; time period for submission of applications.

1. As often as the Board deems necessary, the Board will determine whether a sufficient number of cannabis establishments consumption lounges exist to serve the people of this State and, if the Board determines that additional cannabis establishments-consumption lounges are necessary, the Board will issue a request for applications to operate a cannabis **establishment consumption lounge**. The Board will provide notice of a request for applications to operate a cannabis **establishment consumption lounge** by:

- (a) Posting on the Internet website of the Board that the Board is requesting applicants to submit applications;
- (b) Posting a copy of the request for applications at the **principal** offices of the Board; **at 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 Board for cannabis establishment information.

~~2. When the Board issues a request for applications pursuant to this section, the Board will include in the request the point values that will be allocated to each applicable portion of the application.~~

2. The Board will accept applications in response to a request for applications issued pursuant to this section for 10 business days. The Board will provide notice of a request for applications, that will specify the exact dates on which the applications will be accepted. ~~beginning on the date which is 45 business days after the date on which the Board issued the request for applications and will specify the exact dates on which applications will be accepted.~~ The applicants must strictly adhere to the written instructions the Board provides for submittal of each application.

3. If the Board 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 2, the Board will not consider the application and must return the application and application processing fee to the **entity person** that submitted the application.

~~5.040 –Licensing of cannabis establishments: Criteria of merit, relative weight. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how the Board will determine the ranking of the applications made in response to a request by the Board pursuant to NCCR 5.020. Submission of application for a cannabis consumption lounge license. Upon a request by the Board for applications to operate a cannabis consumption lounge license, a person may apply for a cannabis establishment license that has an open application period. An applications must be submitted through the Board’s designated electronic licensing application system during the time listed on the open application period. No applications will be accepted before or after the open application period. The deadline for application submissions and compliance with the application~~

instructions will be strictly enforced. The Board will grant no grace period for an application once the application period has concluded. The Board will not be held responsible for any technical or other issues that may occur with the applicant may experience with the electronic licensing application system during the application period. Failure to submit an application, in a timely manner, for any reason including technical issues, will result in a denial. Questions on the application and/or application submittal process must only be submitted in writing to an email designated explicitly for that purpose in the written application instructions. All such emails will be posted publicly on the Board's website. Regarding such emails, the Board cannot guarantee a response within any particular time frame and/or prior to the application submittal deadline. No applicant is entitled to rely on any verbal information relayed to them regarding the application submittal process. All official application instructions will be posted on the Board's website at www.ccb.nv.gov. The applicant must also provide a point of contact, as required by NCCR 2.050, and update that information as required.

An application for a cannabis establishment license is non-transferable.

1. To meet the minimum scoring guidelines, the initial application must include the following:

(a) A one-time, nonrefundable administrative processing fee in an amount designated in NRS 678B.390 for that particular cannabis establishment license type.

(1) Applicants are solely responsible for ensuring the Board physically receives payment for the above referenced fee no later than 5:00 p.m., Pacific Time, on the final date of the open application period, at either the Board's Carson City office located at 1550 College Parkway, Suite 142, Carson City, Nevada 89706, or the Board's Las Vegas office located at 700 East Warm Springs Road, Suite 100, Las Vegas, Nevada 89119. Payments delivered to any other locations will not be considered valid or received. Payments must strictly comply with the application instruction requirements regarding submission of payments and will be rejected for any failure to comply with those application instructions. Payments must be made via one of the following methods: (1) electronic transfer via ACH through the Board's electronic licensing system; (2) cashier's check; (3) or money order. If payment is made by ACH, that process must be completed no later than 5:00 p.m., Pacific Time, on the final date of the open application period. If payment is made by cashier's check or money order, it still must be physically received no later than 5:00 p.m., Pacific Time, on the final date of the open application period. For applicants paying by ACH, if payment does not clear, the application will be deemed incomplete, untimely, and rejected. The Board and its staff are not required to notify applicants of the failure of their payments to clear. The Board is not responsible for any difficulties any applicant may experience in the timely submission of their electronic payment, no

matter where such issues or problems may arise. For applicants paying by cashier's check or money order, such payment must be delivered in person to the Board offices listed in this subsection, but still must be physically received no later than 5:00 p.m., Pacific Time, on the final date of the open application period. Payments must not be dropped off in any drop boxes or mail slots which will result in the associated application being deemed incomplete, untimely, and rejected. The Board shall not be responsible for any payments that are late due to misdirected deliveries from the applicant or anyone else making the in person delivery, banking issues or mistakes, transportation problems and/or any other reasons. Payment will not be accepted via mail or any other form of commercial delivery service such as Federal Express, United Parcel Service, or DHL. Failure to timely pay the administrative proceeding fee will result in the associated application or applications being deemed incomplete and the Board shall reject them.

(b) The type of cannabis establishment license the applicant is applying for;

(c) The legal name of the proposed cannabis establishment, as reflected in the articles of incorporation or other formation documents filed with the Nevada Secretary of State;

(d) An attestation that the applicant can, has, or will secure evidence that the applicant controls liquid assets in an amount of at least \$200,000.00 and will provide said evidence within the time frame required in NCCR 5.045(2)(a)(2);

(1) If and when an applicant meets the minimum scoring guidelines on the application and is selected for a prospective license this affirmation will be verified, and if untrue, may be used to deny the applicant a conditional license.

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

(1) An attestation wherein the applicant agrees and understands that the actual location, when determined, where the cannabis establishment will be conducting business;

(I) must not be within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board;

(II) must not be within 300 feet of a community facility that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board; and

(III) if the proposed cannabis establishment will be located in a county whose population is 100,000 or more, it must not be within 1,500 feet of an establishment that holds a nonrestricted

gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board.

→A cannabis sales facility applying for a retail cannabis consumption lounge license that met all distance separation requirements under the law in effect on the date the cannabis sales facility received the final license to operate, must attest agreeing and understanding that the actual location, when determined, of the cannabis establishment will meet all distance separation requirements.

(2) While the physical address may change prior to opening the cannabis establishment, this address will be used to identify the local jurisdiction where the cannabis establishment must be located and remain pursuant to NRS 678B.500.

(3) Once the applicant identifies the address, the applicant is limited to locations within said local jurisdiction pursuant to NRS 678B.500.

(f) An attestation that the applicant can, has, or will secure evidence when available that the applicant either:

(1) owns the property on which the cannabis establishment will be physically located, or

(2) has the written permission of the property owner to operate the cannabis establishment at that physical location;

(g) The mailing address, telephone number, and electronic mail address of the applicant;

(1) If contacted by the Board the applicant must respond immediately, but if that is impossible, then no later than 2 business days after contact by the Board. If the applicant does not timely respond to any Board communication that fact may be used to deny the applicant from receiving a prospective, conditional or final license.

(h) The name, address, and date of birth of each natural person proposed to be an owner, officer or board member of the proposed cannabis establishment. If the applicant or an owner is anything other than a natural person, said applicant or owner must submit the aforementioned information for all owners who hold shares or any type of ownership interest directly or indirectly in any way that equate to 5% or greater;

(1) All owners within the ownership structure for the cannabis establishment must be listed if the person owns 5% or greater interest in any entity within the ownership structure.

(i) For cannabis consumption lounges only, an affirmation that no person who owns 5% or greater interest in any entity within the ownership structure has applied for another cannabis consumption lounge license.

(1) If any application has an owner who owns 5% or greater interest in any entity within the ownership organization chart and said owner is also on any other application wherein they are listed as an owner who owns 5% or greater interest in any entity within the ownership

structure, all such applications will be removed from consideration. Any application removed for any reason will not have its administrative processing fee returned; it is a non-refundable fee.

(j) For each owner, officer and board member listed in the application, please provide the agent card portal record number showing proof the person has applied for an agent card as a prospective owner, officer, or board member;

(1) Payment of the agent card fee will not be required until the applicant has met the minimum scoring guidelines on the application and has been selected for a prospective license. Applicants must complete all other sections of the application, including a complete set of the person's fingerprints, which must be submitted to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(2) If any owner, officer, or board member listed in the application has been convicted of an excluded felony offense, per NRS 678B.050, the application will be removed from the process.

(k) An affirmation that the applicant has and will implement a diversity plan as required under subsection 2;

(1) An applicant shall upload the diversity plan as further detailed below in section 2(a)(10)(I).

(l) An attestation that the information provided to the Board to apply for the license is true and correct according to the information known by the attestant at the time of the attestation; and

(m) An attestation stating, in pertinent part, the following:

(1) By submitting this application, I agree to release and hold harmless the State of Nevada, the Cannabis Compliance Board, and each of their employees, attorneys, and consultants from any and all liability for any and all decisions and actions taken in response to the information and data submitted by me or obtained by the Cannabis Compliance Board regarding this application, including, but not limited to, any rejection and/or denial of this application.

5.045 ~~Ranking of applications for retail cannabis store; proportional allocation of licenses for retail cannabis stores within each county; notification to locality of acceptance of applicants; prevention of monopolistic practices; revision or disqualification of application for criminal history of applicant or other person named in application~~ Cannabis consumption lounge prospective and conditional licenses. There is no guarantee that an applicant who meets the minimum scoring guidelines and is selected by the random number selector for a prospective license will also receive a conditional license. To receive a conditional license, an applicant must be found suitable by the Board only after a suitability investigation is completed by Board Agents.

1. In the event the number of licenses for a consumption lounge type are limited, and if the application meets the minimum scoring guidelines to qualify, the application will be entered into a random number selector to determine which applicants will be

selected. If selected through the random number selector, the application will be eligible for a prospective license for a cannabis establishment. If there is no limit on the number of licenses to be awarded in any particular licensing period, a random number selector will not be used. However, the applicant must meet the minimum scoring guidelines before they can proceed to a suitability investigation by the Board Agents and suitability review by the Board to receive a conditional license.

2. If the applicant has met the minimum scoring guidelines on the application and was selected for a prospective license for a cannabis consumption lounge, the applicant must fully cooperate with Board Agents to conduct a suitability investigation.

(a) An applicant who receives a letter informing them that they received a prospective license and that they will be proceeding to a suitability investigation by Board Agents must upload the following documents within 120-days of receipt of such letter. There will be no extensions granted to the 120-day deadline with the exception of the funding requirement pursuant to subsection (2) below:

(1) If the applicant is applying for a license for a cannabis consumption lounge, the proposed hours of operation during which the cannabis consumption lounge plans to be open to consumers;

(2) Evidence that the applicant controls \$200,000.00 in liquid assets;

(3) Operating procedures consistent with the NCCRs to ensure the use of adequate security measures;

(4) Operating procedures consistent with the NCCRs for the use of an inventory control system;

(5) Operating procedures consistent with the NCCRs for handling such cannabis or adult-use cannabis products;

(6) Whether the owners, officers or board members of the proposed cannabis consumption lounge have direct experience with the operation of a cannabis establishment in Nevada and whether they have demonstrated a record of operating such an establishment in compliance with Nevada's laws and regulations for an adequate period of time to demonstrate success;

(7) Whether the owners, officers or board members of the proposed cannabis consumption lounge have direct experience with the operation of a cannabis establishment in a state, jurisdiction or country other than Nevada and whether they have demonstrated a record of operating such an establishment in compliance with the laws and regulations of that state, jurisdiction or country.

(8) The educational and life experience of the persons who are proposed to be owners, officers or board members of the proposed cannabis consumption lounge;

(9) The experience of key personnel that the applicant intends to employ in operating the cannabis consumption lounge for which the applicant seeks a license and a short description of the role in which each personnel will serve for the organization and their responsibilities;

(10) A diversity plan which must be in the form of a detailed written plan that includes objectives, timetables, and evaluation metrics and describes the steps an applicant will take to ensure that the cannabis consumption lounge will promote the meaningful inclusion of diverse groups. The Board will determine whether the stated goals outlined in each Diversity Plan are reasonable and represent a good faith effort to assure that the applicant, who has met the minimum scoring guidelines on the application, accords all persons an equal opportunity in contracting and employment. As used in NRS 678B.280(1)(f), diversity refers to minorities, women, and the inclusion of other persons of backgrounds which are disproportionately underrepresented. However, the inclusion of other underrepresented groups, including, but not limited to, veterans, persons with disabilities, and LGBTQ+, is encouraged.

(I) The Diversity Plan, referenced in subsection (10) above, must include the following information:

(i) The demographic information of each owner, officer, board member, employee, and independent contractor as currently known by the applicant;

(ii) Strategies for obtaining a diverse group of owners, officers, board members, employees, including executive positions, management, and independent contractors;

(iii) Employee hiring and retention diversity goals adopted by the applicant;

(iv) A plan for diversity related outreach or events the applicant will conduct to support its diversity goals in ownership, investment, management, employment, and contracting;

(v) Any materials from the applicant on its mentoring, training, or professional development programs for diverse groups;

(vi) Proposed timelines and benchmarks for achieving the diversity goals outlined in the Diversity Plan, or in the alternative, a narrative describing the applicant's ability to record and report on the components of the Diversity Plan;

(vi) Any other information that demonstrates the applicant's commitment to diversity in ownership, investment, management, employment, and contracting;
and

(vii) Any other information or documentation required by the Board.

(11) Last two fiscal year financial statements (or a statement explaining why the financial statements are not available), including an income

statement, balance sheet and earnings before interest, taxes, depreciation, and amortization (EBITDA);

(12) Resumes or curriculum vitae for all owners, officers, and board members;

(13) Two-year business plan and first-year operating budget for the cannabis establishment;

(14) History of the company; and

(15) If a publicly-traded company, the most recent Non-Objecting Beneficial Owner (NOBO) list.

(b) An applicant who receives a letter informing them that they received a prospective license based on the social equity criteria and is proceeding to a suitability investigation by Board Agents must upload the following documents in addition to the documents listed in subsection (a) within 120 days of receipt of such letter:

(1) Evidence that a social equity applicant's residence is in an approved census tract by displaying an original or certified copy of any two of the following documents:

(I) A receipt from the rent or lease of a residence located in an approved census tract;

(II) A lease of a residence located in an approved census tract on which the applicant appears as the lessee during a lease term within the previous five years;

(III) A record from a public utility for a service address located in an approved census tract dated within the previous five years;

(IV) A bank or credit card statement indicating a residential address located in an approved census tract dated within the previous five years;

(V) A stub from an employment check indicating a residential address located in an approved census tract;

(VI) A document from a state or federal court indicating a residential address located in an approved census tract dated within the previous five years;

(VII) A document issued by an insurance company or its agent, including, without limitation, an insurance card, binder or bill, indicating a residential address located in an approved census tract;

(VIII) A record, receipt or bill from a medical provider indicating a residential address located in an approved census tract;

(IX) Tax records for the most recent tax year, other than the records described in paragraph (XI), indicating a residential address located in an approved census tract;

(X) A statement or bill requesting payment, other than a bill from a medical provider, indicating a residential address located in an approved census tract dated within the previous five years;

(XI) A record of property taxes assessed or paid for the most recent tax year for a residence located in an approved census tract;

(XII) A deed of trust or other documentation of a current mortgage for a residence located in an approved census tract;

(XIII) A record from an educational institution in an approved census tract which establishes that the applicant is currently enrolled in the educational institution or an identification card issued by the educational institution dated within the previous five years that contains the address in which the applicant resided;

(XIV) A receipt from a hotel, motel, recreational vehicle park or campground located in an approved census tract indicating not fewer than 30 days of consecutive residency which is dated within the previous five years;

(XV) A voter registration card issued to the applicant within the previous five years;

(XVI) Documentation of receipt of benefits in an approved census tract under any state program of public assistance dated within the previous five years;

(XVII) A Leave and Earnings Statement, or an equivalent or successor form, indicating residency in an approved census tract, of an applicant who is a member of the military and who is deployed outside of Nevada while serving on active duty dated within the previous five years;

(XVIII) A notarized statement from the owner of a residence located in an approved census tract indicating that the applicant physically resides at the residence dated within the previous five years;

(XIX) Documentation indicating that the applicant is a person for whom a fictitious address has been issued pursuant to NRS 217.462 to 217.471, inclusive; or

(XX) A form approved by the Board as proof of the applicant's residence in an approved census tract.

(XXI) As used in this section, "military" means the Armed Forces of the United States, a reserve component thereof or the National Guard.

(2) A social equity applicant must provide proof of conviction for a cannabis offense for either the applicant and/or the applicant's parent, sibling, or child. Required documents are as follows:

(I) Certified copy of the Judgment of conviction; and/or

(II) Proceedings sheet and/or court minutes.

(c) The documents listed under subsection (a) of subsection 2 are the minimum documents applicants, who have met the minimum scoring guidelines on the applications, are required to upload to the designated electronic licensing application system. If there are no responsive documents to one of the minimum required documents, the applicant must submit an explanation of why they omitted the document. The applicant must turn over any other documents requested by the Board. They must also facilitate in a timely matter any interview of an owner, officer, or board member requested by the Board or Board Agents. If the Board or Board Agents contact the applicant for any reason, the applicant must respond immediately. If an immediate response is not possible, the applicant must respond, no later than 2 business days after contact by the Board or Board Agents. If the applicant fails to respond to any Board or Board Agent communication in a timely manner, that fact may be used to deny the applicant from receiving a prospective, conditional or final license.

(d) When Board Agents complete a suitability investigation, a presentation shall be scheduled at an open and public meeting in front of the Board. The applicant and any requested owner, officer, or board member must be in attendance and prepared to give an affirmative presentation to the Board regarding its application for a license and final suitability determination. The applicant must be prepared to answer any and all questions posed by the Board during the open and public meeting.

(e) The Board will determine on a case-by-case basis the relative weight to give, if any, to any criterion of merit considered and established by the Board.

(f) Once an applicant's conditional license has been issued, the applicant's Diversity Plan will no longer be confidential.

~~5.050 Request by applicant for ranked application score; request to review scoring information; designation of Board employee to respond to request; maintenance of information in application file. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how an applicant may review the scoring of an application made in response to a request by the Board pursuant to NCCR 5.020. Cannabis consumption lounge final licenses.~~

1. If the applicant who has met the minimum scoring guidelines on the application receives a conditional license for a cannabis consumption lounge, the applicant must obtain the final license and become operational within the time limit set in NCCR 5.085. The applicant must work closely with state and local governments and officials to meet all necessary requirements to receive the final license which include, but are not limited to, the following:

(a) Compliance with the zoning and land use rules adopted by the local government in which the establishment will operate;

(b) Issuance of a permanent or temporary business license for the operation of the cannabis establishment by the local government;

(c) Completion of a pre-opening final inspection of the cannabis establishment by the Board that results in a statement of no deficiencies or approved plan of correction;

(d) Establishment and implementation of any and all other requirements as required by the specific regulations that governs the cannabis establishment license type awarded as well as any other requirement of the Board or local government; and

(e) Full payment of all annual license renewal fees and outstanding time and effort billings.

5.053 Petition for re-evaluation of suitability by the Board. If the applicant who has met the minimum scoring guidelines on the application is denied a conditional license, they may petition the Board if they wish to have their suitability reevaluated based on said denial. The applicant must file their petition with the Board within 30 days from the date on the written denial letter from the Board. The petition must explain why the Board's evaluation of suitability that resulted in the denial of the conditional license was improper and provide any other information and/or documentation for the Board's determination. The Board may deny the petition or set the petition for a hearing within 90 days of receiving the petition.

~~5.055 Issuance of license if Board receives only one application in response to request for applications; notification to locality. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how the Board will handle only one application made in response to a request by the Board pursuant to NCCR 5.020.~~ Selection of social equity applicants. Whenever the State of Nevada allocates licenses to social equity applicants during an open application period for a type of cannabis establishment license, a social equity applicant must meet the following criteria:

1. Social equity applicants are identified, and these criteria shall be added to the application process, as persons who:

(a) Have at least 51% ownership in the business;

(b) Have resided in one of the following census tracts nationwide for no less than the previous five years meeting the following two criteria:

(1) A census tract with an Area Deprivation Index score of seven (7) state-only decile or higher; and

(2) A census tract that has an incarceration rate in the 90th percentile, or roughly 3.3% of everyone who grew up in the census tract was in jail or incarcerated at the time of the 2010 Decennial Census.

(c) Are included in at least one of the following categories:

(1) Convicted of a non-violent felony and/or misdemeanor cannabis offense; or

(2) Their immediate family member (parent, sibling, or child) was convicted of a felony cannabis offense and who lived in or currently lives in a census tract, designated by the Board, where:

(I) A census tract with an Area Deprivation Index score of seven (7) state-only decile; and

(II) A census tract that has an incarceration rate in the 90th percentile, or roughly 3.3% of everyone who grew up in the

census tract was in jail or incarcerated at the time of the 2010 Decennial Census.

2. Social equity applicants shall have the administrative processing fee reduced by 75%.

~~5.060 Issuance of license is conditional until certain requirements for approval to begin operations are satisfied. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on conditional licenses issued in response to a request by the Board pursuant to NCCR 5.020.~~ *Issuance of license if Board receives less applications than available cannabis establishment licenses for an open application period; issuance of license if adult-use cannabis retail store applies for a retail cannabis consumption lounge.*

1. If during an open application period the Board receives fewer applications than there are available licenses and the applications comply with NCCR 5.040, the applicants that have met the minimum scoring guidelines on the application will proceed to a suitability investigation by Board Agents and suitability review by the Board.

2. If an applicant who holds a final license for an adult-use cannabis retail store applies for a retail cannabis consumption lounge during an open application period, submits a application that complies with NCCR 5.040, and meets the minimum scoring guidelines on the application and any other requirements set forth in Title 56 of the NRS and the NCCR, the applicant will proceed to a suitability investigation by Board Agents and suitability review by the Board.

~~5.065 Written notice of denial of application. Prior to requesting applications pursuant to NCCR 5.020, the Board will promulgate regulations on how written notice of a denial of application is given in response to a request by the Board pursuant to NCCR 5.020.~~

Procedure to request a reduction of initial issuance and renewal fees for independent cannabis consumption conditional licenses.

1. A person in possession of a conditional license for an independent cannabis consumption lounge can apply to the Board to have their initial and renewal fees under NRS 678B.390 reduced due to financial hardship. This request must include the following:

(a) An attestation that the cannabis independent cannabis consumption lounge will become operational within 12 months of the date of the request to reduce fees.

(b) Evidence of financial hardship satisfactory to the Board which includes:

(1) Evidence that the cannabis independent cannabis consumption lounge's outstanding costs and expenses are greater than the assets available to satisfy these costs and expenses;

(2) Evidence that the independent cannabis establishment consumption lounge has exhausted all financial options; and

(3) Evidence of any other compelling reason to reduce the renewal fees under NRS 678B.390.

The Board will make the ultimate determination as to whether the request establishes financial hardship.

2. Initial requests for reducing fees pursuant to this section must be submitted at least 30-days before the 12-month deadline referred to in NCCR 5.085 subsection 1 expires.

5.085 Surrender of license if cannabis establishment has not received final inspection; extension of time for final inspection; fee not refundable.

1. If a cannabis establishment has not received a final inspection within 12 months after the date on which the Board issued a *conditional* license to the cannabis establishment, the cannabis establishment must surrender the conditional license to the Board. The Board may extend the period specified in this subsection if the Board, in its discretion, determines that extenuating circumstances prevented the cannabis establishment from receiving a final inspection within the period specified in this subsection *or if factors outside the control of the cannabis establishment caused a delay in satisfying the requirements of NRS 678B.320(1). Any request made under this subsection must be made in writing at least 30-days before the original 12-month period expires.*

2. If a cannabis establishment surrenders a conditional license to the Board pursuant to this section, the applicable licensing fee paid by the cannabis establishment is not refundable.

5.110 Requirements for transfer of all or a portion of ownership interest; reimbursement of costs to Board; notice to Board; disclosure of facts pertaining to representative capacity of certain persons to Board; permission of Board required for registering certain information in the books and records of the cannabis establishment; investigation.

15. An independent cannabis consumption lounge licensee may not transfer the license until 2 years from the date on which the independent cannabis consumption lounge license became operational, except an independent cannabis consumption lounge licensee may transfer any ownership interest if:

(a) Any such transfer that does not result in the original ownership dropping below 51%.

(b) Death or incapacitation of original owners requires such transfer providing:

(1) If the original ownership qualified as a social equity applicant pursuant to NCCR 5.055, the resulting ownership must also qualify as a social equity applicant.

(2) Must follow the requirements of NCCR 5.170.

(c) In cases of financial distress, ownership disputes, or possible impairment to the health or safety of the public, and/or in any other situations the Board finds appropriate, a licensee of an independent cannabis consumption lounge or any one of its owners may request the Board to order a cannabis receiver to take possession and control of the independent cannabis consumption lounge license.

Proposed Changes to NCCR Regulation 1

New

~~Deleted~~

1.197 “Ready-to-consume cannabis product” defined.

1.222 “Single-use cannabis product” defined.

1.197 “Ready-to-consume cannabis product” defined. “Ready-to-consume cannabis product” means an adult-use edible cannabis product that is:

1. Prepared and/or infused on the premises of a cannabis consumption lounge;
2. Presented in the form of a foodstuff or beverage;
3. Sold in a heated or unheated state; and
4. Intended for immediate consumption.

Ready-to-consume cannabis products include, but are not limited to, adult-use edible cannabis products that have been prewashed, precooked, or otherwise prepared for consumption and do not require additional cooking or preparation, including portioning. Each serving of a ready-to-consume cannabis product must be individually dosed not to exceed 10mg THC. Menu items offered must be submitted to the appropriate CCB agent for approval. Food items under the jurisdiction of the USDA are subject to inspection, seizure, and destruction by the USDA. Each ready-to-consume cannabis product must include the notice “THC may not be evenly distributed throughout this product.”

1.222 “Single-use cannabis product” defined. “Single-use cannabis product” means a type of cannabis or adult-use cannabis product, other than a ready-to-consume cannabis product, that the Board determined appropriate for consumption in a cannabis consumption lounge.

1. Single-use cannabis products include, but are not limited to, items that are designed for use in a single sitting.
2. A Single use cannabis products may be provided in bulk to a cannabis consumption lounge for later portioning prior to sale to consumers.
3. All Single-use cannabis products must be prepared at a licensed cannabis establishment and may not exceed the allowable serving size.
4. All items must be sold as a single serving and labeled in accordance with NCCR 12.040 or 12.045.
5. Edible cannabis products in liquid form must be homogenized prior to portioning and must be dispensed and sold to consumers utilizing a commercial weighing or dispensing device certified pursuant to NRS 581.
6. Single-use cannabis products must not contain more than:

(a) 3.5 grams of usable cannabis.

(1) If the single-use cannabis product contains more than 1 gram of usable cannabis, it must include a written warning: “Caution- This product is very potent and is not recommended for inexperienced users”.

(b) 10 milligrams of THC for an edible, capsule, or tincture.

(c) 300 milligrams THC for inhalable extracted cannabis products.

(1) All single-use cannabis product sold as an inhalable extracted cannabis product must include a warning, “Caution- This product is very potent and is not recommended for inexperienced users”.

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(d) 400 milligrams of THC for a topical.

(e) 100 milligrams of THC for transdermal patches or other adult-use cannabis products not mentioned in this section.

(1) If the single-use cannabis product contains more than 10 milligrams of THC, it must include a written warning: “Caution- This product is very potent and is not recommended for inexperienced users”.

Proposed Changes to NCCR Regulation 4

New

~~Deleted~~

4.050 Category III Violations.

1. The Board will determine a category III violation of the NCCR and Title 56 of NRS as follows:

(a) Category III violations are violations of a severity that create a potential threat to public health or safety, including, without limitation:

- (1) Transporting cannabis in an unauthorized vehicle;
- (2) Allowing consumption by any person of alcohol, cannabis (except at a consumption lounge) or other intoxicants on the premises of the cannabis establishment or in areas adjacent to the premises of the cannabis establishment which are under the licensee's control, including, without limitation, a parking lot;
- (3) Failing to keep any required records, including seed-to-sale tracking requirements;
- (4) Failing to tag plants as required;
- (5) Failing to follow an approved security plan;
- (6) Allowing disorderly activity;
- (7) Allowing any activity which violates the laws of this State;
- (8) Failing to notify the Board or Board Agents within 24 hours after discovery of a serious incident or criminal activity on the premises of the cannabis establishment;
- (9) Unintentionally failing to pay taxes to the Department of Taxation;
- (10) Selling unauthorized products;
- (11) Failing to notify the Board or Board Agents of a modification or expansion of the facilities of the cannabis establishment or a change in equipment or menu of the cannabis establishment;
- (12) Violating packaging or labeling requirements including seed-to-sale tracking system requirements;
- (13) Storing or delivering an unapproved cannabis product or a cannabis product outside the seed-to-sale tracking system;
- (14) Failing to meet requirements for the disposal of cannabis waste;
- (15) Using unauthorized pesticides, soil amendments, fertilizers or other crop production aids;
- (16) Exceeding the maximum serving requirements for cannabis products;
- (17) Exceeding a reasonable time frame for delivery without approval from the Board or Board Agents;
- (18) Transporting or storing cannabis from an unlicensed source, other than patient samples stored at a cannabis interdependent testing laboratory, or diversion of cannabis or cannabis products;
- (19) Picking up, unloading or delivering cannabis at an unauthorized location;
- (20) Failing to comply with requirements for hand washing and employee hygiene, including, without limitation, using a bare hand on a cannabis product;
- (21) Failing to maintain proper temperature of potentially hazardous food or cannabis products;
- (22) Selling or failing to dispose of cannabis, cannabis products or food items that are spoiled or contaminated;
- (23) Failing to tag cannabis or a cannabis product as required;
- (24) Failing to follow seed-to-sale tracking system requirements while transporting or delivering cannabis or cannabis products
- (25) Failing to properly update the licensee's point of contact with the Board;
- (26) Failure to maintain quality assurance/quality control program in a laboratory;
- (27) Failure to maintain updated standard operating procedures;

- (28) Allowing sales of any products at a cannabis consumption lounge that are not permitted to be sold at a cannabis consumption lounge;
- (29) Allowing the removal of any single-use cannabis products or ready-to-consume cannabis products from a cannabis consumption lounge;
- (30) Permitting the use or consumption of cannabis by any person displaying any visible signs of overconsumption at a cannabis consumption lounge;
- (31) Failing to develop, implement, and/or maintain a plan to mitigate the risk of impaired driving at a cannabis consumption lounge; or
- (32) Failing to maintain a separate room in a cannabis consumption lounge for cannabis smoking, vaping, and inhalation in a cannabis consumption lounge, unless all such activities are prohibited in the cannabis consumption lounge.

4.055 Category IV Violations.

1. The Board will determine a category IV violation of the NCCR and Title 56 of NRS as follows:

- (a) Category IV violations create a climate which is conducive to abuses associated with the sale or production of cannabis or cannabis products, including, without limitation:
 - (1) Failing to display or have in the immediate possession of each cannabis establishment agent a cannabis establishment agent registration card or proof of temporary registration;
 - (2) Removing, altering or covering a notice of suspension of a license or any other required notice or sign;
 - (3) Violating advertising requirements;
 - (4) Displaying products in a manner visible to the general public from a public right of way;
 - (5) Failing to respond to an administrative notice of a violation or failing to pay fines;
 - (6) Violating restrictions on sampling;
 - (7) Failing to maintain a standardized scale as required;
 - (8) Improper storing of cannabis, cannabis products or other foods;
 - (9) Failing to properly wash, rinse and sanitize product contact surfaces as required;
 - (10) Failing to maintain hand-washing facilities that are stocked, accessible and limited to hand washing only;
 - (11) Infestation by pests that are not multigenerational or on contact surfaces;
 - (12) Failing to properly use sanitizer as required;
 - (13) Violating any transportation or delivery requirements not described in another category of violations;
 - (14) Failing to properly respond to a Board or Board Agent's request for documentation, information, video, or other records;
 - (15) Failing to comply with required employee training;
 - (16) Failing to offer required consumer education, support materials, warnings, and/or notices to a cannabis consumption lounge consumer;
 - (17) Failing to comply with any laws or regulations related to on-site food preparation at a cannabis consumption lounge; or
 - (18) Failing to comply with ventilation requirements at a cannabis consumption lounge.

4.060 Category V Violations.

1. The Board will determine a category V violation of the NCCR and Title 56 of NRS as follows:

- (a) Category V violations are inconsistent with the orderly regulation of the sale or production of cannabis or cannabis products, including, without limitation:
 - (1) Failing to submit monthly tax or sales reports or payments;

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- (2) Failing to notify the Board or Board Agents of a temporary closure of the cannabis establishment within 24 hours of the closure;
- (3) Failing to post any required signs;
- (4) Failing to notify the Board of a change in the name of the cannabis establishment;
- (5) Making a payment with a check returned for insufficient funds;
- (6) Failing to comply with any other requirements not described in another category of violations;
- (7) Failing to properly submit quarterly inventory reports, monthly sales reports, or other reports required by the Board;
- (8) Failure to pay for all costs involved in screening or testing related to quality assurance compliance checks within 30 days;
- (9) Operating a cannabis consumption lounge, or cannabis sales facility, outside of its designated hours of operation or failing to properly post the hours of operation of a cannabis consumption lounge, or cannabis sales facility;
- (10) Failing to provide required water service at a cannabis consumption lounge; or
- (11) Failing to comply with requirements regarding visibility of consumption from the public at a cannabis consumption lounge.

Proposed Changes to NCCR Regulation 5

New

~~Deleted~~

5.100 Grounds for denial of issuance or renewal of license; ~~grounds for revocation of license;~~ notice of denial; opportunity to correct situation.

1. The Board ~~may~~will deny an application for the issuance or renewal of a license for a cannabis establishment ~~if~~on any of the following grounds:

~~(a) The application or the cannabis establishment is not in compliance with any provision of this chapter or Title 56 of NRS; or~~

~~(b) An owner, officer or board member of the cannabis establishment:~~

~~(1) Is an employee or contractor of the Board;~~

~~(2) Has an ownership or financial investment interest in a cannabis independent testing laboratory and also is an owner, officer or board member of a cannabis cultivation facility, cannabis distributor, cannabis production facility, or retail cannabis store; or~~

~~(3) Intentionally provides information that the Board determines is false or misleading, including any information and/or documents provided in an original application for licensure.~~

~~2. The Board may revoke a license for a cannabis establishment if:~~

~~(a) The cannabis establishment engages in a category I violation pursuant to NCCR 4.035;~~

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

~~(c) An owner, officer or board member of the cannabis establish unintentionally provides information that the Board determines is false or misleading; or~~

~~(d) The Board receives formal notice from the applicable locality that the cannabis establishment has had its authorization to operate terminated.~~

~~3. The Board may deny an application for the issuance or renewal of a license for a cannabis~~

~~establishment or may suspend or revoke any license issued under the provisions of this chapter~~

~~and Title 56 of NRS upon any of the following grounds:~~

~~(a) Violation by the applicant or the cannabis establishment of any of the provisions of the NCCR~~is chapter~~ or Title 56 of NRS.~~

~~(b) The failure or refusal of an applicant or cannabis establishment to comply with any of the provisions of the NCCR~~is chapter~~ or Title 56 of NRS.~~

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

~~(d) Operating a cannabis establishment without a license, including, but not limited to, the failure to timely submit a renewal application, the failure to timely pay renewal fees, or failure to pay all time and effort billing.~~

~~(e) The failure or refusal to return an adequate plan of correction to the Board within 10 business days after receipt of a statement of deficiencies pursuant to NCCR 5.080.~~

(f) The failure or refusal to correct any deficiency specified by the Board within the period specified in a plan of correction approved by the Board ~~developed pursuant to NCCR 5.080.~~

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

(h) The failure to comply with the provisions of chapters 372A and Title 56 of NRS and chapter 372A of NAC governing the imposition of an excise tax on cannabis establishments.

(i) An owner, officer or board member of the cannabis establishment ment ~~un~~intentionally provides information that the Board determines is false or misleading.

(j) Failure to adhere to all local requirements, including but not limited to licensing requirements.

~~2. 4. If the Board denies an application for issuance or renewal of a license for a cannabis establishment, or revokes such a license, the Board may provide notice to the applicant or cannabis establishment that includes, without limitation, the specific reasons for the denial. or revocation.~~

~~5. Before denying an application for issuance or renewal of a license for a cannabis establishment or revoking such a license as a result of the actions of an owner, officer or board member of the cannabis establishment pursuant to paragraph (b) of subsection 1 or paragraph (b) of subsection 2, the Board may provide the cannabis establishment with an opportunity to correct the situation.~~

~~6. The Board will not deny an application to renew a license for a cannabis establishment or revoke a license based on a change in ownership of the cannabis establishment if the cannabis establishment is in compliance with the provisions of the NCCR and Title 56 of NRS.~~

5.150 Categories of registration cards.

1. The Board will issue cannabis establishment agent registration cards for each of the following categories:

(a) A cannabis cultivation facility;

(b) A cannabis distributor;

(c) A cannabis production facility;

(d) A cannabis independent testing laboratory;

(e) A cannabis sales facility; ~~or~~

(f) An independent contractor who provides labor to a cannabis establishment or an employee of such an independent contractor;

(g) A cannabis receiver; or

(h) A cannabis consumption lounge.

Proposed Changes to NCCR Regulation 6

New

~~Deleted~~

6.070 Persons authorized on premises; visitor identification badge and other requirements for other persons; maintenance and availability of visitor log.

1. Except as otherwise provided in this section, the only persons who may be on the premises of a cannabis sales facility are:
 - (a) A registered cannabis establishment agent for a cannabis sales facility;
 - (b) A patient who holds a valid registry identification card or letter of approval;
 - (c) The designated primary caregiver of a patient who holds a valid registry identification card or letter of approval;
 - (d) A person who is not a resident of this State but is deemed to hold a valid registry identification card pursuant to NRS 678C.470;
 - (e) A person inspecting the cannabis establishment, including, without limitation, a local government authority or emergency personnel, pursuant to ~~NRS 678A-D~~this Act or NCCR; or
 - (f) Any person not listed in paragraph (a) to (e), inclusive, who is at least 21 years of age.
2. Except as otherwise provided in this section, the only persons who may be on the premises of a cannabis consumption lounge are:
 - (a) A registered cannabis establishment agent for a cannabis consumption lounge;
 - (b) A person inspecting the cannabis establishment, including, without limitation, a local government authority or emergency personnel, pursuant to NRS 678A-D or NCCR; or
 - (c) Any person not listed in paragraphs (a) and (b), inclusive, who is at least 21 years of age.
3. The only persons who may be on the premises of a cannabis establishment other than a cannabis sales facility or a cannabis consumption lounge are:
 - (a) A registered cannabis establishment agent for that facility type; or
 - (b) A person inspecting the cannabis establishment, including, without limitation, a local government authority or emergency personnel, pursuant to ~~NRS 678A-D~~this Act or NCCR.
4. Any person other than a person authorized to be on the premises of a cannabis establishment pursuant to subsections 1 through 3 ~~or 2~~ must obtain a visitor identification badge from a cannabis establishment agent before entering the premises of the cannabis establishment.
5. A person who obtains a visitor identification badge pursuant to subsection ~~4~~3, including, without limitation, an outside vendor or contractor:
 - (a) Must be escorted and monitored by a cannabis establishment agent at all times he or she is on the premises of the cannabis establishment;
 - (b) Must visibly display his or her visitor identification badge at all times he or she is on the premises of the cannabis establishment;
 - (c) Must not handle any cannabis or money whatsoever; and
 - (d) Must return the visitor identification badge to a cannabis establishment agent upon leaving the premises of the cannabis establishment.
6. Each cannabis establishment shall maintain a visitor log which includes the name of the visitor and the date, time and specific purpose of each visit by a person other than a person

authorized to be on the premises of the cannabis establishment pursuant to subsections 1 through 3 ~~or 2~~. The cannabis establishment shall make its visitor log available to the Board or Board Agents upon request.

7. Each regular, seasonal or temporary employee of, volunteer or person who provides labor as a cannabis establishment agent at a cannabis establishment must obtain a cannabis establishment agent registration card pursuant to the provisions of NRS 678B and may not be authorized to be on the premises of the cannabis establishment by obtaining a visitor identification badge pursuant to the provisions of this section.

8. Live animals shall be allowed on the premises only under the following conditions:

- (a) Decorative fish in aquariums
- (b) Patrol dogs accompanying police or security officers
- (c) In areas that are not used for cannabis storage or preparation, and that are usually open for consumers, including but not limited to sales areas, service animals that are controlled by the disabled employee or consumer, if a health or safety hazard will not result from the presence or activities of the service animal.
- (d) Nothing in this Section shall be construed to supersede, or be in conflict with, the Americans with Disability Act.

6.072 Training and instruction required before agent may begin work or service as a volunteer.

7. In addition to the training set forth in subsection 1, cannabis consumption lounges shall ensure that instruction is provided to a cannabis establishment agent before that person begins to work or volunteers or provides labor as a cannabis establishment agent at the cannabis consumption lounge. Such instruction must include, without limitation:

- (a) Methods for identifying signs of visible overconsumption of cannabis and/or impairment from alcohol and/or other drugs;
- (b) Resources to mitigate impaired driving, including safe transportation options available to consumers;
- (c). Strategies for inquiring about and understanding a consumer's varying experience with cannabis and options for lower dose cannabis products;
- (d) Policies for ceasing all consumption and other activities until law enforcement, firefighters, emergency medical service providers, or other public safety personnel have completed any investigation or services and vacated the cannabis establishment;
- (e) Guidelines for employees and licensees to identify themselves during an interaction with law enforcement, Board Agents, or local regulators;
- (f) Signs of poly-substance interactions including but not limited to interactions of cannabis with alcohol, prescription, and over-the-counter medications and other substances;
- (g) Risks and potential responses to adverse events such as overconsumption, dehydration, poly-substance use, or other similar events;
- (h) Procedures to de-escalate interactions with intoxicated consumers and potentially dangerous situations, which include but are not limited to development of an emergency action plan;
- (i) Approaches for sexual assault prevention associated with overconsumption or poly-substance intoxication;

(j) Resources available for responsible cannabis use;

(k) Resources for understanding the difference between concentrated cannabis, topical products and cannabis products, as applicable to the operations of the consumption lounge; and

(l) Proper methods of destruction of single-use cannabis and ready-to-consume cannabis.

6.075 Development, documentation and implementation of certain policies and procedures; maintenance and availability. A cannabis 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;
- (5) Disciplinary actions; and

(6) Disclosure of potential health risks involved with the performance of job duties.

(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) Acquiring cannabis from other cannabis establishments;
- (4) Disposing of **unusable** *waste containing cannabis or unconsumed cannabis and cannabis product rendered unusable in accordance with NCCR 10.080*; and
- (5) Returning for a refund *of* cannabis or cannabis products to the cannabis establishment

from which the cannabis or cannabis products were acquired.

(d) If applicable, consumer education and support, including, without limitation:

- (1) The availability of different strains of cannabis and the purported effects of the different strains;
- (2) Information about the purported effectiveness of various methods, forms and routes of administering cannabis;
- (3) The prohibition on the smoking *or consumption* of cannabis in public places, places open to the public, within a cannabis *sales* facility, *except within licensed cannabis consumption lounges*, and places exposed to public view;
- (4) Education on how cannabis impairs a person's ability to operate a moving vehicle and that driving, operating or being in actual physical control of a vehicle while under the influence of cannabis or while impaired by cannabis is unlawful; and
- (5) That possession of cannabis exceeding a certain quantity remains a felony with various legal consequences.

2. Maintain copies of the policies and procedures developed pursuant to subsection 1 at the cannabis establishment and provide copies to the Board or Board Agents for review upon request.

6.080 Inventory control system; authorized sources for acquisition of cannabis and cannabis products; duties of establishment if loss incurred; maintenance and availability of documentation.

1. Each cannabis establishment shall designate in writing a cannabis establishment agent who has oversight of the inventory control system of the cannabis establishment.
2. Except as otherwise provided in subsections 3 and 4, a cannabis establishment shall only acquire cannabis or cannabis products from another Nevada licensed cannabis establishment, including, without limitation, a cannabis cultivation facility, a cannabis production facility or a cannabis sales facility.
3. *Pursuant to Title 56 of NRS, a cannabis consumption lounge may only acquire single-use cannabis products, cannabis and adult-use cannabis products needed for ready-to-consume cannabis products from a cannabis sales facility.*
4. A cannabis cultivation facility may acquire seeds for the cultivation of cannabis from any person if the acquisition of the seeds does not violate the provisions of Title 56 of NRS. A cannabis cultivation facility may also acquire cannabis or cannabis products from a consumer if the acquisition does not violate the provisions of Title 56 of NRS.
5. *With the exception of a cannabis consumption lounge,* a cannabis establishment shall not acquire concentrated cannabis or products containing concentrated cannabis from another cannabis establishment, except that a cannabis sales facility or a cannabis production facility may acquire concentrated cannabis or products containing concentrated cannabis from a cannabis production facility. A cannabis cultivation facility may sell crude collected resins to a cannabis sales facility if the crude collected resins are:
 - (a) From a single batch;
 - (b) Unaltered; and
 - (c) Not combined, except as provided in subsection 6.
6. A cannabis cultivation facility may combine lots of crude collected resins which have been collected in accordance with subsection 4 and have passed all testing pursuant to NCCR 11.050 prior to combining.
7. Each cannabis establishment, except a cannabis independent testing laboratory, shall establish and implement an inventory control system that documents:
 - (a) Each day's beginning inventory, acquisitions, harvests, sales, disbursements, disposal of unusable cannabis and ending inventory, including, without limitation, the:
 - (1) Number of plants and cuttings;
 - (2) Weight of flowers, measured in grams;
 - (3) Weight of trim, measured in grams;
 - (4) Quantity of THC, measured in milligrams; and
 - (5) Weight of seeds, measured in grams.
 - (b) When acquiring cannabis from another cannabis establishment:
 - (1) A description of the cannabis acquired, including the amount, strain and batch number, lot number and production run number, or any combination thereof;
 - (2) The name and identification number of the license of the cannabis establishment providing the cannabis;
 - (3) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent providing the cannabis;
 - (4) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent receiving the cannabis on behalf of the cannabis establishment; and
 - (5) The date of acquisition.

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- (c) When acquiring cannabis from a medical cannabis establishment registered pursuant to this Act:
 - (1) A description of the cannabis acquired, including the amount, strain and batch number, lot number and production run number, or any combination thereof;
 - (2) The name and identification number of the medical cannabis establishment registration certificate of the medical cannabis establishment providing the cannabis;
 - (3) The name and the number of the medical cannabis establishment agent registration card of the medical cannabis establishment agent providing the cannabis;
 - (4) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent receiving the cannabis on behalf of the cannabis establishment; and
 - (5) The date of acquisition.
- (d) For each batch of cannabis cultivated:
 - (1) The batch number, lot number and production run number, as applicable.
 - (2) Whether the batch originated from cannabis seeds or cannabis cuttings.
 - (3) The strain of the cannabis seeds or cannabis cuttings planted.
 - (4) The number of cannabis seeds or cannabis cuttings planted.
 - (5) The date on which the cannabis 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 cannabis plants grown to maturity.
 - (8) Harvest information, including, without limitation:
 - (I) The date of harvest;
 - (II) The final yield weight of processed usable cannabis, in grams; and
 - (III) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent responsible for the harvest.
 - (9) The disposal of cannabis that is not usable cannabis, including:
 - (I) A description of and reason for the cannabis being disposed of, including, if applicable, the number of failed or other unusable cannabis plants;
 - (II) The date of disposal;
 - (III) Confirmation that the cannabis was rendered unusable before disposal;
 - (IV) The method of disposal; and
 - (V) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent responsible for the disposal.
- (e) When providing cannabis to another cannabis establishment:
 - (1) The amount, strain, batch number, lot number and production run number, as applicable, of cannabis provided to the cannabis establishment;
 - (2) The name and license number of the other cannabis establishment;
 - (3) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent who received the cannabis on behalf of the other cannabis establishment; and
 - (4) The date on which the cannabis was provided to the cannabis establishment.
- (f) When receiving edible cannabis products from another cannabis establishment:
 - (1) A description of the edible cannabis products received from the cannabis establishment, including the total weight of each edible cannabis product and the amount of THC, measured in milligrams, and the production run number of the cannabis in each edible cannabis product.

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- (2) The total amount and production run number of cannabis in the edible cannabis products.
- (3) The name and:
 - (I) License number of the cannabis establishment providing the edible cannabis products to the receiving cannabis establishment;
 - (II) The number of the cannabis establishment agent registration card of the cannabis establishment agent providing the edible cannabis products to the receiving cannabis establishment; and
 - (III) The number of the cannabis establishment agent registration card of the cannabis establishment agent receiving the edible cannabis products on behalf of the receiving cannabis establishment.
- (4) The date on which the edible cannabis products were provided to the cannabis establishment.
- (g) When receiving cannabis products from another cannabis establishment:
 - (1) A description of the cannabis products received from the cannabis establishment, including the total weight of each cannabis product and the amount of THC, measured in milligrams, and production run number of the cannabis in each cannabis product.
 - (2) The total amount and production run number of cannabis in the cannabis products.
 - (3) The name and:
 - (I) License number of the cannabis establishment providing the cannabis products to the receiving cannabis establishment;
 - (II) The number of the cannabis establishment agent registration card of the cannabis establishment agent providing the cannabis products to the receiving cannabis establishment; and
 - (III) The number of the cannabis establishment agent registration card of the cannabis establishment agent receiving the cannabis products on behalf of the receiving cannabis establishment.
 - (4) The date on which the cannabis products were provided to the cannabis establishment.
- (h) When receiving concentrated cannabis or products containing concentrated cannabis from a cannabis production facility:
 - (1) A description of the concentrated cannabis or products containing concentrated cannabis received from the cannabis production facility, including the total weight of each product, the amount of THC (except a cannabis independent testing laboratory), measured in milligrams, and the production run number for each product;
 - (2) The name and:
 - (I) License number of the cannabis establishment providing the concentrated cannabis or products containing concentrated cannabis to the receiving cannabis establishment;
 - (II) The number of the cannabis establishment agent registration card of the cannabis establishment agent providing the concentrated cannabis or products containing concentrated cannabis to the receiving cannabis establishment; and
 - (III) The number of the cannabis establishment agent registration card of the cannabis establishment agent receiving the concentrated cannabis or products containing concentrated cannabis on behalf of the receiving cannabis establishment.
 - (3) The date on which the concentrated cannabis or products containing concentrated cannabis were provided to the cannabis establishment.

8. Each cannabis establishment shall:

- (a) Establish and maintain a seed-to-sale **tracking 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 Executive Director and to the cannabis establishment that ordered the concentrated cannabis or cannabis product.
- (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 must be documented, investigated by management personnel and immediately reported to the Executive Director.

9. If a cannabis establishment identifies a reduction in the amount of cannabis in the inventory of the cannabis establishment which is not due to documented causes, the cannabis establishment shall determine where the loss has occurred and take and document corrective action. If the reduction in the amount of cannabis in the inventory of the cannabis establishment is due to suspected criminal activity by a cannabis establishment agent, the cannabis establishment shall report the cannabis establishment agent to the Board and to the appropriate law enforcement agencies within 24 hours. The Board may require the cannabis establishment to provide additional information as it determines necessary to conduct an investigation.

10. A cannabis establishment shall:

- (a) Maintain the documentation required by subsections 5, 6, and 7 at the cannabis establishment for at least 5 years after the date on the document; and
- (b) Provide the documentation required by subsections 5, 6, and 7 to the Board or Board Agents for review upon request.

(Amended: 8/2021)

6.082 Use of seed-to-sale tracking system; payment of fees. A cannabis establishment shall:

1. Use the seed-to-sale tracking system managed by the independent contractor selected by the Board;
2. Connect to the seed-to-sale tracking system using the independent contractor's application programming interface;
3. Pay any fees assessed by the independent contractor for using the seed-to-sale tracking system, including, without limitation, user fees or application programming interface fees; and
4. Ensure cannabis and cannabis products are tagged as required using the seed-to-sale **tracking inventory** system.

6.085 Required security measures, equipment and personnel; location of outdoor cultivation facility must allow for response by local law enforcement. *(Effective on January 1, 2023)*

1. To prevent unauthorized access to cannabis at a cannabis establishment, the cannabis establishment must have:
 - (a) One single secure entrance of the physical building;
 - (b) No visible cannabis or cannabis products from outside the establishment.
 - (c) Security equipment to deter and prevent unauthorized entrance into limited access areas that includes, without limitation:
 - (1) Devices or a series of devices to detect unauthorized intrusion, which may include

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a signal system interconnected with a radio frequency method, such as cellular or private radio signals, or other mechanical or electronic device, and which, for a cannabis cultivation facility which engages in outdoor cultivation, covers the entirety of the cultivation area and the perimeter and exterior area of the cannabis cultivation facility;

(2) Exterior lighting to facilitate surveillance which, for a cannabis cultivation facility which engages in outdoor cultivation:

(I) When the lighting would not interfere with the growing cycle of a crop, covers the entirety of the cultivation area and the perimeter and exterior area of the cannabis cultivation facility; and

(II) When the lighting would interfere with the growing cycle of a crop, covers the perimeter and exterior area of the cannabis cultivation facility;

(3) Electronic monitoring, including, without limitation, each of the following:

(I) At least one call-up monitor that is ~~55~~¹⁹ inches or equivalent or more;

(II) A printer capable of immediately producing a clear still photo from any video camera image, which photo must be provided to the Board or Board Agents for review upon request;

(III) Video cameras with a recording resolution of at least 1920 x 1080, or the equivalent, at a rate of at least 15 frames per second which provide coverage of all entrances and exits of the building, any room or area that holds a vault and any point-of-sale location, which record 24 hours per day, which are capable of being accessed remotely by the Board and any other a law enforcement agency in real time ~~upon request~~ and which may record motion only. *The information necessary to remotely access the camera footage must be entered into the cannabis establishment's Accela portal.* A video camera providing coverage of a point-of-sale location must allow for the identification of any person purchasing cannabis. *In a cannabis consumption lounge, the entire area that is used by consumers must be covered by video cameras;*

(IV) Video cameras with a recording resolution of at least 720 x 480, or the equivalent, at a rate of at least 15 frames per second which provide coverage of all limited access areas not described in sub-subparagraph (III) and any activity in or adjacent to the establishment, which record 24 hours per day, which are capable of being accessed remotely by a law enforcement agency, the Board, and Board Agents in real time upon request, which may record motion only and which, for a cannabis cultivation facility which engages in outdoor cultivation, cover the entirety of the cultivation area and the perimeter and exterior area of the cannabis cultivation facility. *The information necessary to remotely access the camera footage must be entered into the cannabis establishment's Accela portal within the Board's electronic licensing system;*

(V) A video camera which is capable of identifying any activity occurring within the cannabis establishment in low light conditions 24 hours per day;

(VI) A method for storing video recordings from the video cameras for at least 30 calendar days in a secure on-site or off-site location or through a service or network that provides on-demand access to the recordings and providing copies of the recordings to the Board and Board Agents for review upon request, on portable external hard drives or other media as directed by

the Board or Board Agents, at the expense of the cannabis establishment, and within a reasonable time frame as determined by the Board or Board Agents. Adequately sized portable, external drives must be immediately available to store a minimum of seven days (168 Hours) of video from a minimum of seven cameras. External drives must be USB 3.0 or greater and formatted with FAT32 or exFAT and will not be returned to the establishment. ~~The blank portable, external hard drives must be available at the cannabis establishment at all times and there must be at least one drive capable of holding a full thirty days of video footage of the entire cannabis establishment;~~

(VII) A failure notification system that provides an audible and visual notification of any failure in the electronic monitoring system;

(VIII) In a cannabis consumption lounge, security personnel are required to continually monitor real time security camera footage while the facility is open for business; and

(IX) Sufficient battery backup for video cameras and recording equipment to support at least 5 minutes of recording in the event of a power outage;

(4) Immediate automatic or electronic notification to alert local law enforcement agencies of an unauthorized breach of security at the cannabis establishment in the interior of each building of the cannabis establishment; and

(5) For a cannabis cultivation facility which engages in outdoor cultivation:

(I) An alarm system and video cameras which are monitored 24 hours per day;

(II) An exterior barrier, determined to be appropriate by local law enforcement, which is located around the perimeter of the cannabis cultivation facility and which consists of a solid block wall or chain link fence with a height of at least 8 feet and an additional fence with a height of at least 8 feet located at least 10 feet and not more than 20 feet inside of the solid block wall or chain link fence; and

(III) A secure brick and mortar building which is approved by the appropriate Board Agent as suitable to dry and store cannabis and which meets the security and sanitation requirements for a cannabis cultivation facility which engages in indoor cultivation of cannabis.

(d) Policies and procedures:

(1) That restrict access to the areas of the cannabis establishment that contain cannabis to persons authorized to be in those areas only;

(2) That provide for the identification of persons authorized to be in the areas of the cannabis establishment that contain cannabis;

(3) That prevent loitering, other than consumers already admitted to a cannabis consumption lounge;

(4) For conducting electronic monitoring;

(5) For the use of the automatic or electronic notification to alert local law enforcement agencies of an unauthorized breach of security at the cannabis establishment;

(6) For limiting the amount of money available in any retail areas of the cannabis establishment and for training employees on this practice;

(7) For notifying the public of the minimal amount of money available, which may include, without limitation, the posting of a sign;

(8) For maintaining communication with law enforcement agencies; and

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- (9) For providing and receiving notifications regarding burglary, attempted burglary, robbery, attempted robbery and other suspicious activity.
2. Each video camera used pursuant to subparagraph (3) of paragraph (a) of subsection 1 must:
 - (a) Include a date and time generator which possesses the capability to display the date and time of recorded events on the recording in a manner that does not significantly obstruct the recorded view; and
 - (b) Be installed in a manner that will prevent the video camera from being readily obstructed, tampered with or disabled.
3. A cannabis establishment shall make a reasonable effort to repair any malfunction of security equipment within 72 hours after the malfunction is discovered. A cannabis establishment shall notify the Board and local law enforcement within 24 hours after a malfunction is discovered and provide a plan of correction. Failure to correct a malfunction within 72 hours after the malfunction is discovered is a violation of this section.
4. If a video camera used pursuant to subparagraph (3) of paragraph (a) of subsection 1 malfunctions, the cannabis establishment shall immediately provide alternative video camera coverage or use other security measures, such as assigning additional supervisory or security personnel, to provide for the security of the cannabis establishment. If the cannabis establishment uses other security measures, the cannabis establishment must immediately notify the Executive Director, and the Executive Director will determine whether the other security measures are adequate.
5. Each cannabis establishment shall maintain a log that documents each malfunction and repair of the security equipment of the cannabis establishment pursuant to subsections 3 and 4. The log must state the date, time and nature of each malfunction, the efforts taken to repair the malfunction and the date of each effort, the reason for any delay in repairing the malfunction, the date the malfunction is repaired and, if applicable, any alternative security measures that were taken. The log must also list, by date and time, all communications with the Board, Board Agents or Executive Director concerning each malfunction and corrective action. The cannabis establishment shall maintain the log for at least 1 year after the date of last entry in the log.
6. Each cannabis establishment must employ a security manager or director who must be responsible for:
 - (a) Conducting a semiannual audit of security measures to ensure compliance with the state procedures of the cannabis establishment and identify potential security issues;
 - (b) Training employees on security measures, emergency response and robbery prevention and response before starting work and on an annual basis; and
 - (c) Evaluating the credentials of any third party who intends to provide security to the cannabis establishment before the third party is hired by or enters into a contract with the cannabis establishment.
7. Each cannabis establishment shall ensure that the security manager or director of the cannabis establishment, at least one employee of the cannabis establishment or the employees of any third party who provides security to the cannabis establishment has completed or will complete within three months of being hired, to be proven by written attestation from the employee and the training officer, the following training:
 - (a) Training in theft prevention or a related subject;
 - (b) Training in emergency response or a related subject;
 - (c) Training in the appropriate use of force or a related subject that covers when the use of force is and is not necessary;

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- (d) Training in the use and administration of first aid, including cardiopulmonary resuscitation;
 - (e) Training in the protection of a crime scene or a related subject;
 - (f) Training in the control of access to protected areas of a cannabis establishment or a related subject;
 - (g) Not less than 8 hours of on-site training in providing security services; and
 - (h) Not less than 8 hours of classroom training in providing security services.
8. A cannabis cultivation facility which engages in the outdoor cultivation of cannabis must be located in such a manner as to allow local law enforcement to respond to the cannabis cultivation facility within 15 minutes after being contacted unless the local law enforcement agency determines some other response time is acceptable.
9. Cannabis establishments must ensure that armed security officers do not violate the provisions of NRS 202.257 (possessing a firearm while under the influence of a controlled substance). In addition, a cannabis consumption lounge shall prohibit consumers from bringing firearms into a consumption lounge, including posting of signs providing notice of same.
10. A cannabis establishment shall operate the business in a decent, orderly, and respectable manner. A licensee shall not knowingly permit any activity or acts of disorderly conduct, nor shall a licensee permit rowdiness, undue noise, or other disturbances or activity offensive to a reasonable person ~~the senses of the average citizen~~, neighboring business, or to the residents of the neighborhood in which the business is located.
11. If an emergency requires law enforcement, firefighters, emergency medical service providers, Board Agents or other public safety personnel to enter the premises of the business, the cannabis establishment is responsible for ensuring that all consumption of inhalable cannabis, if allowed, and other activities if requested, cease until such personnel have completed their investigation or services and have left the premises.
12. A cannabis establishment must report directly to the Board any criminal activity requiring an in-person response from law enforcement within 24 hours after an owner or employee of the business learns of the event.
13. If the Board learns of an increase in criminal activity at or near the location of a particular cannabis establishment, the Board may require the licensee to create an appropriate risk mitigation plan and submit to the Board.
14. Employees are prohibited from consuming cannabis while on duty and at work. The cannabis establishment shall create appropriate procedures to ensure employees do not show up to work or remain at work intoxicated.

6.090 Cleanliness and health of cannabis establishment agents.

4. A cannabis establishment agent shall immediately report to the person in charge if the agent knows he or she has:
- (a) A symptom of gastrointestinal infection, including, without limitation, diarrhea, vomiting or jaundice, except as otherwise provided in paragraph 9;
 - (b) A diagnosed infection by a disease agent that can be transmitted from a person through food or cannabis, including, without limitation, Salmonella species, Shigella species, Shiga toxin-producing Escherichia coli, Hepatitis A virus or Norovirus; or

(c) A lesion that appears inflamed or contains pus and that is not covered as described in subparagraph (d) of paragraph 3.

5. The cannabis establishment shall, within 24 hours, notify the CCB about any cannabis establishment agent known to have:

(a) Jaundice, except as otherwise provided in paragraph 9; or

(b) A diagnosed infection by a disease agent that can be transmitted from a person through food or cannabis, including, without limitation, Salmonella species, Shigella species, Shiga toxin-producing Escherichia coli, Hepatitis A virus or Norovirus.

6. The person in charge shall exclude or restrict a cannabis establishment agent from working in or around any place where bulk or unpackaged food, beverages, cannabis or cannabis products are prepared, sold or offered for sale if the agent is known to have:

(a) A lesion that appears inflamed or contains pus and that is not covered as described in subparagraph (d) of paragraph 3.

7. The person in charge shall exclude a cannabis establishment agent from working in or around any place where bulk or unpackaged food, cannabis or cannabis products are prepared, sold or offered for sale if the agent is known to have a diagnosed infection by a disease agent that can be transmitted from a person through food or cannabis, including, without limitation, Salmonella species, Shigella species, Shiga toxin-producing Escherichia Coli, Hepatitis A virus or Norovirus.

(a) A symptom of gastrointestinal infection, including, without limitation, diarrhea, vomiting or jaundice, except as otherwise provided in paragraph 9;

(b) An infection by Salmonella typhi within the last 3 months, unless approved to be released from exclusion by the health authority; or

(c) An infection by Shigella species, Shiga toxin-producing Escherichia coli, Hepatitis A virus, Norovirus or a Salmonella species other than Salmonella typhi, within the last 30 days, unless the food employee is approved to be released from exclusion by the health authority.

8. The person in charge and the cannabis establishment agents of a cannabis establishment shall comply with any order issued by the health authority or CCB for excluding agents from the cannabis establishment or restricting agent activities because of a diagnosed or suspected infection by a disease agent that can be transmitted from a person through food or cannabis until the health authority or CCB rescinds the order.

9. Upon approval from the health authority, a cannabis establishment agent with a symptom of gastrointestinal illness, including, without limitation, diarrhea or jaundice, may work in a cannabis establishment without special restriction, provided that the agent furnishes written medical documentation to the health authority and CCB from a health practitioner that the symptom is due to a medical condition not transmissible from the agent through food or cannabis, including, without limitation, Crohn's disease, irritable bowel syndrome, ulcerative colitis or Hepatitis C.

Proposed Changes to NCCR Regulation 9

New

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9.015 Qualifications and duties of persons responsible for managing facility. Based on the risks inherent to the operation of a cannabis product manufacturing facility and a cannabis consumption lounge which serves food, the persons responsible for managing each such facility shall demonstrate to the Board knowledge of disease prevention, and the requirements of Title 56 of NRS and NCCR, by:

1. Complying with the provisions of Title 56 of NRS and NCCR and having no category I, II, II(b) or III violations pursuant to NCCR 4.035-4.050 during inspections.
2. Ensuring that at least one employee ~~of the cannabis product manufacturing facility~~ is available during all operating hours in which food is being prepared or served, which is a certified food protection manager who has shown proficiency in the required information through passing a test that is part of a program which certifies a person to be a food protection manager and which:
 - (a) Has been evaluated and listed by an accrediting agency as conforming to national standards for organizations that certify persons as food protection managers; or
 - (b) Provides to such persons other training acceptable to the Board.
3. Responding correctly to the questions of an inspector of cannabis establishments regarding:
 - (a) The relationship between the prevention of disease and the personal hygiene of a cannabis establishment agent engaged in the extraction of concentrated cannabis or production of cannabis products.
 - (b) The prevention of the transmission of disease by a cannabis establishment agent engaged in the extraction of concentrated cannabis or production of cannabis products who has a disease or medical condition that may transmit disease.
 - (c) The symptoms associated with the diseases that are transmissible through cannabis products and ingredients.
 - (d) The significance of the relationship between maintaining the temperature for a certain amount of time for potentially hazardous cannabis 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 cannabis 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 cannabis 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 cannabis products and ingredients;
 - (3) Hand washing; and
 - (4) Maintaining the establishment in a clean condition and in good repair. 64
 - (i) The correct procedures for cleaning and sanitizing utensils and the surfaces of equipment that have direct contact with cannabis 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.

9.025 Requirements and restrictions on use of non-cannabis ingredients.

1. Each cannabis establishment ~~product manufacturing facility~~ shall ensure that it obtains non-cannabis ingredients, including hemp and CBD, for cannabis products from sources that comply with the requirements of federal and state law and regulations and are approved by the Board, including, without limitation, commercial and retail businesses.
2. A cannabis establishment ~~product manufacturing facility~~ shall not use or prepare non-cannabis ingredients prepared or stored in a private home.
3. A cannabis product manufacturing facility must submit all new menu items and their ingredients to the appropriate Board Agent for approval on a form prescribed by the Board prior to production and sale of new products. A cannabis establishment ~~product manufacturing facility~~ may not produce nasal spray, inhalers, eye drops, or medical devices.
4. A cannabis establishment ~~product manufacturing facility~~ preparing menu items that require a HACCP plan as determined by the appropriate Board Agent must be approved by a processing authority prior to submission. Special processes requiring a HACCP plan include, but are not limited to, canning, reduced oxygen packaging, and other processes as determined by the appropriate Board Agent.

9.030 Protection of products and ingredients from cross-contamination.

1. Except as otherwise provided in subsection 2, each cannabis product manufacturing facility and cannabis consumption lounge shall ensure that cannabis products and ingredients are protected from cross-contamination by:
 - (a) Separating raw animal ingredients during storage, preparation, holding and display from raw cannabis products, or other raw finished ingredients such as fruits and vegetables, and from concentrated cannabis and cooked or baked and finished cannabis products which are ready to eat or otherwise use.
 - (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 cross-contamination 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 subsection 1 do not apply to items stored frozen in a freezer.
3. Cannabis products must be protected from contamination by storing the product in a clean, dry location:
 - (a) Where the products are not exposed to splashes, chemicals, dust or other contamination; and
 - (b) Fifteen centimeters or more above the floor.
4. Cannabis products and direct contact surfaces of equipment and utensils must be stored and handled in a manner that prevents any biological, chemical or physical contamination at all times.
5. Chemical sanitizer must be available for immediate use at the proper concentration during all hours of operation in a location other than a three-compartment sink.

9.035 Use of pasteurized eggs and egg products; cleanliness of equipment, utensils and articles; requirements for temperature controls. Each cannabis product manufacturing facility and cannabis consumption lounge shall ensure that:

1. Pasteurized eggs or egg products are substituted for raw eggs in the preparation of cannabis products.
2. Cannabis 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 cannabis containing these raw animal ingredients are cooked to heat all parts of the cannabis 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°F (63°C) or above for 15 seconds for 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 cannabis products and ingredients are maintained:
 - (a) At 135°F (57°C) or above; or
 - (b) At 41°F (5°C) or less.
5. During the thawing process, potentially hazardous cannabis products and ingredients are:
 - (a) Maintained at 41°F (5°C) or less; and
 - (b) Thawed:
 - (1) Under refrigeration;
 - (2) Under cool running water;
 - (3) As part of the cooking process; or
 - (4) In a microwave only if the potentially hazardous cannabis products and ingredients will be cooked immediately thereafter.

9.040 Clear marking of potentially hazardous cannabis products; determination of expiration date and shelf life of perishable products.

1. Each cannabis product manufacturing facility and cannabis consumption lounge shall ensure that:
 - (a) Potentially hazardous cannabis 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, sold or discarded when held at a temperature of 41°F (5°C) or less for a maximum of 7 days or, if the item is frozen, when the item is subsequently thawed and held at a temperature of 41°F (5°C) or less for a maximum of 7 days; and
 - (b) Potentially hazardous cannabis 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, sold or discarded, based on the temperature and time combination set forth in paragraph (a). The day on which the original container is opened in the cannabis establishment must be counted as “day

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- 1.” The day or date marked by the cannabis product manufacturing facility may not exceed a use-by date of the manufacturer if the manufacturer determined the use-by date.
 - (c) Products are not held past the expiration, sell by or use-by date.
2. If a cannabis product manufacturing facility produces a cannabis product which is perishable, the expiration date for the cannabis product must:
 - (a) Be determined as a result of shelf-life testing pursuant to subsection 3; or
 - (b) Not exceed 7 days, including the date of preparation of the cannabis product, if the cannabis product is refrigerated.
3. A cannabis product manufacturing facility shall perform testing, as specified by the Board, to determine the shelf life of each cannabis product which is perishable for the first production run of each such cannabis product. The appropriate Board Agent will determine which cannabis products require testing to determine shelf life during the review and approval of each cannabis product. New testing pursuant to this subsection must be performed for any change in the recipe, production run size or equipment used to produce a cannabis product.

9.050 Requirements for sinks and running water.

1. Each cannabis ~~establishment product manufacturing facility~~ that handles open cannabis which is not pre-packaged shall ensure that it provides:
 - (a) A sink with at least three compartments for manually washing, rinsing and sanitizing equipment and utensils;
 - (b) Sink compartments that are large enough to accommodate immersion of the largest equipment and utensils; and
 - (c) Running water that reaches a minimum temperature of 120°F (49°C).
2. If equipment or utensils are too large for the warewashing sink, a cannabis ~~establishment product manufacturing facility~~ must use a warewashing machine or alternative equipment.

9.060 Requirements for materials used in construction of utensils and contact surfaces. Each cannabis product manufacturing facility and cannabis consumption lounge 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 cannabis 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.

9.065 Requirements for lighting. Each cannabis product manufacturing facility and cannabis consumption lounge 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 cannabis 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 cannabis establishment agent engaged in the extraction of concentrated cannabis or production of cannabis products is working with cannabis products or working with utensils or equipment, including, without limitation, knives, slicers, grinders or saws where employee safety is a factor.

9.075 Sufficiency of ventilation hood systems and devices. Each cannabis product manufacturing facility and cannabis consumption lounge 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.

9.080 Sufficiency of mechanical ventilation. Each cannabis product manufacturing facility and cannabis consumption lounge 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.

9.085 Surfaces of equipment and utensils: Cleanliness. Each cannabis establishment product manufacturing facility shall ensure that:

1. The surfaces of equipment and utensils that have direct contact with cannabis or cannabis products are clean to sight and touch;
2. The surfaces of cooking equipment and pans that have direct contact with cannabis or cannabis 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 cannabis or cannabis products are kept free of an accumulation of dust, dirt, residue and other debris.

9.090 Surfaces of equipment and utensils: Frequency of and activities requiring cleaning. Each cannabis product manufacturing facility and cannabis consumption lounge shall ensure that:

1. The surfaces of equipment and utensils that have direct contact with cannabis or cannabis 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 cannabis products to working with finished cannabis products;
 - (c) Between uses with raw fruits and vegetables and with potentially hazardous cannabis products and ingredients, using the appropriate time and temperature controls to ensure the safety of the cannabis products; and
 - (d) At any time during operation when contamination may have occurred.
2. If the surfaces of equipment or utensils come into contact with potentially hazardous cannabis products and ingredients, the 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 cannabis 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.

9.095 Surfaces and utensils: Sanitation. Each cannabis ~~establishment~~ ~~product manufacturing facility~~ shall ensure that:

1. The surfaces and utensils that have direct contact with cannabis or cannabis products are adequately washed, rinsed and sanitized.
2. After being cleaned, surfaces of equipment and utensils that have direct contact with cannabis 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 an exposure time of at least 30 seconds unless the manufacturer's label use instructions provide otherwise.

9.100 Surfaces of cooking and baking equipment and door seals of microwave ovens: Cleanliness. Each cannabis product manufacturing facility and cannabis consumption lounge shall ensure that:

1. The surfaces of cooking and baking equipment that have direct contact with cannabis 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.

Proposed Changes to NCCR Regulation 10

New

~~Deleted~~

- 10.015 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Requirement to have quality control unit.
- 10.020 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Adequate ventilation, filtration systems and related equipment required for building.
- 10.025 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Establishment of and adherence to written procedures for labeling and packaging materials.
- 10.030 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Establishment of and adherence to written procedures for production and process control to assure quality of cannabis and cannabis products; review and approval of procedures; recording and justification of deviation from procedures.
- 10.035 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Establishment of and adherence to written procedures for components, product containers and closures.
- 10.040 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Appropriateness, cleanliness and maintenance of equipment, utensils and substances; maintenance of records.
- 10.045 Cannabis cultivation facility, cannabis production facility, cannabis distributor, *cannabis consumption lounge*, and cannabis sales facility: Requirement to ensure cleanliness of employees and volunteers.
- 10.050 Cannabis cultivation facility, cannabis production facility, cannabis distributor, *cannabis consumption lounge*, and cannabis sales facility: Restrictions on salvaging cannabis and cannabis products; maintenance of records.

10.015 Cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility: Requirement to have quality control unit.

1. Each cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, and cannabis sales facility 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 cannabis or cannabis products;
- (b) Has the authority to review production records to assure that no errors have occurred or, if errors have occurred, that the errors have been fully investigated and resolved;
- (c) Is responsible for approving or rejecting cannabis or cannabis products manufactured, processed, packaged or held under contract by another cannabis establishment; and

- (d) Is responsible for approving or rejecting all procedures or specifications which may impact the identity, strength, quality and purity of the cannabis or cannabis products.
- 2. Each cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility shall:
 - (a) Set forth the responsibilities and procedures applicable to the quality control unit in writing, a copy of which shall be provided promptly to the Board or Board Agents upon request; and
 - (b) Follow the written responsibilities and procedures set forth pursuant to paragraph (a).

10.020 Cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility: Adequate ventilation, filtration systems and related equipment required for building.

- 1. Each cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility shall ensure that any building used to manufacture, process, package or hold cannabis or cannabis 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 cannabis or cannabis products.
- 2. Each cannabis cultivation facility, cannabis, production facility, [cannabis consumption lounge](#), and cannabis sales facility 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 cannabis establishment must take measures to control recirculation of dust from production. In areas where air contamination occurs during production, the cannabis establishment must ensure that there are adequate exhaust systems or other systems adequate to control contaminants.

10.025 Cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility: Establishment of and adherence to written procedures for labeling and packaging materials. 1. Each cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility shall establish and follow written procedures describing in sufficient detail the receipt, identification, storage, handling, sampling, and examination of labeling and packaging materials. A copy of these procedures shall be provided promptly to the Board or Board Agents upon request.

- 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 cannabis cultivation facility, cannabis production facility and cannabis sales facility shall:
 - (a) Store separately with suitable identification the labels and other labeling materials for each type of cannabis or cannabis 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 cannabis establishment; and
 - (c) Destroy obsolete and outdated labels, labeling and other packaging materials.

10.030 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility: Establishment of and adherence to written procedures for production and process control to assure quality of cannabis and cannabis products; review and approval of procedures; recording and justification of deviation from procedures.

1. Each cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility shall have written procedures for production and process control that are designed to assure that the cannabis or cannabis products have the identity, strength, quality and purity they purport or are represented to possess. A copy of these procedures shall be provided promptly to the Board or Board Agents upon request.
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 cannabis establishment and reviewed and approved by the quality control unit of the cannabis establishment.
3. Each cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility 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 cannabis establishment. A copy of these procedures shall be provided promptly to the Board or Board Agents upon request.

10.035 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility: Establishment of and adherence to written procedures for components, product containers and closures. Each cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility 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. A copy of these procedures shall be provided promptly to the Board or Board Agents upon request;
2. Components, product containers and closures are at all times handled and stored in a manner so as to prevent contamination; and
3. Bagged or boxed components, product containers or closures are stored at least 6 inches (15 centimeters) off the floor and are suitably spaced to permit cleaning and inspection.

10.040 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge and cannabis sales facility: Appropriateness, cleanliness and maintenance of equipment, utensils and substances; maintenance of records.

1. Each cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility shall ensure that any equipment used to manufacture, process, package or hold cannabis or cannabis 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, cannabis or cannabis products are not reactive, additive or absorptive so as to alter the safety, identity, strength, quality or purity of the cannabis or cannabis products beyond the official or other established requirements; ~~and~~
 - (c) Is submitted to the appropriate Board Agent on a form prescribed by the Board for approval prior to use.

2. Each cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility 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, cannabis or cannabis products so as to alter the safety, identity, strength, quality or purity of the cannabis or cannabis products beyond the official or other established requirements;
 - (b) Equipment and utensils are cleaned, maintained and, as appropriate for the nature of the cannabis or cannabis products, sanitized and sterilized at appropriate intervals to prevent malfunctions or contamination that would alter the safety, identity, strength, quality or purity of the cannabis or cannabis 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 cannabis or cannabis products. A copy of these procedures shall be provided promptly to the Board or Board Agents upon request. These procedures must include, without limitation:
 - (1) Assignment of responsibility for cleaning and maintaining equipment;
 - (2) Maintenance and cleaning schedules, including, 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 cannabis cultivation facility, cannabis production facility, [cannabis consumption lounge](#), and cannabis sales facility must maintain records of any maintenance, cleaning, sanitizing and inspection carried out pursuant to this section.

10.045 Cannabis cultivation facility, cannabis production facility, cannabis distributor, [cannabis consumption lounge](#), and cannabis sales facility: Requirement to ensure cleanliness of employees and volunteers. Each cannabis cultivation facility, cannabis production facility, cannabis distributor, [cannabis consumption lounge](#), and cannabis sales facility shall ensure that:

1. Each cannabis establishment agent who is employed by or volunteers at the cannabis establishment and who is engaged in cultivating, manufacturing, processing, packaging or holding cannabis or cannabis 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 cannabis or cannabis products from contamination; and
3. Each cannabis establishment agent who is employed by or volunteers at the cannabis establishment practices good sanitation and health habits.

10.050 Cannabis cultivation facility, cannabis production facility, cannabis distributor, [cannabis consumption lounge](#), and cannabis sales facility: Restrictions on salvaging cannabis and cannabis products; maintenance of records.

1. Each cannabis cultivation facility, cannabis production facility, cannabis distributor, [cannabis consumption lounge](#), and cannabis sales facility shall ensure that cannabis or cannabis products that have been subjected to improper storage conditions, including, without limitation, extremes in temperature, humidity, smoke, fumes, pressure, age or

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radiation due to natural disasters, fires, accidents or equipment failures, are not salvaged and returned to the marketplace.

2. Whenever it is unclear whether cannabis or cannabis products have been subjected to the conditions described in subsection 1, a cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge*, or cannabis sales facility may conduct salvaging operations only if:

(a) The cannabis or cannabis products are salvaged for use only for the purpose of extraction;

(b) Evidence from tests and assays performed by a cannabis testing facility indicates that the cannabis or cannabis products meet all applicable standards of quality and purity; and

(c) Evidence from inspection of the premises indicates that the cannabis or cannabis products and their associated packaging were not subjected to improper storage conditions as a result of the disaster or accident, if any.

3. A cannabis cultivation facility, cannabis production facility, *cannabis consumption lounge* and cannabis sales facility must maintain records, including, without limitation, the name, lot number, production run number and disposition for cannabis or cannabis products salvaged pursuant to subsection 2.

Proposed Changes to NCCR Regulation 11

New

~~Deleted~~

11.015 Requirements for testing laboratory to handle, test or analyze cannabis.

1. A cannabis independent testing laboratory shall not handle, test or analyze cannabis unless:

- (a) The cannabis independent testing laboratory has been issued a license;
- (b) The cannabis independent testing laboratory is independent from all other persons involved in the cannabis industry in Nevada; and
- (c) No person with a direct or indirect interest in the cannabis independent testing laboratory has a direct or indirect financial interest in:
 - (1) A cannabis sales facility;
 - (2) A cannabis production facility;
 - (3) A cannabis cultivation facility;
 - (4) A cannabis distributor;
 - (5) A provider of health care who provides or has provided written documentation for the issuance of registry identification cards or letters of approval; ~~or~~
 - (6) Any other entity that may benefit from the cultivation, manufacture, dispensing, sale, purchase or use of cannabis or cannabis products; or
 - (7) A cannabis consumption lounge.

Proposed Changes to NCCR Regulation 12

New

~~Deleted~~

- 12.025 Requirements for labeling products “organic.”
- 12.040 Cannabis sales facility and cannabis consumption lounge: Required labeling of usable cannabis.
- 12.045 Cannabis sales facility and cannabis consumption lounge: Required labeling of cannabis products.
- 12.050 Cannabis sales facility and cannabis consumption lounge: Required disclosures and warnings.
- 12.055 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility: Required labeling.
- 12.060 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility: Examination of products during finishing operations; collection of representative sample of units; recording of results.

12.025 Requirements for labeling products “organic.” A cannabis cultivation facility, cannabis consumption lounge, or cannabis production facility shall not label usable cannabis, concentrated cannabis or cannabis products as “organic” unless the cannabis plants and all ingredients 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, 7 U.S.C. §§ 6501 et seq.

12.040 Cannabis sales facility and cannabis consumption lounge: Required labeling of usable cannabis and single-use cannabis product.

1. A cannabis sales facility and cannabis consumption lounge must affix to, ~~or~~ include with, or supply through an electronic medium approved by the appropriate board agent each container or package containing usable cannabis sold at retail or ready-to-consume cannabis product and single-use cannabis product sold at consumption lounges, if not already included on the container or package, a label which must include, without limitation:

- (a) The business or trade name and the license number of the cannabis cultivation facility that cultivated and sold the usable cannabis;
- (b) If the cannabis cultivation facility is operated by a dual licensee, the number of the medical cannabis establishment license of the cannabis cultivation facility operated by the dual licensee;
- (c) The batch number;
- (d) The lot number;
- (e) The quantity sold, including the net weight measured in ounces and grams or by volume, as appropriate;
- (f) The name and address of the cannabis sales facility or cannabis consumption lounge;
- (g) The cannabinoid profile and potency levels and terpenoid profile as determined by the cannabis testing facility, which may include the potential total THC but must not include any other calculated level of THC;

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- (h) A warning that states: “This product may have intoxicating effects and may be habit forming;”
 - (i) The statement: “This product may be unlawful outside of the State of Nevada”;
 - (j) The date on which the cannabis was harvested;
 - (k) A warning that states: “THIS PRODUCT CONTAINS CANNABIS”;
 - (l) A warning that states: “Keep out of Reach of Children.”; and
2. The label required by subsection 1 for a container or package containing usable cannabis sold at retail must be in substantially the following form:

We Care cannabis sales facility *or cannabis consumption lounge*
123 Main Street, Carson City, NV 89701
THIS PRODUCT CONTAINS CANNABIS

16.7% THC 1.5% CBD 0.3% CBN
Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene
3.5 mg/g

MM’s Plant Emporium
License Number: 123 456 789 001 0001
Medical License Number: 543 210789 000 0010
(if applicable)

Keep out of Reach of Children
Batch #: 1234
Lot #: 1234
Final harvest: 01/01/2020

WARNING:
This product may have intoxicating effects and may be habit forming.

Net Weight: .25 ounces (7 grams)

This product may be unlawful outside the State of Nevada.

12.045 Cannabis sales facility *and cannabis consumption lounge*: Required labeling of cannabis products.

1. A cannabis sales facility *and cannabis consumption lounge* must affix to, ~~or~~ include with, *or supply through an electronic medium approved by the appropriate board agent* each container or package containing cannabis products sold at retail *or ready-to-consume cannabis product and Single-use cannabis product sold at consumption lounges*, if not already on the container or package, a label which must not mislead consumers and must include, without limitation:
- (a) The business or trade name and the license number of the cannabis production facility that manufactured and sold the product;

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- (b) If the cannabis production facility is operated by a dual licensee, the number of the medical cannabis establishment license of the facility for the production of edible cannabis products or cannabis products operated by the dual licensee;
 - (c) The production run number that accounts for all lot numbers of all cannabis used in the extraction of the concentrated cannabis or contained in the product, as recorded in the inventory control system of the cannabis production facility that sold the concentrated cannabis or product;
 - (d) The name and address of the cannabis sales facility *or cannabis consumption lounge*;
 - (e) The date on which the cannabis product was manufactured;
 - (f) If the product an edible, a suggested use-by date;
 - (g) The cannabinoid profile and potency levels of the product, as determined by the cannabis testing facility that tested the product;
 - (h) For edible cannabis products, the total amount of THC in each serving of the product and a notice that the actual amount of THC in each serving may be within 15 percent of the stated amount;
 - (i) A list of all ingredients and all major food allergens as identified in 21 U.S.C. § 343.
 - (j) The concentration of THC in the product, measured in milligrams;
 - (k) The net weight of the cannabis or cannabis product;
 - (l) For edible cannabis products, a warning that states: “Caution: When eaten or swallowed, the intoxicating effects of this product may be delayed by 2 or more hours”;
 - (m) If concentrated cannabis or a cannabis 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 concentrated cannabis or the cannabis extract;
 - (n) A warning that states: “This product may have intoxicating effects and may be habit forming”;
 - (o) A warning that states: “Keep out of Reach of Children”
 - (p) A statement that: “This product may be unlawful outside of the State of Nevada”; and
 - (q) A warning that states: “THIS PRODUCT CONTAINS CANNABIS;”
2. The label required by subsection 1 for a container or package containing concentrated cannabis or cannabis products sold at retail must be in substantially the following form:

We Care cannabis sales facility *or cannabis consumption lounge*

123 Main Street, Carson City, NV 89701

THIS PRODUCT CONTAINS CANNABIS

Cookie

Net Weight: 2 ounces (56 grams)

Produced on: 1/1/2020

Best if used by: 6/3/2020

Cannabinoid profile:

THC content per serving +/- 15%:

CAUTION: When eaten or swallowed the intoxicating effects of this product can be delayed by 2 or more hours.

Keep out of Reach of Children

This product may be unlawful outside the State of Nevada.

Manufactured at: KC's Kitchen

License Number: 321654987101 0401

Medical License Number: 543 210789 000 0010

(if applicable)

Production Run #5463

INGREDIENTS: Flour, Butter, Canola Oil, Sugar, Chocolate, Cannabis, Strawberries

CONTAINS ALLERGENS: Milk, Wheat

Contains cannabis extract processed with butane.

WARNING: This product may have intoxicating effects and may be habit forming.

12.050 Cannabis sales facility *and cannabis consumption lounge*: Required disclosures and warnings.

1. **A** *Upon consumer request, a* cannabis sales facility *and cannabis consumption lounge* must provide with all usable cannabis sold at retail *or ready-to-consume cannabis product and single-use cannabis product sold at cannabis consumption lounges,* accompanying material that discloses any pesticides applied to the cannabis plants and growing medium during production and processing.
2. A cannabis sales facility *and cannabis consumption lounge* must provide with all usable cannabis and cannabis products sold at retail *or ready-to-consume cannabis product and single-use cannabis product sold at cannabis consumption lounges,* a written notification *or an electronic notification through an electronic medium approved by the appropriate board agent* which contains the following warnings:
 - (a) That cannabis and cannabis products must be kept out of the reach of children;

- (b) That cannabis and cannabis products can cause severe illness in children;
 - (c) That allowing children to ingest cannabis or cannabis products or storing cannabis or cannabis products in a location which is accessible to children may result in an investigation by an agency which provides child welfare services or criminal prosecution for child abuse or neglect;
 - (d) *“THE INTOXICATING EFFECTS OF CANNABIS MAY BE DELAYED BY 2 HOURS OR MORE AND USERS OF CANNABIS PRODUCTS SHOULD INITIALLY INGEST A SMALL AMOUNT OF THE PRODUCT CONTAINING NO MORE THAN 10 MILLIGRAMS OF THC, THEN WAIT AT LEAST 2 HOURS BEFORE INGESTING ANY ADDITIONAL AMOUNT OF CANNABIS THE PRODUCT”*;
 - (e) *“Cannabis or cannabis products may have intoxicating effects and may be habit forming. Smoking is hazardous to your health”*; ~~*“This product may have intoxicating effects and may be habit forming. Smoking is hazardous to your health”*~~;
 - (f) “Ingesting cannabis or cannabis products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and a person should consult with a physician before doing so”;
 - (g) *“There may be mental or physical health risks associated with consumption of cannabis or cannabis products, including but not limited to cardiovascular problems, psychosis, or exacerbation of anxiety and/or depression. People with health concerns should consult with a physician before ingesting cannabis.”* ~~*“There may be health risks associated with consumption of this product”*~~;
 - (h) *“WARNING: Pregnant or breastfeeding people should not use cannabis or cannabis products. Using cannabis during pregnancy or while breastfeeding may be harmful to your baby’s development.”* ~~*“Pregnant women should consult with a physician before ingesting cannabis or cannabis products”*~~;
 - (i) “Cannabis or cannabis products can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of cannabis or cannabis products”; ~~and~~
 - (j) “Ingestion of any amount of cannabis or cannabis products before driving may result in criminal prosecution for driving under the influence.”
 - (k) *“Overconsumption of cannabis or cannabis products may cause negative health effects such as nausea, vomiting, anxiety, agitation, paranoia, and psychosis. Individuals with symptoms of overconsumption should seek immediate medical attention.”*
3. *For cannabis consumption lounges that allow inhalation of cannabis, the following warning must be included with the warnings listed in NCCR 12.050 subsection 2 a-k above:*
- (a) *“WARNING: This is a smoking lounge. Occupants will be exposed to secondhand smoke. Secondhand smoke is hazardous to your health”*;
- ~~4.~~ The text used on all accompanying material and warnings must be printed in at least 12-point font and may not be in italics.

12.055 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility: Required labeling. Each cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility shall:

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1. Use for labeling all cannabis and cannabis products the standard label described in NCCR 12.010 and 12.030 to 12.045, inclusive;
2. Exercise strict control over labeling materials issued for use in labeling operations for cannabis and cannabis 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.

12.060 Cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility: Examination of products during finishing operations; collection of representative sample of units; recording of results. Each cannabis cultivation facility, cannabis production facility, cannabis consumption lounge, and cannabis sales facility 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.

Proposed Addition of NCCR Regulation 13

New

~~Deleted~~

13.010 Requirements for wholesale transportation of cannabis and cannabis products.

1. A cannabis distributor may transport cannabis and cannabis products between a cannabis establishment and another cannabis establishment or between the buildings of a cannabis establishment.
2. A cannabis establishment shall not transport cannabis or cannabis products to a cannabis sales facility or between a cannabis sales facility and an independent cannabis consumption lounge unless the cannabis establishment holds a license for a cannabis distributor.

13.040 Transportation by cannabis cultivation facility, cannabis production facility, cannabis independent testing laboratory or cannabis sales facility; applicability of provisions relating to distributors.

1. A cannabis cultivation facility or a cannabis production facility may transport cannabis or cannabis products to or from a cannabis cultivation facility, a cannabis production facility or a cannabis independent testing laboratory.
2. A cannabis independent testing laboratory or a cannabis sales facility may transport cannabis or cannabis products to or from a cannabis independent testing laboratory for testing.
3. A cannabis sales facility may transport single-use cannabis and cannabis products when delivering exclusively to an attached or adjacent cannabis consumption lounge, however, pursuant to NCCR 15.100(2), an adult-use cannabis distributor may be required to conduct the transfer. A cannabis sales facility may not transport to an independent cannabis consumption lounge unless that sales facility holds a license for an adult-use cannabis distributor.
4. The requirements of NCCR 13.010 for a cannabis distributor apply to a cannabis establishment that transports cannabis or cannabis products pursuant to this section without using a cannabis distributor.

Proposed Addition of NCCR Regulation 15

New
~~Deleted~~

REGULATION 15

CANNABIS CONSUMPTION LOUNGE

- 15.010 Requirements for operation; posting of hours of operation.
- 15.015 Duties of cannabis establishment agent before sale to consumer.
- 15.020 Valid proof of identification of age of consumer required.
- 15.025 Prohibition on sale that exceeds maximum usable quantity of cannabis.
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- 15.100 Retail cannabis consumption lounge attached or immediately adjacent to a cannabis sales facility.
- 15.105 Ready-to-consume cannabis products.
- 15.110 Surfaces and devices: Sanitation.
- 15.115 Health inspections and permitting.

15.010 Requirements for operation; posting of hours of operation. Each cannabis consumption lounge shall:

1. Ensure that the cannabis consumption lounge is operating and available to sell single-use cannabis products or ready-to-consume cannabis products to consumers during, and only during, the designated hours of operation of the cannabis consumption lounge as provided to the Board by the cannabis consumption lounge and the hours authorized by the local jurisdiction in which the lounge is located;
2. Post, in a place that can be viewed by persons entering the cannabis consumption lounge, the hours of operation during which the lounge will sell single-use cannabis products or ready-to-consume cannabis products; and
3. Not conduct sales one half hour prior to closing unless the cannabis consumption lounge operates 24 hours per day.

15.015 Duties of cannabis establishment agent for a cannabis consumption lounge before sale to consumer. Before a cannabis establishment agent allows access into the facility and prior to selling single-use cannabis products or ready-to-consume cannabis products to a consumer, the cannabis establishment agent shall:

1. Verify the age of the consumer by checking and authenticating a government-issued identification card containing a photograph of the consumer using an identification scanner approved by the appropriate Board Agent to determine the validity and authenticity of any government-issued identification card as well as visually inspect the birthdate on the form of identification presented;
2. Not permit the use or consumption of cannabis by any person displaying any visible signs of overconsumption of any intoxicant;
3. Offer any appropriate consumer education or support materials; and
4. At the time of sale enter the following information into the inventory control system:
 - (a) The amount of single-use cannabis products or ready-to-consume cannabis products sold;
 - (b) The date and time at which the single-use cannabis products or ready-to-consume cannabis products was sold;
 - (c) The number of the cannabis establishment agent registration card of the cannabis establishment agent; and
 - (d) The number of the license for the cannabis consumption lounge.

15.020 Valid proof of identification of age of consumer required.

1. Except as otherwise provided in this subsection, a cannabis consumption lounge shall not allow entry to and shall refuse to sell single-use cannabis products or ready-to-consume cannabis products to any person unless the person produces a form of valid identification showing that the person is 21 years of age or older.
2. Identification presented to satisfy subsection 1 must contain a photograph and the date of birth of the person.
3. Identification presented to satisfy subsection 1 must be a valid and unexpired:
 - (a) Driver's license or instruction permit issued by this State or any other state or territory of the United States;

(b) Identification card issued by this State or any other state or territory of the United States for the purpose of proof of age of the holder of the card;

(c) United States military identification card;

(d) A Merchant Mariner Credential or other similar document issued by the United States Coast Guard;

(e) A passport issued by, or recognized by, the United States Government or a permanent resident card issued by the United States Citizenship and Immigration Services of the Board of Homeland Security; or

(f) A tribal identification card issued by a tribal government, as defined in NRS 239C.105, which requires proof of the age of the holder of the card for issuance.

15.025 Prohibition on a single sale that exceeds maximum usable quantity of cannabis.

1. A cannabis consumption lounge shall not sell to any consumer at one time an amount of single-use cannabis products or ready-to-consume cannabis products which exceeds:

(a) 3.5 grams of usable cannabis;

(1) If the single-use cannabis product contains more than 1 gram of usable cannabis, it must include a written warning: "Caution- This product is very potent and is not recommended for inexperienced users".

(b) 300 milligrams THC for inhalable extracted cannabis products;

(1) All single-use cannabis product sold as an inhalable extracted cannabis product must include a warning, "Caution- This product is very potent and is not recommended for inexperienced users".;

(c) Topical cannabis products containing not more than 400 milligrams of THC;

(d) 100 milligrams of THC for transdermal patches or other adult-use cannabis products not mentioned in this section.

(1) If the single-use cannabis product contains more than 10 milligrams of THC, it must include a written warning: "Caution- This product is very potent and is not recommended for inexperienced users".

(e) 10 milligrams of THC for an edible, capsule, or tincture.

2. For the purposes of this section, a single sale occurs when a consumer orders cannabis or cannabis products.

(a) If a cannabis consumption lounge allows multiple orders, the lounge may process the orders as a single final transaction.

(b) The final transaction must be recorded in a manner which details the date, time, and quantity of cannabis or cannabis products transferred to a consumer in each order.

15.030 Products required to be offered for sale; restrictions on sale of other products; restrictions on advertising.

1. Relative to cannabis, CBD, and cannabis related products, a cannabis consumption lounge shall only offer for sale single-use cannabis products, ready-to-consume cannabis products, cannabis paraphernalia, cannabis-related accessories, products containing CBD, and products containing industrial hemp which are related to cannabis.

(a) Hemp and hemp derived products must be accompanied by a certificate of analysis from a cannabis independent testing laboratory or the appropriate Nevada state testing laboratory, and a copy of the hemp grower's certificate. Such products must be labeled with the amount of THC and state "this product does not contain cannabis" in at least 8-point font.

2. Each cannabis consumption lounge must offer low dose options of cannabis products containing no more than 2mg THC in a cannabis product or 0.5 grams of usable cannabis.

3. Each cannabis consumption lounge shall not allow any single-use cannabis products or ready-to-consume cannabis products to be removed from the lounge and shall inform the consumer that removing such products from the lounge is illegal.

4. A cannabis consumption lounge shall not sell any product that contains tobacco and/or nicotine, or vape liquid that is not produced by a licensed cannabis production facility.

5. A cannabis consumption lounge shall not sell any product that contains alcohol if the product would require the cannabis consumption lounge to hold a license to sell alcohol issued pursuant to chapter 369 of NRS or any local jurisdiction.

6. A cannabis consumption lounge shall not sell single-use cannabis products or ready-to-consume cannabis products without first communicating with the end-use consumer. Employees of the lounge must inquire about and assess a consumer's usage and needs.

7. A cannabis consumption lounge shall not knowingly recommend products to persons who are pregnant or breastfeeding.

15.035 Storage and location of products; disclosure of cannabis independent testing laboratory performing quality assurance tests upon request of consumer; approved sources of products for sale; maintenance and availability of certificate of analysis.

1. A cannabis consumption lounge must store all single-use cannabis products, and ready-to-consume cannabis products behind a counter or other barrier to ensure a consumer does not have direct access to the products. Such products must be stored in a manner that prevents physical, biological, or chemical contamination.

2. Upon the request of a consumer, a cannabis consumption lounge must disclose the name of the cannabis independent testing laboratory which performed the required quality assurance tests and the corresponding certificate of analysis.

3. A cannabis consumption lounge may only sell single-use cannabis products obtained from an adult-use cannabis retail store in this State.

4. A cannabis consumption lounge may procure multi-serving edible cannabis products from adult-use cannabis retail stores in this State and resell individual servings to consumers.

5. A cannabis consumption lounge may only use cannabis, concentrated cannabis, and cannabis products which have been obtained from an adult-use cannabis retail store in this State.

6. A cannabis consumption lounge may not sell a product other than single-use cannabis products or ready-to-consume cannabis products which contain any level of THC or CBD without the approval of the appropriate Board Agent. Each cannabis consumption lounge shall maintain a file which contains a certificate of analysis for any such approved product at the cannabis consumption lounge and shall make the file available for review upon request.

15.040 On-site requirements to operate a cannabis consumption lounge

1. The cannabis consumption lounge shall comply with any federal, state and local applicable laws or regulations related to on-site food preparation.

2. Required certification of certain employees.

(a) If the cannabis consumption lounge serves food, including edible cannabis products, it is required that a Certified Food Protection Manager, as certified by an American National Standards Institute (ANSI) accredited program, be employed by the lounge and be onsite during all hours of operation in which food is being prepared or served;

(b) If the cannabis consumption lounge serves food, including edible cannabis products, it is required that all employees which handle food must obtain a food handler card from the local health department.

(1) If the local health department does not offer this service, employees must obtain a food handler certification from an American National Standards Institute (ANSI) accredited organization.

3. Required logs that must be maintained for a minimum of two years.

(a) Consumer illness log for illnesses reported after consumption or overconsumption.

(1) Log to include name, date and time of consumption, type of food or cannabis consumed, date and time of illness onset, illness description and contact information.

(b) Employee illness log.

(1) Log to include, at a minimum, name, dates called out due to illness, symptoms and diagnosis.

→ Communicable illnesses must be reported in accordance with NCCR 6.090 and NRS 441A.

15.045 Employee Training and Consumer Education.

1. Cannabis consumption lounges shall train their employees about the various products the lounge sells, including the potency of the products, absorption time, and effects of the products, to include at a minimum all of the topics found in NCCR 6.072.

2. Cannabis consumption lounges shall create written plans with instructions on how to address the following scenarios:

(a) Health policy that must also be posted in a clearly visible location to employees;

(b) Overconsumption;

(c) Sexual Assault; and

(d) Impaired driver risk mitigation plan.

3. The employee training program shall include at a minimum of eight hours of compensated instruction time for initial training and four hours of compensated supplemental instruction time each year thereafter.

15.050 Separate room for cannabis smoking, vaping, and inhalation. All indoor cannabis smoking or inhalation must be confined to a designated smoking room.

1. The room must be completely separated from the rest of the cannabis consumption lounge by solid partitions or glass without openings other than doors or pass-through service windows.

(a) All smoking-room doors and service windows must be self-closing and installed with a gasket to provide a seal where the door meets the stop.

2. The cannabis consumption lounge must create and mandate work protocols and indoor or outdoor air quality standards that minimize employees' secondhand smoke exposure, including training to employees on the proper use of Personal Protective Equipment (PPE).

(a) Minimize the need for employees to enter the smoking room, while still being able to monitor activities within the smoking room.

(b) Provide employees with adequate PPE such as N95/KN95 masks or respirators to minimize secondhand smoke exposure while in the smoking room.

15.055 Ventilation of the cannabis consumption lounge. A ventilation plan must be submitted, approved, with changes as necessary, and fully implemented prior to issuance of a final license. At a minimum, the ventilation plan must include:

1. A separate ventilation system within any designated smoking room capable of 30 complete air changes per hour at a minimum that must be directly exhausted to the outdoors;

2. A separate system within the rest of the cannabis consumption lounge capable of 20 complete air changes per hour at a minimum that must be directly exhausted to the outdoors;

3. The ventilation system within any smoking room must create a negative air pressure within the room;

4. A High-Efficiency Particulate Air (HEPA) filtration system, or equivalent system, capable of handling the entire volume of air within any separate room of the lounge;

5. An odor mitigation plan that identifies, at a minimum, the following:

(a) The specific odor control equipment to be installed and operated to mitigate odor emissions prior to leaving the building;

(b) An engineering assessment approved by a certified professional engineer ensuring the odor control equipment installed and operated will mitigate odor emissions prior to leaving the building; and

(c) An operation and maintenance plan showing the monitoring frequency for preventative maintenance, the timely responses to equipment malfunctions and the record keeping and employee training in place to ensure the odor control equipment to be installed and operating is maintained per manufacturer's specifications.

(d) Any deviations from the odor mitigation plan or malfunction of equipment must be documented on a log that shall be provided to the Board upon request.

6. If the cannabis consumption lounge plans to use has an outdoor smoking area, the applicant must submit a request to the local jurisdiction and comply with any requirements the local jurisdiction may have regarding an outdoor smoking area.

7. Atmospheric monitoring of the non-smoking room of the cannabis consumption lounge focusing, at a minimum on an 8-hr average and 15 min peak CO₂ and PM 2.5 concentrations which must include an audible and visual notification system, alerting the facility to any failures.

8. Any local jurisdiction requirements. Local jurisdiction requirements can be more restrictive than the NCCRs.

15.060 Notices and additional disclosures.

1. The following notices that must be posted within the cannabis consumption lounge in a conspicuous location.

(a) “HEALTH WARNING: Pregnant or breastfeeding people should not use cannabis or cannabis products. Using cannabis during pregnancy or while breastfeeding may be harmful to your baby’s development.”

(1) This health warning must be conspicuously posted in a minimum of 40-point font at the entrance and in every restroom of a cannabis consumption lounge.

(b) “HEALTH WARNING: This is a smoking lounge. Occupants will be exposed to secondhand smoke. Secondhand smoke is hazardous to your health.”

(1) This health warning must be conspicuously posted in a minimum of 72-point font at the consumer entry point to a cannabis consumption lounge and separate smoking room within a cannabis consumption lounge if smoking of cannabis is permitted.

(c) “Consumption Area – No One Under 21 Years of Age Allowed.”

(1) This notice must be conspicuously posted in a minimum of 40-point font on every entry point to a cannabis consumption lounge.

(d) Cannabis consumption lounges must post, at all times and in a prominent place inside the consumption lounge, a warning that is at a minimum of 40-point font that reads as follows:

(1) “Must be 21 or older to enter”;

(2) “Cannabis may only be consumed in designated areas out of public view”;

(3) “No consumption of alcohol, tobacco and/or nicotine products on site”;

(4) “We reserve the right to refuse entry or service for any reason including visible intoxication”;

(5) “It is against the law to drive while impaired by cannabis” and

(6) “Firearms are prohibited”.

(e) A cannabis consumption lounge shall post one or more signs outside of the licensed premises that indicate loitering is prohibited and consumption of cannabis is only permitted in designated areas out of public view.

15.065 Alcohol, tobacco and nicotine products. All alcohol, tobacco and nicotine products are not permitted for use or sale in a cannabis consumption lounge.

15.070 Reporting of medical incidents. Each cannabis consumption lounge shall, within 24 hours of becoming aware, report to the CCB any medical incident stemming from a consumer’s consumption of cannabis or food that necessitated medical treatment.

15.075 Leaving with cannabis.

1. A cannabis consumption lounge shall not allow a consumer to leave the licensed premises with any unconsumed cannabis in accordance with the requirements of Nevada law.

2. All sold and unconsumed cannabis and cannabis products must be destroyed in accordance with NCCR 10.080(3).

3. Retail cannabis consumption lounges shall create and submit a written plan to the Board for approval that either prohibits or provides a way to store and return any cannabis or cannabis products purchased by a consumer from the adult-use cannabis retail store while the consumer is in the retail cannabis consumption lounge.

15.080 Impaired driving. Each cannabis consumption lounge shall develop a plan to mitigate the risk of impaired driving, to include making information readily available to the consumer about transportation options. As part of this plan, each cannabis consumption lounge shall adopt practices that discourage impaired driving, with consideration of examples, including but not limited to as a 24 hour no tow policy and/or a potential partnership with ride share to offer discounted rides both to and from the premises to consumers. If the Board learns of an increase in impaired driving stemming from the location of a particular licensee, the Board shall require the licensee to update the cannabis consumption lounge's impaired driver risk mitigation plan.

15.085 Law enforcement temporary closure of licensed operations. The Board or the head of the local law enforcement agency with jurisdiction over the licensee (or authorized designee) in an emergency, for cause, or upon code violation of a specific act which endangers the public welfare; and finding that such closure is necessary for the immediate preservation of the public peace, health, safety, morals, good order or public welfare, may temporarily close any cannabis consumption lounge for a period not to exceed seventy-two consecutive hours.

15.090 Visibility of consumption.

1. A cannabis consumption lounge shall ensure that the display and consumption of any cannabis is not visible from outside of its premises.

2. A cannabis consumption lounge may have a consumption area outdoors under the following conditions:

(a) The cannabis consumption lounge shall ensure that all cannabis is kept out of plain sight and is not visible from a public place without the use of optical aids, such as telescopes or binoculars, or aircraft; and

(1) The cannabis consumption lounge shall ensure that the consumption area is surrounded by a sight-obscuring wall, fence, or other opaque or translucent barrier that also prevents cannabis products from being transferred to anyone outside the consumption area; or

(2) The height of the consumption area is higher than the surrounding area and obscures view of consumption.

15.095 Water service. Water shall be provided without request and free of charge to all consumers.

15.100 Retail cannabis consumption lounge attached or immediately adjacent to a cannabis sales facility.

1. Any cannabis sales facility that is awarded a retail cannabis consumption lounge license from the Board has no right to transfer said lounge license without also simultaneously transferring the license for the cannabis sales facility. The awarded retail cannabis consumption lounge license will be permanently paired with the cannabis sales facility license upon issuance.

2. The physical premises of the retail cannabis consumption lounge must be attached or immediately adjacent to the cannabis sales facility. Cannabis sales facilities must create a standard operating procedure to transfer cannabis to or from a retail cannabis consumption lounge. For purposes of this section the following definitions apply:

(a) "attached" means that the physical premises of the retail cannabis consumption lounge cannot be removed from the cannabis sales facility without substantial damage to either premise.

(b) "Immediately adjacent" means having a common border with another property, including the intersection of property lines at property corners, with no street, building, or other property between and approved by the local jurisdiction. The Board retains the authority to require a distributor license to transfer cannabis from the cannabis sales facility to the retail consumption lounge if the Board deems it necessary.

15.105 Ready-to-consume cannabis products.

1. Preparation of all ready-to-consume cannabis products must comply with FDA food code and any other local health code as enforced by locality; with the exception that cannabis is not considered an adulterant.

2. All ready-to-consume cannabis products, the ingredients, and the procedures to prepare such products must be approved by the appropriate Board Agent prior to preparation and sale to a consumer.

3. All ready-to-consume cannabis products must be individually dosed to ensure accuracy and homogeneity; infusion of bulk ingredients for multiple servings is prohibited.

4. Cannabis consumption lounges:

a. May separate premeasured single-dose concentrated cannabis procured from a cannabis sales facility for the purpose of individually dosing each ready-to-consume cannabis product in its final state.

b. Shall clearly mark ready-to-consume cannabis products with the cannabis dose in the dish when being served to consumers.

c. Shall notify the consumer as to which part of the dish is infused.

d. Shall include allergen information on the menu.

e. Shall not encourage sharing of ready-to-consume cannabis products.

15.110 Surfaces and devices: Sanitation and cleaning frequency. Each cannabis consumption lounges shall ensure that:

1. The surfaces, utensils, and reusable devices that have direct contact with cannabis products are adequately washed, rinsed and sanitized.

2. After being cleaned, surfaces of equipment, utensils, and reusable devices that have direct contact with cannabis 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 an exposure time of at least 30 seconds unless the manufacturer's label use instructions provide otherwise.

3. If the surfaces of utensils or equipment come into contact with potentially hazardous cannabis products and ingredients, the surfaces and utensils are cleaned throughout the day at least once every 4 hours.

4. The surfaces of utensils and equipment that have direct contact with cannabis 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.

15.115 Health inspections and permitting. State and local public health regulatory agencies may require permits and/or conduct inspections related to the services offered at the cannabis consumption lounge.