
Assembly Committee on Taxation

This measure may be considered for action during today's work session.

April 4, 2017

ASSEMBLY BILL 62

Revises provisions relating to the supervision of manufacturers and wholesale dealers of tobacco products. (BDR 32-390)

Sponsored by: Assembly Committee on Taxation (on behalf of the Attorney General)

Date Heard: March 28, 2017

Fiscal Impact: Effect on Local Government: May have Fiscal Impact.

Effect on the State: Yes.

Summary

Assembly Bill 62 makes various changes to Chapter 370 of the *Nevada Revised Statutes* for the purposes of enforcement of the Tobacco Master Settlement Agreement (MSA). These changes include the following:

- Authorizing that certain information may be shared with other entities by the Attorney General, the Department of Taxation, and the Nevada Tax Commission for enforcement of the MSA;
- Requiring the submission of monthly reports with the Department by persons who sell, transfer, ship, or deliver cigarettes into Nevada;
- Providing for the submission or release of certain federal tax documents to the Attorney General's Office by manufacturers or importers of tobacco; and
- Providing a mechanism by which certain nonparticipating manufacturers may be denied listing in the Department's directory of manufacturers.

Testimony

Brett Kandt, Chief Deputy Attorney General, and Hillary Bunker, Senior Deputy Attorney General, provided introductory remarks and testified in support of Assembly Bill 62. Mr. Kandt and Ms. Bunker submitted proposed amendments to the bill, which are summarized on the next page.

Testimony in support of Assembly Bill 62 was provided by the following individuals:

- Sam McMullen, representing Altria Client Services, LLC
- Alfredo Alonso, representing Reynolds American, Inc.
- Michael Hackett, representing the Nevada Tobacco Prevention Coalition and the Nevada Public Health Association

Testimony neutral to Assembly Bill 62 was provided by the following individuals:

- William Horne, representing RYO and Vegas Bros., Ltd.
- Martin Melendrez, representing RYO and Vegas Bros., Ltd.

Mr. Horne and Mr. Melendrez submitted proposed amendments to the bill, which are summarized below.

Amendments

Two sets of amendments were submitted for Assembly Bill 62:

1. A set of amendments were brought forward at the hearing by the Attorney General's Office. These amendments, which are attached, propose the following changes:
 - Amend Section 1 to remove a reference to subsection 3 of NRS 370.257, which is deleted in the proposed amendment to Section 2;
 - Amend Section 2 to remove subsection 3 of NRS 370.257 relating to confidentiality of documents submitted to the Department of Taxation, and add a new subsection clarifying that information required to be submitted to the Attorney General, the Department of Taxation, and the Tax Commission is considered confidential and may not be disclosed under specific circumstances.
 - Amend Section 3, which amends NRS 370.327 to require monthly reports of certain information to the Department, to specify that:
 - The reporting requirements contained within this section apply to deliveries of roll-your-own tobacco and smokeless tobacco, in addition to cigarettes;
 - The report required in this section must also include the name, address, and phone number of the person delivering the shipment on behalf of the seller;
 - The reports required in this section are not required if the person submits other reports required under federal law and meets other condition;
 - Nonparticipating manufacturers and imports are required to send certain operational reports to the Attorney General, in addition to federal tax returns; and
 - The reports and information submitted pursuant to this section are confidential;
 - Amend Section 4 of the bill by deleting subsection 3, paragraph (h) of NRS 370.665, which is lines 3 through 13 on page 10;
 - Amend Section 9 of the bill by removing subsection 5, paragraph (a) of NRS 370A.153, which is lines 4 and 5 on page 15;
 - Amend Section 10 of the bill by adding a reference in NRS 239.010 to NRS 370.327;
 - Amend NRS 370.255, which governs maintenance and retention of certain records by wholesale dealers, to require that records under this section must be retained for a period of at least five years, instead of three years;
 - Amend NRS 370.480, which governs retention of records of retail and wholesale dealers, to require that records under this section must be retained for a period of at least five years, instead of three years;
 - Amend NRS 370.610, which defines "brand family," to delete certain modifiers found in the definition;
 - Amend NRS 370.080, which governs licensing of wholesale dealers, retailers, and manufacturers, to require cigarette vending machine operators to obtain a license from the Department of Taxation; and

- Amend NRS 370.140, which governs the scope of a license issued by the Department, to clarify that a license issued by the Department is issued to a specific location.
2. A set of amendments was submitted at the hearing by Mr. Horne and Mr. Melendrez, on behalf of RYO and Vegas Bros., Ltd., that would make the following changes to the bill:
- Amend NRS 370.014, which defines “cigarette rolling machine,” to specify that this term does not apply to machines producing, rolling, filling, dispensing, or otherwise manufacturing fewer than 30 cigarettes per minute; and
 - Amend NRS 370.0315, which defines “manufacturer,” to specify that owners or operators of cigarette rolling machines that produce, roll, fill, dispense, or otherwise manufacture fewer than 30 cigarettes per minute are not considered manufacturers.

PROPOSED AMENDMENTS TO AB 62

Contact information:
Brett Kandt, Chief Deputy Attorney General
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PROPOSE TO AMEND BILL AS FOLLOWS:

Amendment #1

Amend the bill by amending **Section 1** at page 4, lines 38 to read as follows:

1 Section 1. NRS 360.255 is hereby amended to read as follows:

38 *(k) Disclosure of information pursuant to subsection 2 of*
39 *NRS 370.257.*

Deleted: or 3

Purpose of amendment: Remove reference to subsection 3 as this subsection is being removed in its entirety in NRS 370.257.

Amendment #2

Amend the bill by amending **Section 2** at page 6, lines 1-9 and 14 to read as follows:

10 *4. Any data relating to sales of cigarettes provided by an*
11 *outside party and received by the Department, the Nevada Tax*
12 *Commission or the Attorney General pursuant to the Master*
13 *Settlement Agreement or any related settlement agreement is*
14 *confidential.*

"The Department, Nevada Tax Commission, and Attorney General:

(a) Shall not disclose any information obtained and

(b) May not be required to produce any of the records or files for the inspection of any person or governmental entity or for use in any action or proceeding." **Purpose of amendment:** Remove

subsection 3 as this subsection conflicts with tax document confidentiality statutes found in Chapter 360. This Section also clarifies that the confidential records received by the Nevada Tax Commission, Department of Taxation, or Attorney General’s Office shall not be disclosed or produced by these entities.

Deleted: <#>3. Except as otherwise provided in this subsection ~~[-and]~~ subsection 4, the reports submitted by licensees pursuant to ~~[NRS 370.001 to 370.430, inclusive,] this chapter and chapter 370A of~~ NRS are public records. Unless otherwise directed or ordered by a court of competent jurisdiction, any information contained in those reports about quantities of cigarettes or "roll your own" tobacco brand must not be released to anyone other than persons permitted access to those reports pursuant to subsection ~~[-]~~ 9 . ~~-3.] 2.~~

Deleted: ¶

Amendment #3

Amend the bill by amending **Section 3** at page 6, lines 23, 29, 39-40, 43, and at page 7, lines 1, 7, 9, 10-22, 29, 35, 37, and at page 8, line 7 to read as follows:

(Page 6)

23. **Sec. 3.** NRS 370, is hereby amended to read as follows:
24 370.327 ~~[Not]~~

Deleted: 327

25 1. *Except as otherwise provided in subsection 3, not* later than
26 the 10th day of each calendar month, each person who ~~[has mailed,~~
27 ~~shipped]~~ *sells, transfers, ships* or otherwise ~~[delivered cigarettes in~~
28 ~~connection with a delivery sale during the previous calendar month.]~~
29 *delivers cigarettes, roll-your-own tobacco, or smokeless tobacco into this State,* except
30 a ~~[delivery service, shall~~
31 ~~create and maintain records containing]~~ *common carrier, shall*
32 *submit to the Department a report for the immediately preceding*
33 *calendar month that includes the information required by*
subsection 2.

Deleted:

39 (c) *Include the total number of cigarettes, roll-your-own tobacco, or smokeless tobacco sold,*
40 *transferred,*
41 *shipped or otherwise delivered by the person into this State*
42 *and*

Deleted: in or

42. (d) *Include for each sale, transfer, shipment or other delivery*
43. *of cigarettes, roll-your-own tobacco, or smokeless tobacco* the following information ~~[relating~~
44. ~~to every such~~
~~delivery sale:~~

(Page 7)

1 (1) *The quantity of cigarettes, roll-your-own tobacco or smokeless tobacco, sold,*
2 *transferred, shipped*
3 *or otherwise delivered, identified by manufacturer and brand*
4 *family;*
5 (2) *The invoice date and number; and*
6 (3) *The name and address of the person to whom the*
7 ~~[delivery sale was made; and~~
8 ~~the quantity and brands of]~~ *cigarettes, roll-your-own tobacco, or smokeless tobacco [that]*
9 *were sold [in*
10 *the delivery sale.*
11 ~~[The records],~~ *transferred, shipped or otherwise delivered.* 4. *Name, address, and phone number*
12 *of the person delivering the shipment to the recipient on behalf of the seller.*
13 3. A person is not required to submit the report required by subsection 1 if the person:
14 (a) timely submits to the Attorney General the reports required by 15 U.S.C. 375, et seq.,
15 (b) certifies to the State of Nevada that the reports are complete and accurate, and
16 (c) permits the reports to be treated by the State as the report required pursuant to subsection 1.

Deleted: of

Deleted: <#>A person is not required to submit the report required by subsection 1 if:
(a) The person is a manufacturer or importer, and the manufacturer or importer timely submits to the Attorney General the reports with respect to cigarettes required by 15 U.S.C. §§ 375 et seq., and certifies to the State of Nevada that the reports are complete and accurate.

Deleted: <#>(b) The person is a wholesale dealer, and the wholesale dealer timely submits to the Department the reports otherwise required by this chapter and such reports separately list by quantity, manufacturer and brand family of cigarettes the deliveries of cigarettes to retail dealers and other wholesale dealers in this State.

4. *Except as otherwise provided in subsection 3, any person*
5 *who, in the 24 calendar months immediately preceding the date on*
6 *which a report required by subsection 1 must be submitted, sold,*
7 *transferred, shipped or otherwise delivered cigarettes, roll-your-own tobacco, or smokeless*

7 tobacco into this
 8 State, other than a common carrier, must submit the report even if
 9 the person did not sell, transfer, ship or otherwise deliver
 10 cigarettes, roll-your-own tobacco, or smokeless tobacco into this State in the calendar month
 11 covered by the
 12 report.
 13 5. A manufacturer or importer shall, upon request, provide to
 14 the Attorney General a copy of each report filed by the
 15 manufacturer or importer in another state and that is similar to
 16 the report required by subsection 1.
 17 6. Each nonparticipating manufacturer or importer shall:
 18 (a) Submit to the Attorney General a copy of the federal tax
 19 return and all monthly operational reports on Alcohol and Tobacco
 20 Tax and Trade Bureau Forms 5210.5, 5220.6, or any
 21 subsequent corresponding form, and all adjustments, changes,
 22 and amendments to such reports
 23 not later than 60 days
 24 after the close of the quarter in which the return is filed; or
 25 (b) Submit to the United States Department of the Treasury a
 26 request or consent pursuant to 26 U.S.C. § 6103(c) authorizing the
 27 Alcohol and Tobacco Tax and Trade Bureau of the United States
 28 Department of the Treasury and, in the case of a foreign
 29 manufacturer or importer, United States Customs and Border
 30 Protection of the United States Department of Homeland Security,
 31 to disclose to the Attorney General the federal tax return of the

Deleted: of the manufacturer or importer

(Page 8)

1 7. The Attorney General may share any information received
 2 pursuant to this section with the Department, the Nevada Tax
 3 Commission, a taxing authority or law enforcement agency of
 4 another state or with any other entity authorized by the Attorney
 5 General to aggregate such information. Except as otherwise provided in this section, any
 6 information submitted pursuant to this section is confidential.

Purpose of amendment: Moves this Section into a different area of Chapter 370 and overall adds in the terms “roll-your-own tobacco” and “smokeless tobacco” so that information on all these types of tobacco can be obtained. This Section is also amended to remove a grammatical error and clarifies that data received can be shared to aggregate data only.

Amendment #4

Amend the bill by amending **Section 4** at page 10, lines 3-13 to read as follows:

6 **Sec. 4.** NRS 370.665 is hereby amended to read as follows:

Purpose of amendment: Removes language that appears elsewhere, specifically in Section 3.

Deleted: <#>(h) That the nonparticipating manufacturer has submitted to the Attorney General a request or consent to the United States Department of the Treasury pursuant to 26 U.S.C. § 6103(c) authorizing the Alcohol and Tobacco Tax and Trade Bureau of the Department, or in the case of a foreign manufacturer, United States Customs and Border Protection of the United States Department of Homeland Security, to disclose to the Attorney General the federal excise tax returns of the manufacturer and each monthly operational report of the manufacturer reported on Alcohol and Tobacco Tax and Trade Bureau Form 5210.5, and all adjustments, changes and other amendments thereto.

Amendment #5

Amend the bill by amending **Section 9** at page 15, lines 4-5 to read as follows:

Sec. 9. **NRS 370A.153 is hereby amended to read as follows:**

- 1 5. *Notwithstanding the provisions of NRS 370A.150, money*
- 2 *assigned to the State pursuant to an assignment executed pursuant*
- 3 *to subsection 1:*

Purpose of amendment: Remove (a) as the other qualifiers explain how assigned monies are treated.

Deleted: <#>(a) *Is not subject to the requirements otherwise applicable to*
money deposited in a qualified escrow fund.

Amendment #6

Amend the bill by amending **Section 10** at page 15, line 42 to read as follows:

13 Sec. 10. NRS 239.010 is hereby amended to read as follows:

42 365.138, 366.160, 368A.180, ~~370.257, 370.327~~, 372A.080, 378.290, 378.300,

Purpose of amendment: Adds in an additional section of confidential records that are requested in Chapter 370.

Amendment # 7

Amend the bill by amending by adding a new section thereto read as follows:

NRS 370.255 Maintenance and retention of records regarding certain transactions of wholesale dealers, retail dealers and manufacturers.

1. Each:

(a) Wholesale dealer shall maintain copies of invoices or equivalent documentation for each of its facilities for every transaction in which the wholesale dealer is the seller, purchaser, consignor, consignee or recipient of cigarettes. The invoices or documentation must indicate the name and address of the consignor, seller, purchaser or consignee, and the quantity by brand and style of the cigarettes involved in the transaction.

(b) Retail dealer shall maintain copies of invoices or equivalent documentation for every transaction in which the retail dealer receives or purchases cigarettes at each of its facilities. The invoices or documentation must indicate the name and address of the wholesale dealer from whom, or the address of another facility of the same retail dealer from which, the cigarettes were received, and the quantity of each brand and style of the cigarettes received in the transaction.

(c) Manufacturer shall maintain copies of invoices or equivalent documentation for each of its facilities for every transaction in which the manufacturer is the seller, purchaser, consignor, consignee or recipient of cigarettes. The invoices or documentation must indicate the name and address of the consignor, seller, purchaser or consignee, and the quantity by brand and style of the cigarettes involved in the transaction.

2. The records required by this section must be preserved on the premises described in the license of the manufacturer, wholesale dealer or retail dealer in such a manner as to ensure permanency and accessibility for inspection at reasonable hours by authorized personnel of the Department. With the permission of the Department, manufacturers, wholesale dealers and retail dealers with multiple places of business may retain centralized records, but shall transmit duplicates of the invoices or the equivalent documentation to each place of business within 24 hours after the request of the Executive Director or his or her designee.

3. The records required by this section must be retained for not less than 5 years after the date of the transaction unless the Department authorizes, in writing, their earlier removal or destruction.

(Added to NRS by [1971, 1164](#); A [1973, 1007](#); [1975, 1717](#); [1977, 786](#); [1993, 2473](#); [2005, 1195](#))

Deleted: 3

Purpose of the amendment: This requires retention of records for 5 years, to be consistent with other retention requirements found in Chapter 370.

Amendment #8

Amend the bill by amending by adding a new section thereto read as follows:

NRS 370.480 Records required of retail and wholesale dealers; period for retention.

1. Every wholesale dealer must keep at its place of business complete and accurate records for that place of business, including copies of all invoices of other tobacco products which the wholesale dealer holds, purchases and delivers, distributes or sells in this State. All records must be preserved for at least 5 years after the date of purchase or after the date of the last entry made on the record.

Deleted: 3

2. Every retail dealer shall keep at its place of business complete and accurate records for that place of business, including copies of all itemized invoices or purchases of other tobacco products purchased and delivered from wholesale dealers. The invoices must show the name and address of the wholesale dealer and the date of the purchase. All records must be preserved for at least 5 years after the date of the purchase.

(Added to NRS by [1983, 708](#); A [2001, 1597](#); [2015, 2498](#))

Deleted: 3

Purpose of the amendment: This requires retention of records for 5 years, to be consistent with other retention requirements found in Chapter 370.

Amendment #9

Amend the bill by amending by adding a new section thereto read as follows:

NRS 370.610 “Brand family” defined. “Brand family” means all styles of cigarettes sold under the same trademark and differentiated from one another by means of additional modifiers or descriptors, ” and includes any brand name, whether or not occurring alone or in conjunction with any other word, any trademark, logo, symbol, motto, selling message or recognizable pattern of colors, or any other indicia of product identification identical or similar to, or identifiable with, a previously known brand of cigarettes.

(Added to NRS by [2005, 374](#))

Deleted: including, but not limited to, “menthol,” “lights,” “kings” and “100s

Purpose of the amendment: This removes modifiers from the description of “brand family.” Under federal law, cigarettes cannot be modified by the word “light” and the remaining terms are still allowed under federal law, but are extra words included in 370.610 which are not necessary for the definition of “brand family.”

Amendment #10

Amend the bill by amending by adding a new section thereto read as follows:

NRS 370.080 Required licensing of wholesale dealers, retail dealers and manufacturers.

1. A person shall not engage in business as a wholesale dealer in the State of Nevada unless that person first secures a license to engage in that activity from the Department.

2. A person shall not engage in business as a retail dealer in the State of Nevada unless that person first secures a license to engage in that activity from the Department.

3. A person shall not engage in business as a cigarette vending machine operator in the State of Nevada unless that person first secures a license to engage in that activity.

3. A manufacturer shall not:

- (a) Sell any cigarettes to a wholesale dealer in the State of Nevada; or
- (b) Operate or permit any person other than the manufacturer to operate a cigarette rolling machine for the purpose of producing, filling, rolling, dispensing or otherwise manufacturing cigarettes.

unless that manufacturer first secures a license to engage in that activity from the Department.

4. A separate license is required to engage in each of the activities described in this section.

[2:192:1947; 1943 NCL § 6528.02] — (NRS A [1973, 1006](#); [1975, 1714](#); [1977, 783](#); [2005, 1193](#); [2015, 2958](#))

Purpose of the amendment: Currently under Nevada law a “cigarette vending machine operator” is defined as anyone who has a retail tobacco license to sell cigarettes via vending machine. However, other than this definition, there is no further clarification as to obtaining the required licensing. This statute will be amended to clarify that this is a separate type of retail license which the State will issue.

Amendment #11

Amend the bill by amending by adding a new section thereto read as follows:

NRS 370.140 Scope of license; prohibited sales and purchases.

1. A current license as a:

(a) Manufacturer authorizes the holder thereof to sell cigarettes from their licensed premises to anywhere within the borders of this State to a wholesale dealer who holds a current license.

(b) Wholesale dealer authorizes the holder thereof to only:

(1) Purchase cigarettes from any manufacturer or wholesale dealer who holds a current license; or

(2) Sell cigarettes from their licensed premises to anywhere within the borders of this State to any Indian tribe listed by the Department pursuant to [NRS 370.085](#) or any wholesale or retail dealer who holds a current license.

(c) Retail dealer authorizes the holder thereof to:

(1) Purchase cigarettes from any wholesale dealer who holds a current license; or

(2) Sell cigarettes from their licensed premises to anywhere within the borders of this State to any consumer.

(d) Cigarette vending machine operator retail dealer authorizes the holder thereof to sell Nevada stamped cigarettes by means of coin-operated machines within the borders of this State.

2. No person who holds a current license as a:

(a) Manufacturer may sell cigarettes within the borders of this State to any person other than a wholesale dealer who holds a current license.

(b) Wholesale or retail dealer may purchase cigarettes for sale within the borders of this State or sell cigarettes within the borders of this State except as authorized pursuant to subsection 1.

[Part 9:192:1947; A 1949, 598; 1943 NCL § 6528.09] — (NRS A [1965, 1246](#); [2005, 1194](#))

Purpose of the amendment: This clarifies that tobacco licenses are issued to a specific location, consistent with NRS 370.100, 370.120, and 370.130. See Amendment #10 above for information on vending machine licensing.

ADAM PAUL LAXALT
Attorney General



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100 North Carson Street
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March 27, 2017

via Hand Delivery

The Honorable Dina Neal, Chair
Assembly Committee on Taxation
Nevada Assembly
401 South Carson Street
Carson City, NV 89701-4747

Re: Amendments to AB 62

Dear Ms. Neal:

Enclosed please find amendments to AB 62, which Office of the Attorney General (OAG) intends to present at the committee hearing on March 28, 2017. As you are aware, each Legislative Session the OAG submits a bill related to tobacco enforcement based upon the OAG's responsibility for diligent enforcement of the Master Settlement Agreement (MSA), which Nevada signed in November 1998. Every year the State receives money under the terms of the MSA, 40% of which goes to fund the Millennium Scholarship program and 60% of which goes towards Fund for a Healthy Nevada. The consequences of not diligently enforcing-which is determined on an annual, ongoing basis-and not having strong enforcement statutes are that the entire MSA payment Nevada receives is put in jeopardy.

Following signature of the MSA, the tobacco companies arbitrated against the states to determine if they had been diligent in their enforcement efforts. As a result of this arbitration, Nevada signed a separate Settlement Agreement with 23 other states and various tobacco manufacturers concerning our diligent enforcement of the MSA for calendar years 2003-2012. By entering into this Settlement Agreement, the State of Nevada did not have to participate in arbitration proceedings to determine its diligence in enforcing the MSA for these years. However, this is only for the years discussed above, and as there is no sunset provision on the MSA, the question of diligence has to be determined every year.

Although the term "diligent enforcement" is not defined in the MSA, one of the factors considered in determining diligence is whether a state enacts any legislation necessary to strengthen its enforcement efforts. AB 62 with the enclosed amendments is

necessary for the State to continually improve its enforcement efforts over tobacco entities operating in the State.

Section 1 is being amended to remove a reference to a subsection that has been removed. Section 2 is being amended to remove a subsection that references public records, which conflicts with general laws regarding tax document filings. This Section is also amended to clarify that the confidential records received by the Nevada Tax Commission, Department of Taxation, or OAG shall not be disclosed or produced by these entities.

Section 3 is amended so that it can be moved into a different area of Chapter 370 and inserts the terms “roll-your-own tobacco” and “smokeless tobacco” so that information on all these types of tobacco can be obtained. This Section is also amended to remove a grammatical error and clarifies that data received can be shared to aggregate data only.

Section 4 is amended to remove language that appears elsewhere, specifically in Section 3. The amendment in Section 9 removes language that is redundant for assignment of escrow monies. Finally, Section 10 adds in an additional section of Chapter 370 to clarify that the records being referenced are confidential.

We also request amendments to additional statutes, to include changing two Sections of Chapter 370 to require retention of records for 5 years, to be consistent with other retention requirements and removing modifiers from the description of “brand family.” We are also clarifying the vending machine operator licensing requirements. Currently under Nevada law a “cigarette vending machine operator” is defined as anyone who has a retail tobacco license to sell cigarettes via vending machine, with further clarification that this is a separate type of license which the State will issue. Finally, we clarify that tobacco licenses are issued to a specific location, consistent with NRS 370.100, 370.120, and 370.130.

Thank you for your consideration of this bill. If you have any questions, please do not hesitate to contact me at 684-1201 or bkandt@ag.nv.gov.

Sincerely,

ADAM PAUL LAXALT
Attorney General

By: 
Brett Kandt
Chief Deputy Attorney General

WBK/klr
Encls. As Stated
cc: Assembly Committee on Taxation

Conceptual Amendment for AB62

NRS 370.014 “Cigarette rolling machine” defined.

1. “Cigarette rolling machine” means any machine that:
 - (a) May be loaded with loose tobacco, cigarette tubes, cigarette papers or any other component related to the production of cigarettes;
 - (b) Is designed to **and in operation does** automatically or mechanically produce, roll, fill, dispense or otherwise manufacture **30 or more cigarettes per minute**;
 - (c) Is of a commercial grade or otherwise designed or suitable for commercial use;
 - (d) Is designed to be powered or operated by a primary source of power other than human power.
2. The term does not include any handheld or manually operated machine or device if the machine or device is:
 - (a) Used to make cigarettes for the personal consumption of the owner of the machine or device; or
 - (b) Held by a retail establishment solely for sale to a consumer for the purpose of making cigarettes off the premises of the retail establishment and for personal consumption.

Similarly, NRS 370.0315 defines “Manufacturer” as:

NRS 370.0315 “Manufacturer” defined.

1. “Manufacturer” means any person who:
 - (a) Manufactures, fabricates, assembles, processes or labels a finished cigarette;
 - (b) Imports, whether directly or indirectly, a finished cigarette into the United States for sale or distribution in this State; or
 - (c) Owns, maintains, operates or permits any other person to operate a cigarette rolling machine for the purpose of producing, filling, rolling, dispensing or otherwise manufacturing **30 or more cigarettes per minute**.
2. The term does not include a natural person who uses a handheld or manually operated machine or device to produce cigarettes using “roll-your-own” tobacco if the cigarettes produced are for personal consumption and not for sale, resale or any other profit-making endeavor.