

SUMMARY—Revises provisions governing tobacco. (BDR 40-171)

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

Effect on the State: Yes.

AN ACT relating to tobacco; prohibiting the sale of certain flavored tobacco products and flavoring agents for tobacco products; prohibiting the sale of cigarettes to certain persons; requiring annual inspections of locations that sell certain tobacco, vapor products and other nicotine products; prohibiting the sale of cigarettes after a certain date; eliminating the tax on cigarettes after that date; requiring certain insurers to cover certain services for ceasing the use of tobacco; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits a person from selling, distributing or offering to sell cigarettes, cigarette paper, any product containing, made or derived from tobacco, vapor products or any nicotine product to a person under the age of 21 years. (NRS 202.24935, 370.521) **Sections 5 and 89** of this bill prohibit a person from selling, distributing or offering to sell: (1) cigarettes, cigarette paper or a vapor product that contains a taste or aroma that is distinguishable from the taste or aroma of tobacco; or (2) a product that is designed, manufactured, produced, marketed or sold as an additive to cigarettes, cigarette paper or a vapor product that produces a distinguishable taste or aroma from



the taste or aroma of tobacco. **Sections 11 and 53** of this bill prohibit any person from selling, distributing or offering to sell cigarettes to a person born after December 31, 2002. **Section 9** of this bill requires certain notice to be displayed at the point of sale for certain tobacco, vapor and nicotine products stating that the sale of cigarettes to a person born after December 31, 2002, is prohibited. **Section 6** of this bill makes a conforming change to indicate the proper placement of **section 5** in the Nevada Revised Statutes. **Sections 7 and 13** of this bill provide for the enforcement of the provisions of **section 5** in the same manner as certain other provisions governing tobacco.

Existing law requires the Attorney General to conduct triennial inspections at locations where products containing, made or derived from tobacco, vapor products, alternative nicotine products and products containing, made or derived from nicotine are sold, distributed or offered for sale to enforce certain provisions governing the sale of such products. Existing law authorizes the Attorney General to contract for assistance in conducting such inspections with a police department, sheriff's department or any person the Attorney General believes will fairly conduct such inspections. (NRS 202.2496) **Section 13** of this bill: (1) increases the frequency of such inspections to at least once a year; and (2) authorizes the Attorney General to contract with any law enforcement agency or health authority for assistance in conducting such inspections. **Section 1** of this bill requires the Department of Health and Human Services to allocate \$5,000,000 annually from proceeds from certain litigation against manufacturers of tobacco products: (1) first, to the Office of the Attorney General as necessary to conduct such inspections; and (2) second, for certain programs to prevent, reduce or treat the use of tobacco.



Existing law authorizes a board of county commissioners to adopt an ordinance to prohibit a child who is under 18 years of age from: (1) purchasing, attempting to purchase, possessing, attempting to possess or using tobacco products; or (2) falsely representing his or her age to purchase, obtain or possess tobacco products. (NRS 244.3572) **Section 18** of this bill authorizes a board of county commissioners to adopt such an ordinance concerning a person who is under 21 years of age in accordance with existing state law prohibiting the sale of tobacco products to such a person. (NRS 202.24935, 370.521) **Section 18** also authorizes a board of county commissioners to adopt such an ordinance prohibiting a person born after December 31, 2002, from: (1) purchasing, attempting to purchase, possessing, attempting to possess or smoking cigarettes; or (2) falsely representing his or her age to purchase, obtain or possess cigarettes.

Existing law requires a manufacturer of cigarettes, a cigarette vending machine operator or a wholesale or retail dealer of tobacco products to obtain a license from the Department of Taxation. (NRS 370.567) **Section 59** of this bill prohibits the Department from: (1) issuing an initial license as a cigarette vending machine operator on or after January 1, 2024; and (2) renewing a license as a cigarette vending machine operator, manufacturer or wholesale dealer of cigarettes on or after January 1, 2029. **Section 63** of this bill provides that a license as a tobacco retail dealer initially issued on or after January 1, 2024, or renewed on or after January 1, 2029, only authorizes the holder to engage in the retail sale of tobacco products other than cigarettes. **Section 64** of this bill extends this limitation to all retail tobacco licenses beginning on January 1, 2030. **Section 89** of this bill prohibits the sale of cigarettes beginning on January 1, 2030. **Section 92** of this bill eliminates the tax on cigarettes on that date. **Sections 2, 4, 8, 10, 12, 14, 15, 17, 19, 22, 24-52, 54-**



58, 60-62, 65-71, 74, 87, 88, 90 and 92 of this bill make various changes to: (1) eliminate provisions that implement that tax and various other provisions referencing or related to the sale of cigarettes; and (2) standardize the defined terms and penalties applicable to provisions governing the licensing of tobacco wholesale dealers and retail dealers and the taxation of tobacco products.

On November 23, 1998, leading United States cigarette manufacturers entered into a settlement agreement, entitled the “Master Settlement Agreement,” with this State. The Master Settlement Agreement obligates these manufacturers, in return for a release of past, present and certain future claims against them as described in the Master Settlement Agreement, to pay substantial sums to the State, to fund a national foundation devoted to the interests of public health and to make substantial changes in their advertising and marketing practices and corporate culture, with the intention of reducing underage smoking. To prevent cigarette manufacturers who were determined not to enter into such a settlement from using a resulting cost advantage to derive large, short-term profits in the years before liability may arise without ensuring that the State would have an eventual source of recovery from those manufacturers if they are proven to have acted culpably, the Nevada Legislature, in 1999, enacted provisions requiring all manufacturers of cigarettes sold in this State to participate in the Master Settlement Agreement or to place money into an escrow account. (Chapter 370A of NRS) Those provisions of existing law provide that all money placed in escrow by a cigarette manufacturer must be released from escrow and revert to the manufacturer 25 years after the date on which they were deposited. (NRS 370A.150) **Section 93** of this bill repeals those provisions on January 1, 2055, which is 25 years after the date on which **section 89** prohibits the



sale of cigarettes in this State. **Section 3** of this bill makes a conforming change to eliminate references to repealed sections.

Existing law requires public and private policies of insurance regulated under Nevada law to include certain coverage. (NRS 287.010, 287.04335, 422.2717-422.27241, 689A.04033-689A.0465, 689B.0303-689B.0379, 689C.1655-689C.169, 689C.194-689C.195, 695A.184-695A.1875, 695B.1901-695B.1948, 695C.1691-695C.176, 695G.162-695G.177) Existing law requires employers to provide certain benefits to employees, including the coverage required of health insurers, if the employer provides health benefits for its employees. (NRS 608.1555) **Sections 20, 21, 72, 73, 76, 78-84 and 86** of this bill require public and private health plans, including Medicaid and health plans for state and local government employees, to provide coverage for services for ceasing the use of tobacco. **Sections 20, 21, 72, 75, 76, 78-84 and 86** of this bill prohibit such a health plan from requiring prior authorization for such services. **Sections 16, 77 and 80** of this bill make conforming changes to indicate the proper placement of **sections 72, 76 and 79** in the Nevada Revised Statutes. **Section 85** of this bill authorizes the Commissioner of Insurance to suspend or revoke the certificate of a health maintenance organization that fails to comply with the requirements of **section 83**. The Commissioner would also be authorized to take such action against other health insurers who fail to comply with the requirements of **sections 76, 78-82, 84 and 86**. (NRS 680A.200)



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

Section 1. NRS 439.630 is hereby amended to read as follows:

439.630 1. The Department shall:

(a) Conduct, or require the Grants Management Advisory Committee created by NRS 232.383 to conduct, public hearings to accept public testimony from a wide variety of sources and perspectives regarding existing or proposed programs that:

- (1) Promote public health;
- (2) Improve health services for children, senior citizens and persons with disabilities;
- (3) Reduce or prevent alcohol and other substance use disorders; and
- (4) Offer other general or specific information on health care in this State.

(b) Establish a process to evaluate the health and health needs of the residents of this State and a system to rank the health problems of the residents of this State, including, without limitation, the specific health problems that are endemic to urban and rural communities, and report the results of the evaluation to the Joint Interim Standing Committee on Health and Human Services on an annual basis.

(c) Subject to legislative authorization, allocate money for direct expenditure by the Department to pay for prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear, for senior citizens and persons with disabilities



pursuant to NRS 439.635 to 439.690, inclusive. From the money allocated pursuant to this paragraph, the Department may subsidize any portion of the cost of providing prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear, to senior citizens and persons with disabilities pursuant to NRS 439.635 to 439.690, inclusive. The Department shall consider recommendations from the Grants Management Advisory Committee in carrying out the provisions of NRS 439.635 to 439.690, inclusive. The Department shall submit a quarterly report to the Governor, the Interim Finance Committee, the Joint Interim Standing Committee on Health and Human Services and any other committees or commissions the Director deems appropriate regarding the general manner in which expenditures have been made pursuant to this paragraph.

(d) Subject to legislative authorization, allocate, by contract or grant, money for expenditure by the Aging and Disability Services Division of the Department in the form of grants for existing or new programs that assist senior citizens and other specified persons with independent living, including, without limitation, programs that provide:

(1) Respite care or relief of informal caretakers, including, without limitation, informal caretakers of any person with Alzheimer's disease or other related dementia regardless of the age of the person;

(2) Transportation to new or existing services to assist senior citizens in living independently; and



(3) Care in the home which allows senior citizens to remain at home instead of in institutional care.

↳ The Aging and Disability Services Division of the Department shall consider recommendations from the Grants Management Advisory Committee concerning the independent living needs of senior citizens.

(e) Allocate \$200,000 of all revenues deposited in the Fund for a Healthy Nevada each year for direct expenditure by the Director to award competitive grants to finance the establishment or expansion of assisted living facilities that provide services pursuant to the provisions of the home and community-based services waiver which are amended pursuant to NRS 422.3962. The Director shall develop policies and procedures for awarding grants pursuant to this paragraph. If any money allocated pursuant to this paragraph remains after awarding grants to all eligible applicants, the Director must reallocate such money to the Aging and Disability Services Division of the Department to be used for the purposes described in paragraph (d).

(f) Subject to legislative authorization, allocate *\$5,000,000 each year from the revenues deposited in the Fund for a Healthy Nevada in the following order of priority:*

(1) First, to the Office of the Attorney General as necessary to conduct the inspections required by NRS 202.2496; and

(2) Second, any money remaining after the allocation described in subparagraph (1) to the Division [money] for programs that are consistent with the guidelines established by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services relating to evidence-based best practices to prevent, reduce or treat the use of tobacco and



the consequences of the use of tobacco. In making allocations pursuant to this ~~paragraph,~~ *subparagraph*, the Division shall allocate the money, by contract or grant:

~~(1)~~ *(I)* To the district board of health in each county whose population is 100,000 or more for expenditure for such programs in the respective county;

~~(2)~~ *(II)* For such programs in counties whose population is less than 100,000; and

~~(3)~~ *(III)* For statewide programs for tobacco cessation and other statewide services for tobacco cessation and for statewide evaluations of programs which receive an allocation of money pursuant to this ~~paragraph,~~ *subparagraph*, as determined necessary by the Division and the district boards of health.

(g) Subject to legislative authorization, allocate, by contract or grant, money for expenditure for programs that improve the health and well-being of residents of this State, including, without limitation, programs that improve health services for children.

(h) Subject to legislative authorization, allocate, by contract or grant, money for expenditure for programs that improve the health and well-being of persons with disabilities. In making allocations pursuant to this paragraph, the Department shall, to the extent practicable, allocate the money evenly among the following three types of programs:

(1) Programs that provide respite care or relief of informal caretakers for persons with disabilities;

(2) Programs that provide positive behavioral supports to persons with disabilities; and

(3) Programs that assist persons with disabilities to live safely and independently in their communities outside of an institutional setting.



(i) Maximize expenditures through local, federal and private matching contributions.

(j) Ensure that any money expended from the Fund will not be used to supplant existing methods of funding that are available to public agencies.

(k) Develop policies and procedures for the administration and distribution of contracts, grants and other expenditures to state agencies, political subdivisions of this State, nonprofit organizations, universities, state colleges and community colleges. A condition of any such contract or grant must be that not more than 8 percent of the contract or grant may be used for administrative expenses or other indirect costs. The procedures must require at least one competitive round of requests for proposals per biennium.

(l) To make the allocations required by *subparagraph 2 of paragraph (f) and paragraphs ~~(f),~~*

(g) and (h):

(1) Prioritize and quantify the needs for these programs;

(2) Develop, solicit and accept applications for allocations;

(3) Review and consider the recommendations of the Grants Management Advisory Committee submitted pursuant to NRS 232.385;

(4) Conduct annual evaluations of programs to which allocations have been awarded; and

(5) Submit annual reports concerning the programs to the Governor, the Interim Finance Committee, the Joint Interim Standing Committee on Health and Human Services and any other committees or commissions the Director deems appropriate.



(m) Transmit a report of all findings, recommendations and expenditures to the Governor, each regular session of the Legislature, the Joint Interim Standing Committee on Health and Human Services and any other committees or commissions the Director deems appropriate.

(n) After considering the recommendations submitted to the Director pursuant to subsection 6, develop a plan each biennium to determine the percentage of available money in the Fund for a Healthy Nevada to be allocated from the Fund for the purposes described in paragraphs (c), (d), ~~(f),~~ (g) and (h). The plan must be submitted as part of the proposed budget submitted to the Chief of the Budget Division of the Office of Finance pursuant to NRS 353.210.

(o) On or before September 30 of each even-numbered year, submit to the Grants Management Advisory Committee, the Nevada Commission on Aging created by NRS 427A.032 and the Nevada Commission on Services for Persons with Disabilities created by NRS 427A.1211 a report on the funding plan submitted to the Chief of the Budget Division of the Office of Finance pursuant to paragraph (n).

2. The Department may take such other actions as are necessary to carry out its duties.

3. To make the allocations required by paragraph (d) of subsection 1, the Aging and Disability Services Division of the Department shall:

(a) Prioritize and quantify the needs of senior citizens and other specified persons for these programs;

(b) Develop, solicit and accept grant applications for allocations;

(c) As appropriate, expand or augment existing state programs for senior citizens and other specified persons upon approval of the Interim Finance Committee;



- (d) Award grants, contracts or other allocations;
- (e) Conduct annual evaluations of programs to which grants or other allocations have been awarded; and
- (f) Submit annual reports concerning the allocations made by the Aging and Disability Services Division pursuant to paragraph (d) of subsection 1 to the Governor, the Interim Finance Committee, the Joint Interim Standing Committee on Health and Human Services and any other committees or commissions the Director deems appropriate.

4. The Aging and Disability Services Division of the Department shall submit each proposed grant or contract which would be used to expand or augment an existing state program to the Interim Finance Committee for approval before the grant or contract is awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money. The Aging and Disability Services Division of the Department shall not expend or transfer any money allocated to the Aging and Disability Services Division pursuant to this section to subsidize any portion of the cost of providing prescription drugs, pharmaceutical services and other benefits, including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear, to senior citizens or persons with disabilities pursuant to NRS 439.635 to 439.690, inclusive.

5. A veteran may receive benefits or other services which are available from the money allocated pursuant to this section for senior citizens or persons with disabilities to the extent that the veteran does not receive other benefits or services provided to veterans for the same purpose



if the veteran qualifies for the benefits or services as a senior citizen or a person with a disability, or both.

6. On or before June 30 of each even-numbered year, the Grants Management Advisory Committee, the Nevada Commission on Aging and the Nevada Commission on Services for Persons with Disabilities each shall submit to the Director a report that includes, without limitation, recommendations regarding community needs and priorities that are determined by each such entity after any public hearings held by the entity.

Sec. 2. NRS 445B.834 is hereby amended to read as follows:

445B.834 1. The board of county commissioners of a county whose population is 100,000 or more may by ordinance impose an additional fee for each form certifying emission control compliance.

2. If a board of county commissioners imposes an additional fee pursuant to subsection 1, the board of county commissioners shall notify the Department of Motor Vehicles for the purposes of collecting and distributing the additional fee pursuant to subsection 7 of NRS 445B.830.

3. If a board of county commissioners imposes an additional fee pursuant to subsection 1, the board shall:

(a) Subject to the provisions of paragraph (b), use any money received from the additional fee to support the programs of local air pollution control agencies to reduce emissions from a motor vehicle; and



(b) Allocate at least 50 percent of any money received from the additional fee to support the programs of local air pollution control agencies to reduce emissions from a motor vehicle for the benefit of historically underserved communities.

4. As used in this section:

(a) “Additional fee” does not include any fee that is imposed pursuant to paragraph (a), (b) or (c) of subsection 1 of NRS 445B.830.

(b) “Block” means the smallest geographical unit whose boundaries were designated by the Bureau of the Census of the United States Department of Commerce in its topographically integrated geographic encoding and referencing system.

(c) “Block group” means a combination of blocks whose numbers begin with the same digit.

(d) “Census tract” means a combination of block groups.

(e) “Historically underserved community” means:

(1) A census tract:

(I) Designated as a qualified census tract by the United States Secretary of Housing and Urban Development pursuant to 26 U.S.C. § 42(d)(5)(B)(ii); or

(II) In which, in the immediately preceding census, at least 20 percent of households were not proficient in the English language;

(2) A community in this State with at least one public school:

(I) In which 75 percent or more of the enrolled pupils in the school are eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.; or



(II) That participates in universal meal service in high poverty areas pursuant to Section 104 of the Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296; or

(3) A community in this State located on qualified tribal land . [~~as defined in NRS 370.0325.~~]

(f) “Qualified tribal land” means any real property:

(1) For which legal title is vested in, or held in trust for the benefit of, an Indian tribe or an individual Native American, and which is subject to restrictions against alienation pursuant to federal law; and

(2) Over which an Indian tribe exercises governmental power.

Sec. 3. NRS 20.035 is hereby amended to read as follows:

20.035 1. Except as otherwise provided in subsection 2, if an appeal is taken of a judgment in a civil action involving a signatory, or a successor in interest or affiliate of a signatory, of the Master Settlement Agreement in which an appellant is required to give a bond in order to secure a stay of execution of the judgment during the pendency of any or all such appeals, the total cumulative sum of all the bonds required from all the appellants involved in the civil action must not exceed \$50,000,000.

2. If the plaintiff proves by a preponderance of evidence that an appellant who posted a bond pursuant to subsection 1 is purposefully dissipating or diverting assets outside of the ordinary course of its business to evade the ultimate payment of the judgment, the court may, if it determines that such an order is necessary to prevent such dissipation or diversion, require the appellant to post a bond in an amount that does not exceed the full amount of the judgment.



3. The provisions of this section do not limit the discretion of a court, for good cause shown, to set the bond on appeal in an amount less than the amount otherwise required by law.

4. For the purposes of this section:

(a) “Affiliate” ~~[has the meaning ascribed to it in NRS 370A.030.]~~ *means a person who directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with, another person. Solely for the purposes of this definition, the terms “owns,” “is owned” and “ownership” mean ownership of an equity interest or the equivalent thereof, of ten percent or more, and the term “person” means an individual, partnership, committee, association, corporation or any other organization or group of persons.*

(b) “Master Settlement Agreement” ~~[has the meaning ascribed to it in NRS 370A.070.]~~ *means the settlement agreement, and related documents, entered into on November 23, 1998, by this State and leading United States manufacturers of tobacco products.*

Sec. 4. NRS 76.100 is hereby amended to read as follows:

76.100 1. A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Secretary of State. If the person is:

(a) An entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license at the time of filing the initial or annual list.

(b) Not an entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license before conducting a business in this State.

2. An application for a state business license must:



- (a) Be made upon a form prescribed by the Secretary of State;
- (b) Set forth the name under which the applicant transacts or intends to transact business, or if the applicant is an entity organized pursuant to this title and on file with the Secretary of State, the exact name on file with the Secretary of State, the business identification number as assigned by the Secretary of State pursuant to NRS 225.082, and the location in this State of the place or places of business;
- (c) Be accompanied by a fee in the amount of \$200, except that if the applicant is a corporation organized pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation required to file an initial or annual list with the Secretary of State pursuant to chapter 80 of NRS, the application must be accompanied by a fee of \$500; and
- (d) Include any other information that the Secretary of State deems necessary.

↪ If the applicant is an entity organized pursuant to this title and on file with the Secretary of State and the applicant has no location in this State of its place of business, the address of its registered agent shall be deemed to be the location in this State of its place of business.

3. The application must be signed pursuant to NRS 239.330 by:

- (a) The owner of a business that is owned by a natural person.
- (b) A member or partner of an association or partnership.
- (c) A general partner of a limited partnership.
- (d) A managing partner of a limited-liability partnership.
- (e) A manager or managing member of a limited-liability company.



(f) An officer of a corporation or some other person specifically authorized by the corporation to sign the application.

4. If the application for a state business license is defective in any respect or the fee required by this section is not paid, the Secretary of State may return the application for correction or payment.

5. A state business license issued pursuant to this section must contain the business identification number assigned by the Secretary of State pursuant to NRS 225.082.

6. The state business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.

7. For the purposes of this chapter, a person:

(a) Shall be deemed to conduct a business in this State if a business for which the person is responsible:

(1) Is organized pursuant to this title, other than a business organized pursuant to:

(I) Chapter 82 or 84 of NRS; or

(II) Chapter 81 of NRS if the business is a nonprofit unit-owners' association or a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c);

(2) Has an office or other base of operations in this State;

(3) ~~[Except as otherwise provided in NRS 76.103, has]~~ **Has** a registered agent in this State;

or



(4) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid.

(b) Shall be deemed not to conduct a business in this State if:

(1) The business for which the person is responsible:

(I) Is not organized pursuant to this title;

(II) Does not have an office or base of operations in this State;

(III) Does not have a registered agent in this State; and

(IV) Does not pay wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid, other than wages or other remuneration paid to a natural person for performing duties in connection with an activity described in subparagraph (2);

(2) The business for which the person is responsible is conducting activity in this State solely to provide vehicles or equipment on a short-term basis in response to a wildland fire, a flood, an earthquake or another emergency; or

(3) The Secretary of State determines that the person is not conducting a business in this State.

8. As used in this section, “registered agent” has the meaning ascribed to it in NRS 77.230.

Sec. 5. Chapter 202 of NRS is hereby amended by adding thereto a new section to read as follows:

1. It is unlawful to sell, distribute or offer to sell:



(a) Cigarettes, cigarette paper or a vapor product that contains a distinguishable taste or aroma other than the taste or aroma of tobacco, including, without limitation, vanilla, honey, cocoa, menthol, mint and wintergreen.

(b) A product that is designed, manufactured, produced, marketed or sold to be added to cigarettes, cigarette paper or a vapor product that produces a distinguishable taste or aroma other than the taste or aroma of tobacco.

2. In addition to or in lieu of any other civil or criminal remedy provided by law, a person who violates this section is subject to:

(a) A civil penalty in an amount not more than \$1,000 for each violation; and

(b) The suspension or revocation of the license of the person by the Department of Taxation, if the person is licensed pursuant to chapter 370 of NRS.

Sec. 6. NRS 202.2485 is hereby amended to read as follows:

202.2485 As used in NRS 202.2485 to 202.2497, inclusive ~~§~~, *and section 5 of this act:*

1. “Alternative nicotine product” means any noncombustible product containing nicotine that is intended for human consumption, whether chewed, absorbed, dissolved or ingested by any other means. The term does not include:

(a) A vapor product;

(b) A product made or derived from tobacco; or

(c) Any product regulated by the United States Food and Drug Administration under Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.



2. “Distribute” includes furnishing, giving away or providing products made or derived from tobacco or samples thereof at no cost to promote the product, whether or not in combination with a sale.

3. “Health authority” means the district health officer in a district, or his or her designee, or, if none, the Chief Medical Officer, or his or her designee.

4. “Product made or derived from tobacco” does not include any product regulated by the United States Food and Drug Administration pursuant to Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

5. “Vapor product”:

(a) Means any noncombustible product containing nicotine or any other substance that employs a heating element, power source, electronic circuit or other electronic, chemical or mechanical means, regardless of the shape or size thereof, that can be used to produce vapor from nicotine or any other substance in a solution or other form, the use or inhalation of which simulates smoking.

(b) Includes, without limitation:

(1) An electronic cigarette, cigar, cigarillo, pipe, hookah, or vape pen, or a similar product or device; and

(2) The components of such a product or device, whether or not sold separately, including, without limitation, vapor cartridges or other container of nicotine or any other substance in a solution or other form that is intended to be used with or in an electronic cigarette, cigar, cigarillo, pipe, hookah, or vape pen, or a similar product or device, atomizers, cartomizers, digital displays, clearomizers, tank systems, flavors, programmable software or other similar products or devices.



As used in this subparagraph, “component” means a product or device intended primarily or exclusively to be used with or in an electronic cigarette, cigar, cigarillo, pipe, hookah, or vape pen, or a similar product or device.

(c) Does not include any product regulated by the United States Food and Drug Administration pursuant to Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

Sec. 7. NRS 202.249 is hereby amended to read as follows:

202.249 1. It is the public policy of the State of Nevada and the purpose of NRS 202.2491, 202.24915 and 202.2492 to place restrictions on the smoking of tobacco in public places to protect human health and safety.

2. The quality of air is declared to be affected with the public interest and NRS 202.2491, 202.24915 and 202.2492 are enacted in the exercise of the police power of this state to protect the health, peace, safety and general welfare of its people.

3. Health authorities, police officers of cities or towns, sheriffs and their deputies and other peace officers of this state shall, within their respective jurisdictions, enforce the provisions of NRS 202.2491, 202.24915 and 202.2492. Police officers of cities or towns, sheriffs and their deputies and other peace officers of this state shall, within their respective jurisdictions, enforce the provisions of NRS 202.2493, 202.24935, 202.2494 and 370.521 ~~[.]~~ *and section 5 of this act.*

4. Except as otherwise provided in subsection 5, an agency, board, commission or political subdivision of this state, including, without limitation, any agency, board, commission or governing body of a local government, shall not impose more stringent restrictions on the smoking, use, sale, distribution, marketing, display or promotion of tobacco or products made or derived



from tobacco than are provided by NRS 202.2491, 202.24915, 202.2492, 202.2493, 202.24935, 202.2494 and 370.521 ~~[]~~ *and section 5 of this act.*

5. A school district may, with respect to the property, buildings, facilities and vehicles of the school district, impose more stringent restrictions on the smoking, use, sale, distribution, marketing, display or promotion of tobacco or products made or derived from tobacco than are provided by NRS 202.2491, 202.24915, 202.2492, 202.2493, 202.24935, 202.2494 and 370.521 ~~[]~~ *and section 5 of this act.*

Sec. 8. NRS 202.249 is hereby amended to read as follows:

202.249 1. It is the public policy of the State of Nevada and the purpose of NRS 202.2491, 202.24915 and 202.2492 to place restrictions on the smoking of tobacco in public places to protect human health and safety.

2. The quality of air is declared to be affected with the public interest and NRS 202.2491, 202.24915 and 202.2492 are enacted in the exercise of the police power of this state to protect the health, peace, safety and general welfare of its people.

3. Health authorities, police officers of cities or towns, sheriffs and their deputies and other peace officers of this state shall, within their respective jurisdictions, enforce the provisions of NRS 202.2491, 202.24915 and 202.2492. Police officers of cities or towns, sheriffs and their deputies and other peace officers of this state shall, within their respective jurisdictions, enforce the provisions of NRS 202.2493, 202.24935 ~~[, 202.2494]~~ and 370.521 and section 5 of this act.

4. Except as otherwise provided in subsection 5, an agency, board, commission or political subdivision of this state, including, without limitation, any agency, board, commission or



governing body of a local government, shall not impose more stringent restrictions on the smoking, use, sale, distribution, marketing, display or promotion of tobacco or products made or derived from tobacco than are provided by NRS 202.2491, 202.24915, 202.2492, 202.2493, 202.24935 ~~202.2494~~ and 370.521 and section 5 of this act.

5. A school district may, with respect to the property, buildings, facilities and vehicles of the school district, impose more stringent restrictions on the smoking, use, sale, distribution, marketing, display or promotion of tobacco or products made or derived from tobacco than are provided by NRS 202.2491, 202.24915, 202.2492, 202.2493, 202.24935 ~~202.2494~~ and 370.521 and section 5 of this act.

Sec. 9. NRS 202.2493 is hereby amended to read as follows:

202.2493 1. A person shall not sell, distribute or offer to sell cigarettes, any smokeless product made or derived from tobacco or any alternative nicotine product in any form other than in an unopened package which originated with the manufacturer and bears any health warning required by federal law. A person who violates this subsection shall be punished as provided in chapter 370 of NRS. As used in this subsection, “smokeless product made or derived from tobacco” means any product that consists of cut, ground, powdered or leaf tobacco and is intended to be placed in the oral or nasal cavity.

2. The owner of a retail establishment shall, whenever any product containing, made or derived from tobacco, vapor product, alternative nicotine product or product containing, made or derived from nicotine is being sold or offered for sale at the establishment, display prominently at the point of sale:



(a) A notice indicating that:

(1) The sale of ~~[eigarettes,]~~ any product containing, made or derived from tobacco, vapor product, alternative nicotine product or product containing, made or derived from nicotine to persons under 21 years of age *or the sale of cigarettes to a person born after December 31, 2002,* is prohibited by law; and

(2) The retailer may ask for proof of age to comply with this prohibition; and

(b) At least one sign that complies with the requirements of NRS 442.340.

↪ A person who violates this subsection shall be punished by a fine of not more than \$100.

3. It is unlawful for any retailer to sell cigarettes through the use of any type of display:

(a) Which contains cigarettes and is located in any area to which customers are allowed access;

and

(b) From which cigarettes are readily accessible to a customer without the assistance of the retailer,

↪ except a vending machine used in compliance with NRS 202.2494. A person who violates this subsection shall be punished by a fine of not more than \$500.

Sec. 10. NRS 202.2493 is hereby amended to read as follows:

202.2493 1. A person shall not sell, distribute or offer to sell ~~[eigarettes,]~~ any smokeless product made or derived from tobacco or any alternative nicotine product in any form other than in an unopened package which originated with the manufacturer and bears any health warning required by federal law. A person who violates this subsection shall be punished as provided in chapter 370 of NRS. As used in this subsection, “smokeless product made or derived from



tobacco” means any product that consists of cut, ground, powdered or leaf tobacco and is intended to be placed in the oral or nasal cavity.

2. The owner of a retail establishment shall, whenever any product containing, made or derived from tobacco, vapor product, alternative nicotine product or product containing, made or derived from nicotine is being sold or offered for sale at the establishment, display prominently at the point of sale ~~;~~

~~—(a) A] a~~ notice indicating that:

~~[(1)] (a)~~ The sale of any product containing, made or derived from tobacco, vapor product, alternative nicotine product or product containing, made or derived from nicotine to persons under 21 years of age ~~[or the sale of cigarettes to a person born after December 31, 2002,]~~ is prohibited by law; and

~~[(2)] (b)~~ The retailer may ask for proof of age to comply with this prohibition . ~~;~~ and
~~—(b) at least one sign that complies with the requirements of NRS 442.340.]~~

↪ A person who violates this subsection shall be punished by a fine of not more than \$100.

~~[(3) — It is unlawful for any retailer to sell cigarettes through the use of any type of display:~~

~~—(a) Which contains cigarettes and is located in any area to which customers are allowed access; and~~

~~—(b) From which cigarettes are readily accessible to a customer without the assistance of the retailer,~~

↪ ~~except a vending machine used in compliance with NRS 202.2494. A person who violates this subsection shall be punished by a fine of not more than \$500.]~~



Sec. 11. NRS 202.24935 is hereby amended to read as follows:

202.24935 1. It is unlawful for a person to knowingly sell or distribute ~~[cigarettes, cigarette]~~
through the use of a computer network, telephonic network or other electronic network:

(a) *Cigarette* paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to a person under the age of 21 years ~~[through the use of a computer network, telephonic network or other electronic network.]; and~~

(b) *Cigarettes to a person born after December 31, 2002.*

2. Every person who sells or distributes cigarettes, cigarette paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to an ultimate consumer in this State through the use of a computer network, telephonic network or electronic network shall:

(a) Ensure that the packaging or wrapping of the items when they are shipped is clearly marked with the word “cigarettes” or, if the items being shipped are not cigarettes, the words “tobacco products,” “vapor products” or “nicotine products,” as applicable.

(b) Obtain the full name, date of birth and residential address of the purchaser and perform an age verification through an independent, third-party age verification service that compares information available from public records to the personal information entered by the person during the ordering process that establishes that the person is over the age of 21 years ~~[]~~ *or born after December 31, 2002, as applicable.*



3. Every person who makes sales as described in subsection 2 must certify annually to the Attorney General that the person uses an independent, third-party age verification service as described in paragraph (b) of subsection 2.

4. In addition to or in lieu of any other civil or criminal remedy provided by law, a person who violates this section is subject to:

(a) A civil penalty in an amount not more than \$1,000 for each violation; and

(b) The suspension or revocation of the license of the person by the Department of Taxation, if the person is licensed pursuant to chapter 370 of NRS.

5. Any violation of subsection 2 constitutes a deceptive trade practice for the purpose of NRS 598.0903 to 598.0999, inclusive.

6. For the purposes of this section, any sale of cigarettes, cigarette paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to a natural person in this State who does not intend to resell the item constitutes a sale to an ultimate consumer.

Sec. 12. NRS 202.24935 is hereby amended to read as follows:

202.24935 1. It is unlawful for a person to knowingly sell or distribute ~~through the use of a computer network, telephonic network or other electronic network:~~

~~—(a) Cigarette~~ *cigarette* paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to a person under the age of 21 years ~~;~~ and



~~—(b) Cigarettes to a person born after December 31, 2002.]~~ *through the use of a computer network, telephonic network or other electronic network.*

2. Every person who sells or distributes ~~[cigarettes,]~~ cigarette paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to an ultimate consumer in this State through the use of a computer network, telephonic network or electronic network shall:

(a) Ensure that the packaging or wrapping of the items when they are shipped is clearly marked with the ~~[word “cigarettes” or, if the items being shipped are not cigarettes, the]~~ words “tobacco products,” “vapor products” or “nicotine products,” as applicable.

(b) Obtain the full name, date of birth and residential address of the purchaser and perform an age verification through an independent, third-party age verification service that compares information available from public records to the personal information entered by the person during the ordering process that establishes that the person is over the age of 21 years . ~~[or born after December 31, 2002, as applicable.]~~

3. Every person who makes sales as described in subsection 2 must certify annually to the Attorney General that the person uses an independent, third-party age verification service as described in paragraph (b) of subsection 2.

4. In addition to or in lieu of any other civil or criminal remedy provided by law, a person who violates this section is subject to:

(a) A civil penalty in an amount not more than \$1,000 for each violation; and



(b) The suspension or revocation of the license of the person by the Department of Taxation, if the person is licensed pursuant to chapter 370 of NRS.

5. Any violation of subsection 2 constitutes a deceptive trade practice for the purpose of NRS 598.0903 to 598.0999, inclusive.

6. For the purposes of this section, any sale of ~~cigarettes,~~ cigarette paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to a natural person in this State who does not intend to resell the item constitutes a sale to an ultimate consumer.

Sec. 13. NRS 202.2496 is hereby amended to read as follows:

202.2496 1. As necessary to comply with any applicable federal law, the Attorney General shall conduct random, unannounced inspections at locations where products containing, made or derived from tobacco, vapor products, alternative nicotine products and products containing, made or derived from nicotine are sold, distributed or offered for sale to inspect for and enforce compliance with NRS 202.2493, 202.2494 and 370.521, *and section 5 of this act*, as applicable. To the extent possible, an inspection of each location must be conducted pursuant to this section at least once every ~~3-years.~~ *year*. For assistance in conducting any such inspection, the Attorney General may contract with:

- (a) Any ~~sheriff's department;~~ *law enforcement agency;*
- (b) Any ~~police department;~~ *health authority;* or
- (c) Any other person who will, in the opinion of the Attorney General, perform the inspection in a fair and impartial manner.



2. If the inspector desires to enlist the assistance of a child under the age of 18 for such an inspection, the inspector shall obtain the written consent of the child's parent for such assistance.

3. A person assisting in an inspection pursuant to this section shall, if questioned about his or her age, state his or her true age.

4. If a person under 21 years of age is assisting in an inspection pursuant to this section, the person supervising the inspection shall:

(a) Refrain from altering or attempting to alter the appearance of the person to make the person appear to be 21 years of age or older.

(b) Photograph the person attempting to purchase an item described in subsection 1 immediately before the inspection is to occur and retain any photographs taken of the person pursuant to this paragraph.

5. The person supervising an inspection using the assistance of a person under 21 years of age shall, within a reasonable time after the inspection is completed:

(a) Inform a representative of the business establishment from which the person attempted to purchase an item described in subsection 1 that an inspection has been performed and the results of that inspection.

(b) Prepare a report regarding the inspection. The report must include the following information:

(1) The name of the person who supervised the inspection and that person's position;

(2) The age and date of birth of the person who assisted in the inspection;



(3) The name and position of the person from whom the person who assisted in the inspection attempted to purchase an item described in subsection 1;

(4) The name and address of the establishment at which the person attempted to purchase an item described in subsection 1;

(5) The date and time of the inspection; and

(6) The result of the inspection, including whether the inspection resulted in the sale, distribution or offering for sale of an item described in subsection 1 to the person under 21 years of age.

6. No administrative, civil or criminal action based upon an alleged violation of NRS 202.2493, 202.2494 or 370.521 *or section 5 of this act* may be brought as a result of an inspection for compliance in which the assistance of a person under 21 years of age has been enlisted to attempt to purchase an item described in subsection 1 unless the inspection has been conducted in accordance with the provisions of this section.

7. As used in this section, "law enforcement agency" means an agency, office or bureau of this State or a political subdivision of this State, the primary duty of which is to enforce the law.

Sec. 14. NRS 202.2496 is hereby amended to read as follows:

202.2496 1. As necessary to comply with any applicable federal law, the Attorney General shall conduct random, unannounced inspections at locations where products containing, made or derived from tobacco, vapor products, alternative nicotine products and products containing, made or derived from nicotine are sold, distributed or offered for sale to inspect for and enforce compliance with NRS 202.2493 ~~[, 202.2494]~~ and 370.521 and section 5 of this act, as applicable.



To the extent possible, an inspection of each location must be conducted pursuant to this section at least once every year. For assistance in conducting any such inspection, the Attorney General may contract with:

(a) Any law enforcement agency;

(b) Any health authority; or

(c) Any other person who will, in the opinion of the Attorney General, perform the inspection in a fair and impartial manner.

2. If the inspector desires to enlist the assistance of a child under the age of 18 for such an inspection, the inspector shall obtain the written consent of the child's parent for such assistance.

3. A person assisting in an inspection pursuant to this section shall, if questioned about his or her age, state his or her true age.

4. If a person under 21 years of age is assisting in an inspection pursuant to this section, the person supervising the inspection shall:

(a) Refrain from altering or attempting to alter the appearance of the person to make the person appear to be 21 years of age or older.

(b) Photograph the person attempting to purchase an item described in subsection 1 immediately before the inspection is to occur and retain any photographs taken of the person pursuant to this paragraph.

5. The person supervising an inspection using the assistance of a person under 21 years of age shall, within a reasonable time after the inspection is completed:



(a) Inform a representative of the business establishment from which the person attempted to purchase an item described in subsection 1 that an inspection has been performed and the results of that inspection.

(b) Prepare a report regarding the inspection. The report must include the following information:

- (1) The name of the person who supervised the inspection and that person's position;
- (2) The age and date of birth of the person who assisted in the inspection;
- (3) The name and position of the person from whom the person who assisted in the inspection attempted to purchase an item described in subsection 1;
- (4) The name and address of the establishment at which the person attempted to purchase an item described in subsection 1;
- (5) The date and time of the inspection; and
- (6) The result of the inspection, including whether the inspection resulted in the sale, distribution or offering for sale of an item described in subsection 1 to the person under 21 years of age.

6. No administrative, civil or criminal action based upon an alleged violation of NRS 202.2493 ~~[, 202.2494]~~ or 370.521 or section 5 of this act may be brought as a result of an inspection for compliance in which the assistance of a person under 21 years of age has been enlisted to attempt to purchase an item described in subsection 1 unless the inspection has been conducted in accordance with the provisions of this section.



7. As used in this section, “law enforcement agency” means an agency, office or bureau of this State or a political subdivision of this State, the primary duty of which is to enforce the law.

Sec. 15. NRS 205.465 is hereby amended to read as follows:

205.465 1. It is unlawful for a person to possess, sell or transfer any document or personal identifying information for the purpose of establishing a false status, occupation, membership, license or identity for himself or herself or any other person.

2. Except as otherwise provided in subsection 3, a person who:

(a) Sells or transfers any such document or personal identifying information in violation of subsection 1; or

(b) Possesses any such document or personal identifying information in violation of subsection 1 to commit any of the crimes set forth in NRS 205.085 to 205.217, inclusive, 205.473 to 205.513, inclusive, or 205.610 to 205.810, inclusive,

↪ is guilty of a category C felony and shall be punished as provided in NRS 193.130.

3. A person who violates subsection 2 by:

(a) Selling or transferring the personal identifying information of an older person or a vulnerable person;

(b) Selling or transferring the personal identifying information of five or more persons; or

(c) Causing another person to suffer a financial loss or injury of \$3,000 or more as a result of the violation,



↪ is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years, and may be further punished by a fine of not more than \$100,000.

4. Except as otherwise provided in this subsection and subsections 2 and 3, a person who possesses any such document or personal identifying information in violation of subsection 1 is guilty of a category E felony and shall be punished as provided in NRS 193.130. If a person possesses any such document or personal identifying information in violation of subsection 1 for the sole purpose of establishing false proof of age, including, without limitation, establishing false proof of age to game, purchase alcoholic beverages or purchase ~~[cigarettes or other]~~ tobacco products, the person is guilty of a misdemeanor.

5. Subsection 1 does not:

(a) Preclude the adoption by a city or county of an ordinance prohibiting the possession of any such document or personal identifying information; or

(b) Prohibit the possession or use of any such document or personal identifying information by officers of local police, sheriff and metropolitan police departments and by agents of the Investigation Division of the Department of Public Safety while engaged in undercover investigations related to the lawful discharge of their duties.

6. Proof of possession of the personal identifying information of five or more persons in a manner not set forth in NRS 205.4655 permits a rebuttable inference that the possessor intended to use such information in violation of this section.

Sec. 16. NRS 232.320 is hereby amended to read as follows:



232.320 1. The Director:

(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:

- (1) The Administrator of the Aging and Disability Services Division;
- (2) The Administrator of the Division of Welfare and Supportive Services;
- (3) The Administrator of the Division of Child and Family Services;
- (4) The Administrator of the Division of Health Care Financing and Policy; and
- (5) The Administrator of the Division of Public and Behavioral Health.

(b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and section 72 of this act*, 422.580, 432.010 to 432.133, inclusive, 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral Health or the professional line activities of the other divisions.

(c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.

(d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human



services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:

(1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;

(2) Set forth priorities for the provision of those services;

(3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;

(4) Identify the sources of funding for services provided by the Department and the allocation of that funding;

(5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and

(6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.

(e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.

(f) Has such other powers and duties as are provided by law.

2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department.



Sec. 17. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.0397, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119A.677, 119B.370, 119B.382, 120A.640, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 224.240, 226.300, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 232.1369, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.026, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 284.4086, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910,



293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.2242, 361.610, 365.138, 366.160, 368A.180, ~~370.257,~~ 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.4018, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 439.4941, 439.4988, 439.840, 439.914, 439A.116, 439A.124, 439B.420, 439B.754, 439B.760, 439B.845, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245, 449.4315, 449A.112, 450.140, 450B.188, 450B.805, 453.164, 453.720, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.368, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484B.830, 484B.833, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 598A.420, 599B.090, 603.070, 603A.210, 604A.303, 604A.710, 612.265, 616B.012, 616B.015,



616B.315, 616B.350, 618.341, 618.425, 622.238, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.2671, 630.2672, 630.2673, 630.30665, 630.336, 630A.327, 630A.555, 631.332, 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405, 633.283, 633.301, 633.4715, 633.4716, 633.4717, 633.524, 634.055, 634.1303, 634.214, 634A.169, 634A.185, 635.111, 635.158, 636.262, 636.342, 637.085, 637.145, 637B.192, 637B.288, 638.087, 638.089, 639.183, 639.2485, 639.570, 640.075, 640.152, 640A.185, 640A.220, 640B.405, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.135, 640D.190, 640E.225, 640E.340, 641.090, 641.221, 641.2215, 641.325, 641A.191, 641A.217, 641A.262, 641B.170, 641B.281, 641B.282, 641C.455, 641C.760, 641D.260, 641D.320, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.126, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be



confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.

4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:

(a) The public record:



(1) Was not created or prepared in an electronic format; and

(2) Is not available in an electronic format; or

(b) Providing the public record in an electronic format or by means of an electronic medium would:

(1) Give access to proprietary software; or

(2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.

5. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:

(a) Shall not refuse to provide a copy of that public record in the medium that is requested because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.

(b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.

Sec. 18. NRS 244.3572 is hereby amended to read as follows:

244.3572 1. A board of county commissioners may adopt an ordinance to establish an offense related to tobacco that may include provisions which prohibit a ~~child~~ *person* who ~~is~~ :

(a) *Is* under the age of ~~18~~ *21* years from:

~~(a)~~ (1) Purchasing or attempting to purchase tobacco products;

~~(b)~~ (2) Possessing or attempting to possess tobacco products;



~~[(e)]~~ (3) Using tobacco products; or

~~[(d)]~~ (4) Falsely representing that he or she is ~~[(18)]~~ 21 years of age or older to purchase, possess or obtain tobacco products.

(b) Was born after December 31, 2002, from:

(1) Purchasing or attempting to purchase cigarettes;

(2) Possessing or attempting to possess cigarettes;

(3) Smoking cigarettes; or

(4) Falsely representing that he or she was born on or before December 31, 2002, to purchase, possess or obtain cigarettes.

2. An ordinance adopted pursuant to this section must provide that the provisions of the ordinance do not apply to a child who is under the age of ~~[(18)]~~ 21 years *or was born after December 31, 2002, as applicable*, and who is:

(a) Assisting in an inspection pursuant to NRS 202.2496;

(b) Handling or transporting tobacco products in the course of his or her lawful employment;

(c) Handling or transporting tobacco products in the presence of his or her parent, spouse or legal guardian who is ~~[(18)]~~ 21 years of age or older ~~[(1)]~~ *or was born on or before December 31, 2002, as applicable*; or

(d) Possessing or using tobacco products for an established religious purpose.

3. As used in this section, “tobacco products” means cigarettes, cigarette paper, tobacco of any description or products made or derived from tobacco. As used in this subsection, the term “products made or derived from tobacco” does not include any product regulated by the United



States Food and Drug Administration pursuant to Chapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

Sec. 19. NRS 244.3572 is hereby amended to read as follows:

244.3572 1. A board of county commissioners may adopt an ordinance to establish an offense related to tobacco that may include provisions which prohibit a person who ~~f~~

~~—(a) Is] is~~ under the age of 21 years from:

~~[(1)] (a)~~ Purchasing or attempting to purchase tobacco products;

~~[(2)] (b)~~ Possessing or attempting to possess tobacco products;

~~[(3)] (c)~~ Using tobacco products; or

~~[(4)] (d)~~ Falsely representing that he or she is 21 years of age or older to purchase, possess or obtain tobacco products.

~~[(b) Was born after December 31, 2002, from:~~

~~—(1) Purchasing or attempting to purchase cigarettes;~~

~~—(2) Possessing or attempting to possess cigarettes;~~

~~—(3) Smoking cigarettes; or~~

~~—(4) Falsely representing that he or she was born on or before December 31, 2002, to purchase, possess or obtain cigarettes.]~~

2. An ordinance adopted pursuant to this section must provide that the provisions of the ordinance do not apply to a child who is under the age of 21 years ~~for was born after December 31, 2002, as applicable,]~~ and who is:

(a) Assisting in an inspection pursuant to NRS 202.2496;



- (b) Handling or transporting tobacco products in the course of his or her lawful employment;
- (c) Handling or transporting tobacco products in the presence of his or her parent, spouse or legal guardian who is 21 years of age or older ; ~~for was born on or before December 31, 2002, as applicable;~~ or
- (d) Possessing or using tobacco products for an established religious purpose.

3. As used in this section, “tobacco products” means ~~cigarettes;~~ cigarette paper, tobacco of any description or products made or derived from tobacco. As used in this subsection, the term “products made or derived from tobacco” does not include any product regulated by the United States Food and Drug Administration pursuant to Chapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

Sec. 20. NRS 287.010 is hereby amended to read as follows:

287.010 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:

(a) Adopt and carry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.

(b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees,



as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.

(c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 686A.135, 687B.352, 687B.408, 687B.723, 687B.725, 689B.030 to 689B.050, inclusive, *and section 78 of this act*, 689B.265, 689B.287 and 689B.500 apply to coverage provided pursuant to this paragraph, except that the provisions of NRS 689B.0378, 689B.03785 and 689B.500 only apply to coverage for active officers and employees of the governing body, or the dependents of such officers and employees.

(d) Defray part or all of the cost of maintenance of a self-insurance fund or of the premiums upon insurance. The money for contributions must be budgeted for in accordance with the laws



governing the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada.

2. If a school district offers group insurance to its officers and employees pursuant to this section, members of the board of trustees of the school district must not be excluded from participating in the group insurance. If the amount of the deductions from compensation required to pay for the group insurance exceeds the compensation to which a trustee is entitled, the difference must be paid by the trustee.

3. In any county in which a legal services organization exists, the governing body of the county, or of any school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada in the county, may enter into a contract with the legal services organization pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.

4. If a contract is entered into pursuant to subsection 3, the officers and employees of the legal services organization:

(a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and



(b) Must be required by the contract to pay the premiums or contributions for all insurance which they elect to accept or of which they authorize the purchase.

5. A contract that is entered into pursuant to subsection 3:

(a) Must be submitted to the Commissioner of Insurance for approval not less than 30 days before the date on which the contract is to become effective.

(b) Does not become effective unless approved by the Commissioner.

(c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.

6. As used in this section, “legal services organization” means an organization that operates a program for legal aid and receives money pursuant to NRS 19.031.

Sec. 21. NRS 287.04335 is hereby amended to read as follows:

287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 686A.135, 687B.352, 687B.409, 687B.723, 687B.725, 689B.0353, 689B.255, 695C.1723, 695G.150, 695G.155, 695G.160, 695G.162, 695G.1635, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.1675, 695G.170 to 695G.174, inclusive, *and section 86 of this act*, 695G.176, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.

Sec. 22. NRS 360.255 is hereby amended to read as follows:

360.255 1. Except as otherwise provided in this section and NRS 239.0115 and 360.250, the records and files of the Department concerning the administration or collection of any tax, fee,



assessment or other amount required by law to be collected or the imposition of disciplinary action are confidential and privileged. The Department, an employee of the Department and any other person engaged in the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action or charged with the custody of any such records or files:

(a) Shall not disclose any information obtained from those records or files; 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.

2. The records and files of the Department concerning the administration and collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action are not confidential and privileged in the following cases:

(a) Testimony by a member or employee of the Department and production of records, files and information on behalf of the Department or a person in any action or proceeding before the Nevada Tax Commission, the State Board of Equalization, the Department, a grand jury or any court in this State if that testimony or the records, files or information, or the facts shown thereby, are directly involved in the action or proceeding.

(b) Delivery to a person or his or her authorized representative of a copy of any document filed by the person pursuant to the provisions of any law of this State.

(c) Publication of statistics so classified as to prevent the identification of a particular business or document.



(d) Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases, or disclosure to any federal agency, state or local law enforcement agency, including, without limitation, the Cannabis Compliance Board, or local regulatory agency that requests the information for the use of the agency in a federal, state or local prosecution or criminal, civil or regulatory investigation.

(e) Disclosure in confidence to:

(1) The Governor or his or her agent in the exercise of the Governor's general supervisory powers;

(2) The Budget Division of the Office of Finance for use in the projection of revenue;

(3) Any person authorized to audit the accounts of the Department in pursuance of an audit;

(4) The Attorney General or other legal representative of the State in connection with an action or proceeding relating to a taxpayer or licensee; or

(5) Any agency of this or any other state charged with the administration or enforcement of laws relating to workers' compensation, unemployment compensation, public assistance, taxation, labor or gaming.

(f) Exchanges of information pursuant to an agreement between the Nevada Tax Commission and any county fair and recreation board or the governing body of any county, city or town.

(g) Upon written request made by a public officer of a local government, disclosure of the name and address of a taxpayer or licensee who must file a return with the Department. The request must set forth the social security number of the taxpayer or licensee about which the request is made and contain a statement signed by the proper authority of the local government certifying



that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and privileged and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The Executive Director may charge a reasonable fee for the cost of providing the requested information.

(h) Disclosure of information as to amounts of any unpaid tax or amounts of tax required to be collected, interest and penalties to successors, receivers, trustees, executors, administrators, assignees and guarantors, if directly interested.

(i) Disclosure of relevant information as evidence in an appeal by the taxpayer from a determination of tax due if the Nevada Tax Commission has determined the information is not proprietary or confidential in a hearing conducted pursuant to NRS 360.247.

(j) Disclosure of the identity of a person and the amount of tax assessed and penalties imposed against the person at any time after a determination, decision or order of the Executive Director or other officer of the Department imposing upon the person a penalty for fraud or intent to evade a tax imposed by law becomes final or is affirmed by the Nevada Tax Commission.

(k) Disclosure of the identity of a licensee against whom disciplinary action has been taken and the type of disciplinary action imposed against the licensee at any time after a determination, decision or order of the Executive Director or other officer of the Department imposing upon the licensee disciplinary action becomes final or is affirmed by the Nevada Tax Commission.

(l) ~~Disclosure of information pursuant to subsection 2 of NRS 370.257.~~



~~(m)~~ With respect to an application for a registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS, as that chapter existed on June 30, 2020, or a license to operate a marijuana establishment pursuant to chapter 453D of NRS, as that chapter existed on June 30, 2020, which was submitted on or after May 1, 2017, and on or before June 30, 2020, and regardless of whether the application was ultimately approved, disclosure of the following information:

(1) The identity of an applicant, including, without limitation, any owner, officer or board member of an applicant;

(2) The contents of any tool used by the Department to evaluate an applicant;

(3) The methodology used by the Department to score and rank applicants and any documentation or other evidence showing how that methodology was applied; and

(4) The final ranking and scores of an applicant, including, without limitation, the score assigned to each criterion in the application that composes a part of the total score of an applicant.

~~(m)~~ (m) Disclosure of the name of a licensee and the jurisdiction of that licensee pursuant to chapter 453A or 453D of NRS, as those chapters existed on June 30, 2020, and any regulations adopted pursuant thereto.

3. The Executive Director shall periodically, as he or she deems appropriate, but not less often than annually, transmit to the Administrator of the Division of Industrial Relations of the Department of Business and Industry a list of the businesses of which the Executive Director has a record. The list must include the mailing address of the business as reported to the Department.



4. The Executive Director may request from any other governmental agency or officer such information as the Executive Director deems necessary to carry out his or her duties with respect to the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action. If the Executive Director obtains any confidential information pursuant to such a request, he or she shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.

5. As used in this section:

(a) “Applicant” means any person listed on the application for a registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS, as that chapter existed on June 30, 2020, or a license to operate a marijuana establishment pursuant to chapter 453D of NRS, as that chapter existed on June 30, 2020.

(b) “Disciplinary action” means any suspension or revocation of a license, registration, permit or certificate issued by the Department pursuant to this title or chapter 453A or 453D of NRS, as those chapters existed on June 30, 2020, or any other disciplinary action against the holder of such a license, registration, permit or certificate.

(c) “Licensee” means a person to whom the Department has issued a license, registration, permit or certificate pursuant to this title or chapter 453A or 453D of NRS, as those chapters existed on June 30, 2020. The term includes, without limitation, any owner, officer or board member of an entity to whom the Department has issued a license.



(d) “Records” or “files” means any records and files related to an investigation or audit or a disciplinary action, financial information, correspondence, advisory opinions, decisions of a hearing officer in an administrative hearing and any other information specifically related to a taxpayer or licensee.

(e) “Taxpayer” means a person who pays any tax, fee, assessment or other amount required by law to the Department.

Sec. 23. Chapter 370 of NRS is hereby amended by adding thereto the provisions set forth as sections 24 to 27, inclusive, of this act.

Sec. 24. *“Commission” means the Nevada Tax Commission.*

Sec. 25. 1. *“Logistics company” means a person who is:*

(a) Not licensed as a wholesale dealer or a tobacco retail dealer; and

(b) Authorized by a manufacturer or a wholesale dealer of other tobacco products to temporarily store, fulfill orders for and coordinate the transport or delivery of other tobacco products from a facility in this State on behalf of and at the direction of the manufacturer or wholesale dealer of other tobacco products.

2. The term does not include a common carrier who undertakes for hire, as a regular business, the transportation of other tobacco products from place to place, and who offers its services to all who choose to employ it and to pay its charges therefor.

Sec. 26. *“Ultimate consumer” means a person who purchases one or more other tobacco products for his or her household or personal use and not for resale.*



Sec. 27. *“Warehouse or distribution center” means a building in this State which is owned, leased or rented and operated by a manufacturer, wholesale dealer of other tobacco products or tobacco retail dealer for the temporary storage of other tobacco products.*

Sec. 28. NRS 370.002 is hereby amended to read as follows:

370.002 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 370.004 ~~[and 370.006]~~ *to 370.055, inclusive, and sections 24 to 27, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 29. NRS 370.020 is hereby amended to read as follows:

370.020 “Consumer” means any person who comes into possession of ~~[cigarettes]~~ *other tobacco products* in this State as a final user for any purpose other than offering them for sale as a wholesale or retail dealer.

Sec. 30. NRS 370.025 is hereby amended to read as follows:

370.025 “Contraband tobacco products” means any:

1. ~~[Counterfeit cigarettes;~~
- ~~—2.—Other counterfeit]~~ *Counterfeit* tobacco product;
- ~~[3.—Cigarettes or “roll your own” tobacco offered for sale in this State by a manufacturer, or cigarettes or “roll your own” tobacco of a brand family or style, that is not listed in the directory created pursuant to NRS 370.675;~~
- ~~—4.—Cigarettes bearing a tribal stamp issued by the Department which are sold or offered for sale at a retail location that is not located on qualified tribal land;]~~ or
- ~~[5.—Cigarettes or other]~~



2. Other tobacco product:

(a) Exported from or imported into this State, or mailed, shipped, delivered, sold, exchanged, transported, distributed or held for distribution within the borders of this State by any person in violation of any of the provisions of this chapter;

(b) In any way held in the possession or constructive possession of any person not authorized under this chapter to possess or constructively possess the ~~cigarettes or~~ other tobacco product; or

(c) Being offered for sale in any form other than in an unopened package in violation of subsection 1 of NRS 202.2493.

Sec. 31. NRS 370.0285 is hereby amended to read as follows:

370.0285 1. “Delivery sale” means any sale of ~~cigarettes,~~ cigarette paper or other tobacco products, whether the seller is located within or outside of the borders of this State, to a consumer in this State for which:

(a) The purchaser submits the order for the sale by means of a telephonic or other method of voice transmission, the mail or any other delivery service, or the Internet or any other on-line service; or

(b) The ~~cigarettes,~~ cigarette paper or other tobacco products are delivered by mail or the use of another delivery service.

2. For the purpose of this section, any sale of ~~cigarettes,~~ cigarette paper or other tobacco products to a natural person in this State who does not hold a current license as a wholesale or retail dealer constitutes a sale to a consumer.

Sec. 32. NRS 370.0305 is hereby amended to read as follows:



370.0305 “License” means a license issued pursuant to NRS ~~[370.531]~~ 370.567 to 370.597, inclusive, that authorizes the holder to conduct business as a ~~[manufacturer, a]~~ wholesale dealer or a tobacco retail dealer.

Sec. 33. NRS 370.0315 is hereby amended to read as follows:

370.0315 ~~[1.]~~ “Manufacturer” means any person who:

~~[(a)]~~ 1. Manufactures, fabricates, assembles, processes or labels ~~[a]~~ finished ~~[cigarette;]~~ *other tobacco products; or*

~~[(b)]~~ 2. Imports, whether directly or indirectly, ~~[a]~~ finished ~~[cigarette]~~ *other tobacco products* 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 cigarettes.~~

~~—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.]~~

Sec. 34. NRS 370.032 is hereby amended to read as follows:

370.032 “Place of business” means, for a person engaged in business as:

1. A wholesale dealer, any location from which ~~[cigarettes]~~ *other tobacco products* are distributed or where ~~[cigarettes]~~ *other tobacco products* are warehoused ~~[:] or stored ; [or affixed with stamps;]~~ or

2. A retail dealer, any store, stand, outlet or other location through which ~~[cigarettes]~~ *other tobacco products* are distributed or sold to a consumer.



Sec. 35. NRS 370.033 is hereby amended to read as follows:

370.033 “Retail dealer” means any person, whether located within or outside of the borders of this State, who sells or distributes ~~[-cigarettes]~~ *other tobacco products* to a consumer within the State.

Sec. 36. NRS 370.035 is hereby amended to read as follows:

370.035 “Sale” or “to sell” includes any of the following, except when performed by a licensed logistics company or by the operator of a licensed warehouse or distribution center:

1. To exchange, barter, possess or traffic in;
2. To solicit or receive an order for;
3. To keep or expose for sale;
4. To deliver for value;
5. To peddle;
6. To possess with intent to sell;
7. To transfer to anyone for sale or resale;
8. To possess or transport in contravention of the provisions of ~~[-NRS 370.007 to 370.430, inclusive, and 370.531 to 370.597, inclusive;]~~ *this chapter;*
9. To traffic in for any consideration, promised or obtained directly or indirectly; or
10. To procure or allow to be procured for any reason.

Sec. 37. NRS 370.055 is hereby amended to read as follows:

370.055 “Wholesale dealer” means ~~[-~~
~~—1.—Any]~~ *any* person ~~[-located within the borders of this State who:~~



~~—(a) Brings or causes to be brought into this State any unstamped cigarettes purchased from the manufacturer; or~~

~~—(b) Brings or causes to be brought into this State any stamped cigarettes purchased from a licensed wholesale dealer for the purpose of resale to anyone other than a consumer.~~

~~—2. Any person who manufactures or produces cigarettes within this State and who sells or distributes them within the State.~~

~~—3. Any person located outside of the borders of this State, who sells stamped cigarettes to licensed retail dealers or other wholesale dealers in this State.] who:~~

1. Maintains a place of business in this State, purchases other tobacco products from the manufacturer or a wholesale dealer and possesses, receives, sells or otherwise disposes of such other tobacco products to wholesale dealers or retail dealers within this State;

2. Does not maintain a place of business in this State and sells or otherwise disposes of other tobacco products by any means, including, without limitation, through an Internet website, to wholesale dealers, retail dealers or ultimate consumers within this State; or

3. Manufactures, produces, fabricates, assembles, processes, labels or finishes other tobacco products within this State.

Sec. 38. NRS 370.073 is hereby amended to read as follows:

370.073 Each ~~manufacturer,~~ wholesale dealer and retail dealer shall:

1. For the purpose of receiving any notification from the Department pursuant to this chapter, maintain with the Department:

(a) A permanent mailing address; and



(b) An electronic mail address.

2. Provide written notice to the Department of any change in the information specified in subsection 1 not later than 10 days after the change.

Sec. 39. NRS 370.260 is hereby amended to read as follows:

370.260 ~~[1.]~~ All ~~[taxes and]~~ license fees imposed by the provisions of NRS ~~[370.007 to 370.430, inclusive, and 370.531]~~ **370.567** to 370.597, inclusive, ~~[less any refunds granted as provided by law,]~~ must be paid to the Department in the form of remittances payable to the Department.

~~[2.—The Department shall:~~

~~—(a) As compensation to the State for the costs of collecting the taxes, transmit each month the sum the Legislature specifies from the remittances made to it pursuant to subsection 1 during the preceding month to the State Treasurer for deposit to the credit of the Department. The deposited money must be expended by the Department in accordance with its work program.~~

~~—(b) From the remittances of taxes made to it pursuant to subsection 1 during the preceding month, less the amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is equivalent to 85 mills per cigarette to the State Treasurer for deposit to the credit of the Account for the Tax on Cigarettes in the State General Fund.~~

~~—(c) Transmit the balance of the payments of taxes each month to the State Treasurer for deposit in the Local Government Tax Distribution Account created by NRS 360.660.~~

~~—(d) Report to the State Controller monthly the amount of collections of taxes and license fees.~~



~~3. The money deposited pursuant to paragraph (c) of subsection 2 in the Local Government Tax Distribution Account is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations and must be credited to the respective accounts of Carson City and each county.~~

~~4. All license fees remitted to the Department pursuant to subsection 1 must be deposited with the State Treasurer for credit to the Department and used by the Department to administer and enforce the provisions of this chapter.]~~

Sec. 40. NRS 370.321 is hereby amended to read as follows:

370.321 1. A person who accepts an order for a delivery sale shall comply with all of the requirements of this chapter and chapters 202, ~~[370A,]~~ 372 and 374 of NRS, and all other laws of this State generally applicable to sales of ~~[cigarettes,]~~ cigarette paper or other tobacco products that occur entirely within this State.

2. In addition to any other penalty authorized by law, the Attorney General may seek civil penalties against any person engaging in delivery sales in violation of this chapter or chapter 202 of NRS. Each violation is subject to a civil penalty in an amount not to exceed \$1,000. Any civil penalty recovered pursuant to this section for a violation of NRS 202.24935 must be deposited into a separate account in the State General Fund to be used for the enforcement of this section and NRS 202.2493 . ~~[and 202.2494.]~~

Sec. 41. NRS 370.327 is hereby amended to read as follows:

370.327 1. Except as otherwise provided in subsection 3, not later than the 10th day of each calendar month, each person who sells, transfers, ships or otherwise delivers ~~[cigarettes,]~~ roll-your-



own tobacco or smokeless tobacco into this State, except a common carrier, shall submit to the Department a report for the immediately preceding calendar month that includes the information required by subsection 2.

2. Each report submitted pursuant to subsection 1 must:

(a) Be on the form prescribed by the Attorney General;

(b) Include a certification by the person who submits the report that the information provided in the report is complete and accurate;

(c) Include the total ~~number of cigarettes or~~ amount of roll-your-own tobacco or smokeless tobacco sold, transferred, shipped or otherwise delivered by the person in or into this State; and

(d) Include for each sale, transfer, shipment or other delivery of ~~cigarettes,~~ roll-your-own tobacco or smokeless tobacco the following information:

(1) The quantity of ~~cigarettes,~~ roll-your-own tobacco or smokeless tobacco sold, transferred, shipped or otherwise delivered, identified by manufacturer and brand family;

(2) The invoice date and number;

(3) The name and address of the person to whom the ~~cigarettes,~~ roll-your-own tobacco or smokeless tobacco were sold, transferred, shipped or otherwise delivered; and

(4) The name and address of the person who transferred, shipped or otherwise delivered the ~~cigarettes,~~ roll-your-own tobacco or smokeless tobacco.

3. Any person who, in the 24 calendar months immediately preceding the date on which a report required by subsection 1 must be submitted, sold, transferred, shipped or otherwise delivered ~~cigarettes,~~ roll-your-own tobacco or smokeless tobacco into this State, other than a



common carrier, must submit the report even if the person did not sell, transfer, ship or otherwise deliver ~~[cigarettes,]~~ roll-your-own tobacco or smokeless tobacco into this State in the calendar month covered by the report.

4. ~~[A manufacturer or importer shall, upon request, provide to the Attorney General a copy of each report filed by the manufacturer or importer in another state that is similar to the report required by subsection 1.~~

~~—5.— Each nonparticipating manufacturer or importer shall:~~

~~—(a) Submit to the Attorney General a copy of the federal tax return of the manufacturer or importer and a copy of all monthly operational reports on Alcohol and Tobacco Tax and Trade Bureau Forms 5210.5, 5220.6 or any subsequent corresponding form, and all adjustments, changes and amendments to such reports not later than 60 days after the close of the quarter in which the return or report is filed; or~~

~~—(b) Submit to the United States Department of the Treasury a request or consent pursuant to 26 U.S.C. § 6103(c) authorizing the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury and, in the case of a foreign manufacturer or importer, United States Customs and Border Protection of the United States Department of Homeland Security, to disclose to the Attorney General the federal tax return of the manufacturer or importer not later than 60 days after the close of the quarter in which the return is filed.~~

~~—6.]~~ Except as otherwise provided in this subsection, any information received by the Attorney General pursuant to this section is confidential. The Attorney General may share any information received pursuant to this section with the Department, the ~~[Nevada Tax]~~ Commission, a taxing



authority or law enforcement agency of another state or with any other entity authorized by the Attorney General to aggregate such information.

~~[7.]~~ 5. A copy of each report required by subsection 1 must be retained for not less than 5 years after the date on which the report must be submitted unless the Department, in writing, authorizes the report to be removed or destroyed at an earlier time.

Sec. 42. NRS 370.380 is hereby amended to read as follows:

370.380 1. It is unlawful for a person, with the intent to defraud the State:

- (a) To alter, forge or counterfeit any license ~~[or stamp]~~ provided for in this chapter; *or*
- (b) To have in his or her possession any forged, counterfeited, spurious or altered license ~~[or stamp]~~ with the intent to use the same, knowing or having reasonable grounds to believe the same to be such. ~~;~~

~~—(c) To have in his or her possession one or more cigarette stamps which he or she knows have been removed from the pieces of packages or packages of cigarettes to which they were affixed;~~

~~—(d) To affix to any piece of a package or package of cigarettes a stamp which he or she knows has been removed from any other piece of a package or package of cigarettes; or~~

~~—(e) To have in his or her possession for the purpose of sale cigarettes which do not bear indicia of the State of Nevada excise tax stamping. Presence of the cigarettes in a cigarette vending machine is prima facie evidence of the purpose to sell.]~~

2. A person who violates any of the provisions of subsection 1 is guilty of a category C felony and shall be punished as provided in NRS 193.130.

Sec. 43. NRS 370.382 is hereby amended to read as follows:



370.382 1. It is unlawful for a person, with the intent to defraud the State:

(a) To fail to keep or make any record, ~~[return,]~~ report or inventory, or keep or make any false or fraudulent record, ~~[return,]~~ report or inventory, required pursuant to ~~[NRS 370.090 to 370.327, inclusive, or 370.531 to 370.597, inclusive,]~~ *this chapter* or any regulations adopted for the administration or enforcement of those provisions; *or*

~~(b) [To refuse to pay any tax imposed pursuant to NRS 370.090 to 370.327, inclusive, or attempt in any manner to evade or defeat the tax or the payment thereof;~~

~~—(c) To alter, forge or otherwise counterfeit any stamp;~~

~~—(d) To sell or possess for the purpose of sale any counterfeit stamp;~~

~~—(e) To have in his or her possession any counterfeit stamp, with the intent to use the counterfeit stamp, knowing or having reasonable grounds to believe the stamp to be a counterfeit stamp;~~

~~—(f) To have in his or her possession any stamp which he or she knows has been removed from any cigarette package to which it was affixed;~~

~~—(g) To affix to any cigarette package a stamp which he or she knows has been removed from any other cigarette package; or~~

~~—(h)] To fail to comply with any requirement of [NRS 370.090 to 370.327, inclusive, or 370.531 to 370.597, inclusive.] *this chapter.*~~

2. A person who violates any of the provisions of subsection 1 is guilty of a category C felony and shall be punished as provided in NRS 193.130.

Sec. 44. NRS 370.390 is hereby amended to read as follows:



370.390 Except as otherwise provided in NRS 370.382, any person violating any of the provisions of ~~[NRS 370.090 to 370.315, inclusive, or 370.531 to 370.597, inclusive,]~~ *this chapter* is guilty of a gross misdemeanor.

Sec. 45. NRS 370.413 is hereby amended to read as follows:

370.413 In order to obtain evidence of any violation of this chapter, the Department, its agents, and all peace officers and revenue-collecting officers of this State may enter and inspect, without a warrant during normal business hours and with a warrant at any other time:

1. The facilities and records of any ~~[manufacturer,]~~ wholesale dealer or retail dealer; and
2. Any other place where they may have reason to believe contraband tobacco products are stored, warehoused or kept for sale.

Sec. 46. NRS 370.415 is hereby amended to read as follows:

370.415 1. The Department, its agents, sheriffs within their respective counties and all other peace officers of the State of Nevada shall seize any ~~[counterfeit stamps,]~~ contraband tobacco products ~~[,]~~ *or* machinery used to manufacture contraband tobacco products ~~[and cigarette rolling machines]~~ being used in violation of any provision of this chapter that are found or located in the State of Nevada.

2. A sheriff or other peace officer who seizes ~~[stamps,]~~ contraband tobacco products ~~[,]~~ *or* machinery ~~[or cigarette rolling machines]~~ pursuant to this section shall provide written notification of the seizure to the Department not later than 5 working days after the seizure. The notification must include the reason for the seizure.



3. After consultation with the Department, the sheriff or other peace officer shall transmit the contraband tobacco products to the Department if ~~⌈~~:

~~—(a) The contraband tobacco products consist of cigarettes and:~~

~~—(1) Except for revenue stamps being properly affixed as required by this chapter, the cigarettes comply with all state and federal statutes and regulations; and~~

~~—(2) The Department approves the transmission of the cigarettes; or~~

~~—(b) The contraband tobacco products consist of any other tobacco products and]~~ the Department approves the transmission of the other tobacco products.

4. Upon the receipt of any ~~⌈~~:

~~—(a) Cigarettes pursuant to subsection 3, the Department shall dispose of the cigarettes as provided in subsection 4 of NRS 370.270; or~~

~~—(b) Other]~~ *other* tobacco products pursuant to subsection 3, the Department shall:

~~⌈(1)⌋~~ (a) Sell the other tobacco products to the highest bidder among the licensed wholesale dealers in this State after due notice to all licensed Nevada wholesale dealers has been given by mail to the addresses contained in the Department's records; or

~~⌈(2)⌋~~ (b) If there is no bidder, or in the opinion of the Department the quantity of the other tobacco products is insufficient, or for any other reason such disposition would be impractical, destroy or dispose of the other tobacco products as the Department may see fit.

↪ The proceeds of all sales pursuant to this ~~⌈paragraph⌋~~ *subsection* must be classed as revenues derived under the provisions of NRS ~~⌈370.440⌋~~ *370.447* to 370.503, inclusive.



5. The sheriff or other peace officer who seizes any ~~[stamps,]~~ contraband tobacco products ~~[]~~ *or* machinery ~~[or cigarette rolling machines]~~ pursuant to this section shall:

(a) Destroy the ~~[stamps,]~~ machinery ; ~~[and cigarette rolling machines;]~~ and

(b) If he or she does not transmit the contraband tobacco products to the Department, destroy the contraband tobacco products.

Sec. 47. NRS 370.419 is hereby amended to read as follows:

370.419 All fixtures, equipment and other materials and personal property on the premises of any wholesale or retail dealer who, with intent to defraud the State:

1. Fails to keep or make any record, ~~[return,]~~ report or inventory required pursuant to ~~[NRS 370.090 to 370.327, inclusive, or 370.531 to 370.597, inclusive;]~~ *this chapter;*

2. Keeps or makes any false or fraudulent record, ~~[return,]~~ report or inventory required pursuant to ~~[NRS 370.090 to 370.327, inclusive, or 370.531 to 370.597, inclusive;]~~ *this chapter;*

3. Refuses to pay any tax imposed pursuant to ~~[NRS 370.090 to 370.327, inclusive;]~~ *this chapter;* or

4. Attempts in any manner to evade or defeat the requirements of ~~[NRS 370.090 to 370.327, inclusive, or 370.531 to 370.597, inclusive;]~~ *this chapter,*

↪ is subject to forfeiture pursuant to NRS 179.1156 to 179.1205, inclusive.

Sec. 48. NRS 370.500 is hereby amended to read as follows:

370.500 1. All amounts of tax required to be paid to the State pursuant to NRS ~~[370.440]~~ *370.447* to 370.490, inclusive, must be paid to the Department in the form of remittances payable to the Department.



2. The Department shall deposit these payments with the State Treasurer for credit to the Account for the Tax on Products Made From Tobacco, Other Than Cigarettes, in the State General Fund.

Sec. 49. NRS 370.5049 is hereby amended to read as follows:

370.5049 1. If any amount in excess of \$25 has been illegally determined, either by the person filing the ~~return~~ report or by the Department, the Department shall certify this fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.

2. If an amount not exceeding \$25 has been illegally determined, either by the person filing a ~~return~~ report or by the Department, the Department, without certifying this fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.

Sec. 50. NRS 370.505 is hereby amended to read as follows:

370.505 1. A retail dealer shall pay a wholesale dealer for all ~~cigarettes and~~ other tobacco products purchased from the wholesale dealer:

(a) If the ~~cigarettes or~~ other tobacco products were delivered to the retail dealer on or after the 1st day of the month but before the 16th day of the month, on or before the 29th day of the same month; and

(b) If the ~~cigarettes or~~ other tobacco products were delivered to the retail dealer on or after the 16th day of the month but before the 1st day of the next month, on or before the 14th day of the next month.



2. A wholesale dealer shall not extend credit or otherwise allow a retail dealer to violate the provisions of subsection 1.

3. The Department may impose a penalty on a wholesale dealer who violates the provisions of subsection 2 as follows:

(a) For the first violation, a penalty of \$500.

(b) For a second or subsequent violation, if paragraph (c) does not apply, a penalty of \$1,000.

(c) For a third or subsequent violation within any 12-month period, a penalty of \$5,000 or suspension or revocation of the license of the wholesale dealer, or both.

4. Pursuant to a written complaint or upon its own motion, the Department shall investigate an alleged violation of subsection 2. The Department shall give notice to the alleged violator and conduct a hearing, if warranted by the investigation. The Department may assess a penalty pursuant to subsection 3, if it determines that the wholesale dealer violated the provisions of subsection 2.

Sec. 51. NRS 370.510 is hereby amended to read as follows:

370.510 The Department may make all necessary regulations for the administration and enforcement of this chapter, including ~~f~~

~~—1. Necessary regulations for the keeping of records to ensure compliance with this chapter by persons dealing in both taxable and exempt cigarettes.~~

~~—2. Regulations authorizing persons other than dealers to possess unstamped cigarettes.~~

~~—3. Regulations]~~, *without limitation, regulations* relating to the licensing of wholesale dealers and retail dealers.



Sec. 52. NRS 370.515 is hereby amended to read as follows:

370.515 The Department shall not collect the tax imposed by this chapter on ~~[cigarettes or]~~ other tobacco products sold on an Indian reservation or Indian colony if:

1. The governing body of the reservation or colony imposes an excise tax pursuant to NRS ~~[370.0751 or]~~ 370.501;
 2. The excise tax imposed is equal to or greater than the tax imposed pursuant to this chapter;
- and
3. The governing body of the colony or reservation submits a copy of the ordinance imposing the excise tax to the Department.

Sec. 53. NRS 370.521 is hereby amended to read as follows:

370.521 1. Except as otherwise provided in subsections 2, 4 and 5, a person shall not sell, distribute or offer to sell ~~[cigarettes, cigarette]~~ :

(a) Cigarette paper, any product containing, made or derived from tobacco, any vapor product, any alternative nicotine product or any product containing, made or derived from nicotine to any person under the age of 21 years ~~[H]~~ ; *or*

(b) Cigarettes to any person born after December 31, 2002.

2. A person shall be deemed to be in compliance with the provisions of subsection 1 if, before the person sells, distributes or offers to sell to another any item described in subsection 1, the person:



(a) Demands that the other person present a valid driver's license, permanent resident card, tribal identification card or other written or documentary evidence which shows that the other person is 21 years of age or older ~~[§]~~ *or was born after December 31, 2002, as applicable;*

(b) Is presented a valid driver's license, permanent resident card, tribal identification card or other written or documentary evidence which shows that the other person is 21 years of age or older ~~[§]~~ *or was born after December 31, 2002, as applicable;* and

(c) Reasonably relies upon the driver's license, permanent resident card, tribal identification card or other written or documentary evidence presented by the other person.

3. A person shall not sell, distribute or offer to sell cigarettes, cigarette paper or other tobacco products to any person under 40 years of age without first performing age verification through enhanced controls that utilize a scanning technology or other automated, software-based system to verify that the person is 21 years of age or older ~~[§]~~ *or was born after December 31, 2002, as applicable.* A person who violates this subsection is liable for a civil penalty of \$100 for each offense.

4. The employer of a person who is under 21 years of age *or was born after December 31, 2002, as applicable,* may, for the purpose of allowing the person to handle or transport any item described in subsection 1 in the course of the person's lawful employment, provide an item described in subsection 1 to the person under 21 years of age ~~[§]~~ *or born after December 31, 2002, as applicable.*



5. The provisions of this section do not apply to any product regulated by the United States Food and Drug Administration under Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

6. A person who violates subsection 1 is liable for a civil penalty of:

- (a) For the first violation within a 24-month period, \$100.
- (b) For the second violation within a 24-month period, \$250.
- (c) For the third and any subsequent violation within a 24-month period, \$500.

7. If an employee or agent of a licensee has violated subsection 1:

(a) For the first and second violation within a 24-month period at the same premises, the licensee must be issued a warning.

(b) For the third violation within a 24-month period at the same premises, the licensee is liable for a civil penalty of \$500.

(c) For the fourth violation within a 24-month period at the same premises, the licensee is liable for a civil penalty of \$1,250.

(d) For the fifth and any subsequent violation within a 24-month period at the same premises, the licensee is liable for a civil penalty of \$2,500.

8. A peace officer or any person performing an inspection pursuant to NRS 202.2496 may issue a notice of infraction for a violation of this section. A notice of infraction must be issued on a form prescribed by the Department and must contain:

- (a) The location at which the violation occurred;
- (b) The date and time of the violation;



- (c) The name of the establishment at which the violation occurred;
- (d) The signature of the person who issued the notice of infraction;
- (e) A copy of the section which allegedly is being violated;
- (f) Information advising the person to whom the notice of infraction is issued of the manner in which, and the time within which, the person must submit an answer to the notice of infraction; and
- (g) Such other pertinent information as the peace officer or person performing the inspection pursuant to NRS 202.2496 determines is necessary.

9. A notice of infraction issued pursuant to subsection 8 or a facsimile thereof must be filed with the Department and retained by the Department and is deemed to be a public record of matters which are observed pursuant to a duty imposed by law and is prima facie evidence of the facts alleged in the notice.

10. A person to whom a notice of infraction is issued pursuant to subsection 8 shall respond to the notice by:

- (a) Admitting the violation stated in the notice and paying to the State of Nevada the applicable civil penalty set forth in subsection 3, 6 or 7.
- (b) Denying liability for the infraction by notifying the Department and requesting a hearing in the manner indicated on the notice of infraction. Upon receipt of a request for a hearing pursuant to this paragraph, the Department shall provide the person submitting the request an opportunity for a hearing pursuant to chapter 233B of NRS.



11. Any money collected by the State of Nevada from a civil penalty pursuant to this section must be deposited in a separate account in the State General Fund to be used for the enforcement of this section and NRS 202.2493 and 202.2494.

12. As used in this section, “licensee” means a person who holds a license issued by the Department pursuant to this chapter.

Sec. 54. NRS 370.521 is hereby amended to read as follows:

370.521 1. Except as otherwise provided in subsections 2, 4 and 5, a person shall not sell, distribute or offer to sell ~~;~~

~~—(a) Cigarette] cigarette~~ paper, any product containing, made or derived from tobacco, any vapor product, any alternative nicotine product or any product containing, made or derived from nicotine to any person under the age of 21 years . ~~;~~~~or~~

~~—(b) Cigarettes to any person born after December 31, 2002.]~~

2. A person shall be deemed to be in compliance with the provisions of subsection 1 if, before the person sells, distributes or offers to sell to another any item described in subsection 1, the person:

(a) Demands that the other person present a valid driver’s license, permanent resident card, tribal identification card or other written or documentary evidence which shows that the other person is 21 years of age or older ; ~~[or was born after December 31, 2002, as applicable;]~~

(b) Is presented a valid driver’s license, permanent resident card, tribal identification card or other written or documentary evidence which shows that the other person is 21 years of age or older ; ~~[or was born after December 31, 2002, as applicable;]~~ and



(c) Reasonably relies upon the driver's license, permanent resident card, tribal identification card or other written or documentary evidence presented by the other person.

3. A person shall not sell, distribute or offer to sell ~~{cigarettes,}~~ cigarette paper or other tobacco products to any person under 40 years of age without first performing age verification through enhanced controls that utilize a scanning technology or other automated, software-based system to verify that the person is 21 years of age or older . ~~{or was born after December 31, 2002, as applicable.}~~ A person who violates this subsection is liable for a civil penalty of \$100 for each offense.

4. The employer of a person who is under 21 years of age ~~{or was born after December 31, 2002, as applicable,}~~ may, for the purpose of allowing the person to handle or transport any item described in subsection 1 in the course of the person's lawful employment, provide an item described in subsection 1 to the person under 21 years of age . ~~{or born after December 31, 2002, as applicable.}~~

5. The provisions of this section do not apply to any product regulated by the United States Food and Drug Administration under Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

6. A person who violates subsection 1 is liable for a civil penalty of:

- (a) For the first violation within a 24-month period, \$100.
- (b) For the second violation within a 24-month period, \$250.
- (c) For the third and any subsequent violation within a 24-month period, \$500.

7. If an employee or agent of a licensee has violated subsection 1:



(a) For the first and second violation within a 24-month period at the same premises, the licensee must be issued a warning.

(b) For the third violation within a 24-month period at the same premises, the licensee is liable for a civil penalty of \$500.

(c) For the fourth violation within a 24-month period at the same premises, the licensee is liable for a civil penalty of \$1,250.

(d) For the fifth and any subsequent violation within a 24-month period at the same premises, the licensee is liable for a civil penalty of \$2,500.

8. A peace officer or any person performing an inspection pursuant to NRS 202.2496 may issue a notice of infraction for a violation of this section. A notice of infraction must be issued on a form prescribed by the Department and must contain:

(a) The location at which the violation occurred;

(b) The date and time of the violation;

(c) The name of the establishment at which the violation occurred;

(d) The signature of the person who issued the notice of infraction;

(e) A copy of the section which allegedly is being violated;

(f) Information advising the person to whom the notice of infraction is issued of the manner in which, and the time within which, the person must submit an answer to the notice of infraction; and

(g) Such other pertinent information as the peace officer or person performing the inspection pursuant to NRS 202.2496 determines is necessary.



9. A notice of infraction issued pursuant to subsection 8 or a facsimile thereof must be filed with the Department and retained by the Department and is deemed to be a public record of matters which are observed pursuant to a duty imposed by law and is prima facie evidence of the facts alleged in the notice.

10. A person to whom a notice of infraction is issued pursuant to subsection 8 shall respond to the notice by:

(a) Admitting the violation stated in the notice and paying to the State of Nevada the applicable civil penalty set forth in subsection 3, 6 or 7.

(b) Denying liability for the infraction by notifying the Department and requesting a hearing in the manner indicated on the notice of infraction. Upon receipt of a request for a hearing pursuant to this paragraph, the Department shall provide the person submitting the request an opportunity for a hearing pursuant to chapter 233B of NRS.

11. Any money collected by the State of Nevada from a civil penalty pursuant to this section must be deposited in a separate account in the State General Fund to be used for the enforcement of this section and NRS 202.2493 . ~~and 202.2494.~~

12. As used in this section, “licensee” means a person who holds a license issued by the Department pursuant to this chapter.

Sec. 55. NRS 370.523 is hereby amended to read as follows:

370.523 In addition to any other penalty authorized by law:

1. The Department may impose on each person who violates any of the provisions of this chapter a civil penalty of:



- (a) Not more than \$1,000 for the first violation of a provision; and
 - (b) Not more than \$5,000 for each subsequent violation of the same provision.
2. Each violation of any provision of this chapter is considered a separate violation.
3. Any person who fails to pay any tax imposed pursuant to the provisions of ~~NRS 370.090 to 370.327, inclusive, or 370.440 to 370.503, inclusive,~~ *this chapter* within the time prescribed by law or regulation shall, in addition to the tax due:

(a) For a first such failure, pay a penalty of 10 percent of the tax due but unpaid, in addition to the tax. In addition to the penalty, the Department may suspend or revoke the license of the licensee who failed to pay the tax.

(b) For a second such failure in a 24-month period, pay a penalty of 25 percent of the amount of tax due but unpaid. In addition to the penalty, the Department may suspend or revoke the license of the licensee who failed to pay the tax.

(c) For a third and each subsequent such failure in a 24-month period, pay a penalty of 25 percent of the amount of tax due but unpaid. In addition to the penalty, the Department shall suspend or revoke the license of the licensee who failed to pay the tax.

Sec. 56. NRS 370.567 is hereby amended to read as follows:

370.567 1. A person shall not engage in business as ~~[a wholesale dealer of cigarettes,]~~ a wholesale dealer of other tobacco products or a tobacco retail dealer in this State 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 cigarette vending machine operator in this State 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 logistics company unless that person first secures a license to engage in that activity from the Department.

~~[4.]~~ 3. A person shall not operate a warehouse or distribution center unless that person first secures a license to engage in that activity from the Department.

~~[5.—A manufacturer shall not:~~

~~—(a) Sell any cigarettes to a wholesale dealer of cigarettes in this State;~~

~~—(b) Temporarily store, fulfill orders for or coordinate the transport or delivery of cigarettes by using a logistics company; or~~

~~—(c) 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.~~

~~—6.]~~ 4. A separate license is required to engage in each of the activities described in this section.

~~[7.]~~ 5. A person may be licensed as ~~[a wholesale dealer of cigarettes,]~~ a wholesale dealer of other tobacco products, a tobacco retail dealer and as an operator of a warehouse or distribution center.

Sec. 57. NRS 370.569 is hereby amended to read as follows:

370.569 The provisions of ~~[NRS 370.531 to 370.597, inclusive,]~~ *this chapter* do not apply to:

1. Common carriers while engaged in interstate commerce which sell or furnish ~~[cigarettes or]~~ other tobacco products on their trains, buses or airplanes;



2. A person entering this State with a quantity of ~~[eigarettes or]~~ other tobacco products for household or personal use which is exempt from federal import duty; and

3. A duty-free sales enterprise as defined in 19 U.S.C. § 1555(b)(8)(D) that:

(a) Operates pursuant to the provisions of 19 U.S.C. § 1555(b); and

(b) To the extent it sells ~~[eigarettes or]~~ other tobacco products, only sells ~~[eigarettes or]~~ other tobacco products that are duty-free merchandise as defined in 19 U.S.C. § 1555(b)(8)(E).

Sec. 58. NRS 370.571 is hereby amended to read as follows:

370.571 1. The Department shall create and maintain on its Internet website and otherwise make available for public inspection a list of all:

(a) Currently valid licenses and the identity of the licensees holding those licenses; and

(b) Indian tribes on whose reservations or colonies ~~[eigarettes or]~~ other tobacco products are sold and, pursuant to NRS 370.515, from which the Department does not collect the tax imposed by this chapter on ~~[such eigarettes or]~~ other tobacco products sold on the reservations or colonies.

2. The Department shall update the list at least once each month.

Sec. 59. NRS 370.573 is hereby amended to read as follows:

370.573 1. No license may be issued, maintained or renewed if:

(a) The applicant for the license or any combination of persons directly or indirectly owning, in the aggregate, more than 10 percent of the ownership interests in the applicant:

(1) Is delinquent in the payment of any tax, penalty or fee administered by the Department;

(2) Is delinquent in any return that is required to be filed with the Department;



(3) Had a license revoked or had an equivalent license revoked in another jurisdiction within the past 2 years;

(4) Has been convicted of a crime relating to the manufacture, distribution or sale of cigarettes or other tobacco products or a crime relating to the avoidance or evasion of taxes;

(5) Is a manufacturer who has:

(I) Imported any cigarettes into the United States in violation of 19 U.S.C. § 1681a; or

(II) Imported or manufactured any cigarettes that do not fully comply with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331 et seq.; or

(6) Is a nonparticipating manufacturer who is not in full compliance with subsection 2 of NRS 370A.140.

(b) Except as otherwise provided in this paragraph, the issuance of the license would result in the applicant conducting operations in the same physical location as another licensee. This paragraph does not apply to a licensee if:

(1) The licensee is licensed or is applying to be licensed as:

(I) A wholesale dealer of cigarettes or a wholesale dealer of other tobacco products; and

(II) A tobacco retail dealer;

(2) The licensee would conduct operations under both licenses at the same location; and

(3) Each licensee has the same ownership.

(c) The issuance would result in the applicant conducting operations from a residential address, storage facility, mailbox or post office box.

2. *The Department may not:*



(a) Issue an initial license to engage in business as a cigarette vending machine operator on or after January 1, 2024; and

(b) Renew a license to engage in business as a cigarette vending machine operator, manufacturer or wholesale dealer of cigarettes on or after January 1, 2029.

3. As used in this section:

(a) “Nonparticipating manufacturer” means any manufacturer of tobacco products that is not a participating manufacturer.

(b) “Participating manufacturer” has the meaning ascribed to it in NRS 370A.080.

Sec. 60. NRS 370.573 is hereby amended to read as follows:

370.573 ~~{1}~~ No license may be issued, maintained or renewed if:

~~{a}~~ 1. The applicant for the license or any combination of persons directly or indirectly owning, in the aggregate, more than 10 percent of the ownership interests in the applicant:

~~{4}~~ (a) Is delinquent in the payment of any tax, penalty or fee administered by the Department;

~~{2}~~ (b) Is delinquent in any ~~{return}~~ report that is required to be filed with the Department;

~~{3}~~ (c) Had a license revoked or had an equivalent license revoked in another jurisdiction within the past 2 years; *or*

~~{4}~~ (d) Has been convicted of a crime relating to the manufacture, distribution or sale of cigarettes or other tobacco products or a crime relating to the avoidance or evasion of taxes . ~~{~~

~~(5) Is a manufacturer who has:~~

~~(1) Imported any cigarettes into the United States in violation of 19 U.S.C. § 1681a; or~~



~~—(H) Imported or manufactured any cigarettes that do not fully comply with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331 et seq.; or~~

~~—(6) Is a nonparticipating manufacturer who is not in full compliance with subsection 2 of NRS 370A.140.~~

~~—(b)~~ 2. Except as otherwise provided in this [paragraph,] *subsection*, the issuance of the license would result in the applicant conducting operations in the same physical location as another licensee. This [paragraph] *subsection* does not apply to a licensee if:

~~[(1)]~~ (a) The licensee is licensed or is applying to be licensed as:

~~[(1)]~~ (1) A ~~[wholesale dealer of cigarettes or a]~~ wholesale dealer of other tobacco products; and

~~[(H)]~~ (2) A tobacco retail dealer;

~~[(2)]~~ (b) The licensee would conduct operations under both licenses at the same location; and

~~[(3)]~~ (c) Each licensee has the same ownership.

~~[(e)]~~ 3. The issuance would result in the applicant conducting operations from a residential address, storage facility, mailbox or post office box.

~~[2.—The Department may not:~~

~~—(a) Issue an initial license to engage in business as a cigarette vending machine operator on or after January 1, 2024; and~~

~~—(b) Renew a license to engage in business as a cigarette vending machine operator, manufacturer or wholesale dealer of cigarettes on or after January 1, 2029.~~



~~—3. As used in this section:~~

~~—(a) “Nonparticipating manufacturer” means any manufacturer of tobacco products that is not a participating manufacturer.~~

~~—(b) “Participating manufacturer” has the meaning ascribed to it in NRS 370A.080.]~~

Sec. 61. NRS 370.575 is hereby amended to read as follows:

370.575 An application for a license must:

1. Be made to the Department on forms prescribed by the Department.
2. Include the name and address of the applicant. If the applicant is a firm, association or partnership, the application must include the name and address of each of its members. If the applicant is a corporation, the application must include the names and addresses of the president, vice president, secretary and managing officer or officers.
3. Specify the location, by street and number, of the principal place of business of the applicant. ~~[In addition to specifying the principal place of business of the applicant pursuant to this subsection, an application for a license as a cigarette vending machine operator must list all cigarette vending machine locations for which the license is sought.]~~
4. Specify the location, by street and number, of any place used by the applicant to distribute, ship, ~~[affix stamps to,]~~ warehouse or store ~~[cigarettes or]~~ other tobacco products and for which the license is sought.
5. Specify any other information the Department may require to carry out the provisions of this chapter.



6. Except as otherwise provided in NRS ~~[370.007 to 370.430, inclusive, and 370.531]~~ 370.567 to 370.597, inclusive, be accompanied by the required license fee.

7. Be accompanied by a certified copy of the certificate required by NRS 602.010 or any renewal certificate required by NRS 602.035.

Sec. 62. NRS 370.581 is hereby amended to read as follows:

370.581 1. Except as otherwise provided in subsection 2, a licensee shall not operate from any location other than the location listed on the face of the license of the licensee. ~~[A person who is licensed as a cigarette vending machine operator shall provide the Department with an updated list of all cigarette vending machines maintained by that person whenever there is a change or addition to the list.]~~

2. Upon application by a licensee other than a manufacturer, the Department may issue a temporary license authorizing the licensee to operate at a convention or trade show. A licensee who has been issued a temporary license may operate pursuant to that license only on the specific dates of the convention or trade show for which the temporary license was issued.

Sec. 63. NRS 370.585 is hereby amended to read as follows:

370.585 A current license as a:

1. Manufacturer authorizes the holder thereof to:
 - (a) Sell cigarettes from the premises for which the license was issued to a licensed wholesale dealer of cigarettes in this State;
 - (b) Ship cigarettes to a licensed logistics company; and



(c) Temporarily store, fulfill orders for or coordinate the transport or delivery of cigarettes by using a licensed warehouse or distribution center.

2. Wholesale dealer of cigarettes authorizes the holder thereof to:

(a) Purchase unstamped cigarettes from any manufacturer who holds a current license;

(b) Purchase stamped cigarettes from a licensed wholesale dealer of cigarettes;

(c) Sell stamped cigarettes from the premises for which the license was issued to any Indian tribe or colony listed by the Department pursuant to NRS 370.571, to any licensed wholesale dealer of cigarettes or to any licensed tobacco retail dealer; and

(d) Temporarily store and fulfill orders for stamped cigarettes at a licensed warehouse or distribution center or through a licensed logistics company.

3. Wholesale dealer of other tobacco products authorizes the holder thereof to:

(a) Purchase other tobacco products from any manufacturer of other tobacco products or wholesale dealer of other tobacco products;

(b) Sell other tobacco products from the premises for which the license was issued to any Indian tribe or colony listed by the Department pursuant to NRS 370.571, to any wholesale dealer of other tobacco products who holds a current license or to any tobacco retail dealer who holds a current license; and

(c) Temporarily store and fulfill orders for other tobacco products at a licensed warehouse or distribution center or through a licensed logistics company.

4. Tobacco retail dealer *which was initially issued before January 1, 2024, and was most recently renewed before January 1, 2029*, authorizes the holder thereof to:



(a) Purchase stamped cigarettes from any wholesale dealer of cigarettes who holds a current license;

(b) Sell cigarettes from the premises for which the license was issued to any consumer in this State;

(c) Purchase other tobacco products from a wholesale dealer of other tobacco products who holds a current license;

(d) Sell other tobacco products to any consumer in this State; and

(e) Temporarily store and fulfill orders for cigarettes or other tobacco products at a licensed warehouse or distribution center.

5. *Tobacco retail dealer which was initially issued on or after January 1, 2024, or was most recently renewed on or after January 1, 2029, authorizes the holder thereof to:*

(a) Purchase other tobacco products from a wholesale dealer of other tobacco products who holds a current license;

(b) Sell other tobacco products to any consumer in this State; and

(c) Temporarily store and fulfill orders for other tobacco products at a licensed warehouse or distribution center.

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

Sec. 64. NRS 370.585 is hereby amended to read as follows:

370.585 A current license as a:

1. ~~Manufacturer authorizes the holder thereof to:~~



~~—(a) Sell cigarettes from the premises for which the license was issued to a licensed wholesale dealer of cigarettes in this State;~~

~~—(b) Ship cigarettes to a licensed logistics company; and~~

~~—(c) Temporarily store, fulfill orders for or coordinate the transport or delivery of cigarettes by using a licensed warehouse or distribution center.~~

~~—2. Wholesale dealer of cigarettes authorizes the holder thereof to:~~

~~—(a) Purchase unstamped cigarettes from any manufacturer who holds a current license;~~

~~—(b) Purchase stamped cigarettes from a licensed wholesale dealer of cigarettes;~~

~~—(c) Sell stamped cigarettes from the premises for which the license was issued to any Indian tribe or colony listed by the Department pursuant to NRS 370.571, to any licensed wholesale dealer of cigarettes or to any licensed tobacco retail dealer; and~~

~~—(d) Temporarily store and fulfill orders for stamped cigarettes at a licensed warehouse or distribution center or through a licensed logistics company.~~

~~—3.] Wholesale dealer of other tobacco products authorizes the holder thereof to:~~

(a) Purchase other tobacco products from any manufacturer of other tobacco products or wholesale dealer of other tobacco products;

(b) Sell other tobacco products from the premises for which the license was issued to any Indian tribe or colony listed by the Department pursuant to NRS 370.571, to any wholesale dealer of other tobacco products who holds a current license or to any tobacco retail dealer who holds a current license; and



(c) Temporarily store and fulfill orders for other tobacco products at a licensed warehouse or distribution center or through a licensed logistics company.

~~[4. Tobacco retail dealer which was initially issued before January 1, 2024, and was most recently renewed before January 1, 2029, authorizes the holder thereof to:~~

~~—(a) Purchase stamped cigarettes from any wholesale dealer of cigarettes who holds a current license;~~

~~—(b) Sell cigarettes from the premises for which the license was issued to any consumer in this State;~~

~~—(c) Purchase other tobacco products from a wholesale dealer of other tobacco products who holds a current license;~~

~~—(d) Sell other tobacco products to any consumer in this State; and~~

~~—(e) Temporarily store and fulfill orders for cigarettes or other tobacco products at a licensed warehouse or distribution center.~~

~~—5.]~~ 2. Tobacco retail dealer ~~[which was initially issued on or after January 1, 2024, or was most recently renewed on or after January 1, 2029,]~~ authorizes the holder thereof to:

(a) Purchase other tobacco products from a wholesale dealer of other tobacco products who holds a current license;

(b) Sell other tobacco products to any consumer in this State; and

(c) Temporarily store and fulfill orders for other tobacco products at a licensed warehouse or distribution center.



~~6. Cigarette vending machine operator authorizes the holder thereof to sell Nevada stamped cigarettes by means of coin-operated machines within the borders of this State.]~~

Sec. 65. NRS 370.587 is hereby amended to read as follows:

370.587 1. Each license issued by the Department is valid only for the calendar year for which it is issued, and must be renewed annually.

2. The Department shall not charge any license fees to operate a warehouse or distribution center or for a license as a logistics company. Except as otherwise provided in subsections 3 and 5, the Department shall charge:

(a) ~~For a license as a manufacturer, an annual license fee of \$1,000.~~

~~(b) For a license as a wholesale dealer of cigarettes, an annual license fee of \$650.~~

~~(c)~~ For a license as a wholesale dealer of other tobacco products, an annual license fee of \$650.

~~(d)~~ (b) For a license as a tobacco retail dealer, \$50.

3. If a license is issued at any time during the year other than on January 1, except for the renewal of a delinquent license pursuant to subsection 5, the licensee shall pay a proportionate part of the annual fee for the remainder of the year, but not less than 25 percent of the annual license fee.

4. The fees for a license are due and payable on January 1 of each year. If the annual license fee is not paid by January 15, the license is cancelled automatically.

5. A license which is cancelled for nonpayment of the annual license fee may be renewed at any time by the payment of the fee plus a 5 percent penalty thereon.

Sec. 66. NRS 370.589 is hereby amended to read as follows:



370.589 1. Except as otherwise provided in this section, each ~~licensed wholesale dealer of cigarettes and~~ licensed wholesale dealer of other tobacco products shall furnish a bond executed by the wholesale dealer as principal, and by a corporation qualified under the laws of this State as surety, payable to the State of Nevada and conditioned upon the payment of all excise taxes required to be ~~precollected~~ *collected* by the wholesale dealer under the provisions of this chapter. Each bond must be in a principal sum equal to ~~£~~:

~~—(a) For a wholesale dealer of cigarettes, the largest amount of tax precollected by the wholesale dealer in any quarter of the preceding year; or~~

~~—(b) For a wholesale dealer of other tobacco products,] the largest amount of tax paid by the wholesale dealer in any quarter of the preceding year.~~

~~£→~~ If the information to establish that amount is not available, then ~~£~~ *the bond must be in a principal sum equal to* a sum required from a licensee operating under conditions deemed comparable by the Department. No bond may be for less than \$1,000. When cash is used, the amount must be rounded up to the next larger integral multiple of \$100.

2. ~~Except as otherwise provided in this section, each licensed wholesale dealer of cigarettes who wishes to defer payment on the purchase of revenue stamps shall furnish a bond executed by the wholesale dealer of cigarettes as principal, and by a corporation qualified under the laws of this State as surety, payable to the State of Nevada and conditioned upon the payment of all deferred payments for revenue stamps. Each bond must be in a principal sum equal to the maximum amount of revenue stamps which the wholesale dealer of cigarettes may have unpaid at~~



~~any time. No bond may be for less than \$1,000. When cash is used, the amount must be rounded up to the next larger integral multiple of \$100.~~

~~—3.] Upon application and a satisfactory showing, the Department may increase or decrease the amount of a bond required by subsection 1 , ~~[or 2,]~~ based on the record of taxes remitted by the ~~[wholesale dealer of cigarettes or]~~ wholesale dealer of other tobacco products.~~

~~[4.] 3. The Department may waive the requirement of the bond required by subsection 1 , ~~[or 2,]~~ whenever a licensed ~~[wholesale dealer of cigarettes or]~~ wholesale dealer of other tobacco products has maintained a satisfactory record of payment of ~~[excise taxes or]~~ deferred payments ~~[, respectively,]~~ for a period of 5 consecutive years.~~

~~[5.] 4. A ~~[wholesale dealer of cigarettes and a]~~ wholesale dealer of other tobacco products ~~[are]~~ is not entitled to a refund of any portion of money paid as a bond pursuant to this section if the ~~[wholesale dealer of cigarettes or]~~ wholesale dealer of other tobacco products has failed to file a report required by this chapter or owes the Department any fee, payment or penalty.~~

Sec. 67. NRS 370.591 is hereby amended to read as follows:

370.591 This chapter does not prohibit any county, city or town in the State of Nevada from requiring licenses before a person engages in business as ~~[a wholesale dealer of cigarettes,]~~ a wholesale dealer of other tobacco products or a tobacco retail dealer.

Sec. 68. NRS 370.593 is hereby amended to read as follows:

370.593 1. Except as otherwise provided in subsection 2, a licensee shall retain for not less than 5 years all receipts, invoices, records, inventory records and financial statements necessary to



substantiate information submitted by the licensee to the Department in any report ~~for return~~ required pursuant to this chapter.

2. If a licensee fails to submit a ~~return or~~ report which is required by this chapter, the licensee shall retain for not less than 8 years all receipts, invoices, records, inventory records and financial statements necessary to substantiate any information which the licensee was required to include in the report ~~for return~~ which the licensee failed to submit.

3. Upon request, a licensee shall provide access to and permit the Department to inspect, examine, photocopy and audit all receipts, invoices, records, inventory records and financial statements retained by the licensee pursuant to subsections 1 and 2 and all records and financial statements relating to the gross income of the licensee.

4. Upon request, a licensee shall provide verification of his or her gross income and any other matters affecting the enforcement of the provisions of this chapter.

5. The Department may demand access to and inspect, examine, photocopy and audit all receipts, invoices, records, inventory records and financial statements of any affiliate of a licensee who the Department knows or reasonably believes is involved in the financing, operation or management of the licensee. The inspection, examination, photocopying or audit may take place on the premises of the affiliate or another location, as practicable.

6. The Executive Director or any person authorized in writing by the Executive Director may issue a subpoena to compel the attendance of witnesses at a hearing held by the Department or to compel the production of records.

Sec. 69. NRS 370.595 is hereby amended to read as follows:



370.595 1. After notice to the licensee and a hearing as prescribed by the Department, the Department may suspend or revoke the license of a licensee who:

(a) Fails to file a report ~~[or certification]~~ required by this chapter or files an incomplete or inaccurate report ~~[or certification]~~ required by this chapter;

(b) Fails to pay any tax owed upon ~~[cigarettes or]~~ other tobacco products required by this chapter;

~~(c) [Is licensed as a wholesale dealer of cigarettes and fails to cure any shortfall for which the wholesale dealer of cigarettes is liable pursuant to NRS 370.683;~~

~~—(d)]~~ Sells in this State, purchases or possesses any ~~[cigarettes, cigarette packages or]~~ other tobacco products in violation of any provision of this chapter;

~~[(e)]~~ (d) Imports into or exports from this State any ~~[cigarettes, cigarette packages or]~~ other tobacco products in violation of any provision of this chapter; or

~~[(f)]~~ (e) Otherwise violates, or causes or permits to be violated, the provisions of this chapter or any regulation adopted thereunder.

2. Except as otherwise provided by subsection 4, the Department, upon a finding that the licensee has knowingly or negligently failed to comply with any provision of this chapter or any regulation adopted by the Commission, may:

(a) Impose on the licensee a civil penalty pursuant to NRS 370.523;

(b) In the case of a first violation of a provision of this chapter or any regulation adopted by the Commission, suspend the license of the licensee for not more than 60 consecutive calendar days;



(c) In the case of a second or subsequent violation of the same provision of this chapter or any regulation adopted by the Commission, suspend the license of the licensee for not more than 180 consecutive calendar days or permanently revoke the license of the licensee; or

(d) Take any combination of the actions authorized by paragraphs (a), (b) and (c).

3. A person whose license has been suspended or revoked shall not purchase or sell ~~[eigarettes or]~~ other tobacco products or permit ~~[eigarettes or]~~ other tobacco products to be sold during the period of suspension or revocation:

(a) On the premises in this State occupied or controlled by the person; or

(b) From any premises located outside this State if the ~~[eigarettes or]~~ other tobacco products are purchased or sold for distribution in this State.

4. The expiration, transfer, surrender, continuance, renewal or extension of a license issued pursuant to this chapter does not bar or abate any disciplinary proceedings or action.

5. The Department shall permanently revoke the license of any licensee who knowingly or negligently:

(a) Sells or otherwise disposes of ~~[eigarettes or]~~ other tobacco products that are in the constructive possession of the Department; or

(b) Is convicted of any felony relating to the manufacture, distribution or sale of ~~[eigarettes or]~~ other tobacco products.

6. In determining the penalty to be imposed on a licensee for a violation of paragraph (a) of subsection 1, the Department shall consider:



(a) The documented reporting and discipline record of the licensee with the Department from the immediately preceding 24 months;

(b) The timeliness of the licensee in correcting any inaccurate information included in a report or certification required by this chapter;

(c) The efforts of the licensee to provide an explanation of the reason for any inaccurate information included in a report or certification required by this chapter or the basis for the omission of information from such a report or certification;

~~(d) If a report or certification is inaccurate because of a variance between the inventory of cigarettes provided in the report or certification and the actual inventory of cigarettes, the quantity of the variance, the materiality of the variance and the extent to which the licensee accounts for the variance by brand or by whether tax has been paid on the cigarettes;~~

~~(e)~~ Any remedial measures initiated by the licensee to prevent future violations of a similar nature; and

~~(f)~~ (e) Any other mitigating factors offered by the licensee or aggravating or mitigating factors identified by the Department.

7. For the purposes of this section, a report or certification required by this chapter is:

(a) Inaccurate if the report or certification does not correctly record factual information or there is a discrepancy in the information included in the report and the factual information.

(b) Incomplete if the report or certification does not include all necessary or responsive information.

Sec. 70. NRS 370.597 is hereby amended to read as follows:



370.597 The Department shall adopt regulations establishing a procedure for the suspension and revocation of any license issued pursuant to NRS ~~[370.531]~~ 370.567 to 370.597, inclusive. In adopting the regulations required by this section, the Department shall consider the effect of any suspension or revocation of a license on the inventory of ~~[cigarettes or]~~ other tobacco products that are in the stream of distribution at the time of suspension or revocation.

Sec. 71. NRS 370A.095 is hereby amended to read as follows:

370A.095 “Qualified tribal land” ~~[has the meaning ascribed to it in NRS 370.0325.]~~ *means any real property:*

- 1. For which legal title is vested in, or held in trust for the benefit of, an Indian tribe or an individual Native American, and which is subject to restrictions against alienation pursuant to federal law; and*
- 2. Over which an Indian tribe exercises governmental power.*

Sec. 72. Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Director shall include in the State Plan for Medicaid a requirement that the State pay the nonfederal share of expenditures incurred for services relating to at least two attempts per year by a recipient of Medicaid to cease using tobacco, including, without limitation, four sessions of counseling concerning the cessation of the use of tobacco of at least 10 minutes.*
- 2. The Director shall not require prior authorization for any service described in subsection 1.*

Sec. 73. NRS 422.4025 is hereby amended to read as follows:



422.4025 1. The Department shall:

(a) By regulation, develop a list of preferred prescription drugs to be used for the Medicaid program and the Children's Health Insurance Program, and each public or nonprofit health benefit plan that elects to use the list of preferred prescription drugs as its formulary pursuant to NRS 287.012, 287.0433 or 687B.407; and

(b) Negotiate and enter into agreements to purchase the drugs included on the list of preferred prescription drugs on behalf of the health benefit plans described in paragraph (a) or enter into a contract pursuant to NRS 422.4053 with a pharmacy benefit manager, health maintenance organization or one or more public or private entities in this State, the District of Columbia or other states or territories of the United States, as appropriate, to negotiate such agreements.

2. The Department shall, by regulation, establish a list of prescription drugs which must be excluded from any restrictions that are imposed by the Medicaid program on drugs that are on the list of preferred prescription drugs established pursuant to subsection 1. The list established pursuant to this subsection must include, without limitation:

(a) Prescription drugs that are prescribed for the treatment of the human immunodeficiency virus, including, without limitation, antiretroviral medications;

(b) Antirejection medications for organ transplants;

(c) Antihemophilic medications; ~~and~~

(d) *Any prescription drug described in paragraph (c) of subsection 4; and*



(e) Any prescription drug which the Board identifies as appropriate for exclusion from any restrictions that are imposed by the Medicaid program on drugs that are on the list of preferred prescription drugs.

3. The regulations must provide that the Board makes the final determination of:

(a) Whether a class of therapeutic prescription drugs is included on the list of preferred prescription drugs and is excluded from any restrictions that are imposed by the Medicaid program on drugs that are on the list of preferred prescription drugs;

(b) Which therapeutically equivalent prescription drugs will be reviewed for inclusion on the list of preferred prescription drugs and for exclusion from any restrictions that are imposed by the Medicaid program on drugs that are on the list of preferred prescription drugs; and

(c) Which prescription drugs should be excluded from any restrictions that are imposed by the Medicaid program on drugs that are on the list of preferred prescription drugs based on continuity of care concerning a specific diagnosis, condition, class of therapeutic prescription drugs or medical specialty.

4. The list of preferred prescription drugs established pursuant to subsection 1 must include, without limitation:

(a) Any prescription drug determined by the Board to be essential for treating sickle cell disease and its variants; ~~and~~

(b) Prescription drugs to prevent the acquisition of human immunodeficiency virus ~~[-]~~; *and*

(c) *Any prescription drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco.*



5. The regulations must provide that each new pharmaceutical product and each existing pharmaceutical product for which there is new clinical evidence supporting its inclusion on the list of preferred prescription drugs must be made available pursuant to the Medicaid program with prior authorization until the Board reviews the product or the evidence.

6. On or before February 1 of each year, the Department shall:

(a) Compile a report concerning the agreements negotiated pursuant to paragraph (b) of subsection 1 and contracts entered into pursuant to NRS 422.4053 which must include, without limitation, the financial effects of obtaining prescription drugs through those agreements and contracts, in total and aggregated separately for agreements negotiated by the Department, contracts with a pharmacy benefit manager, contracts with a health maintenance organization and contracts with public and private entities from this State, the District of Columbia and other states and territories of the United States; and

(b) Post the report on an Internet website maintained by the Department and submit the report to the Director of the Legislative Counsel Bureau for transmittal to:

(1) In odd-numbered years, the Legislature; or

(2) In even-numbered years, the Legislative Commission.

Sec. 74. NRS 483.530 is hereby amended to read as follows:

483.530 1. Except as otherwise provided in subsection 2, it is a misdemeanor for any person:

(a) To display or cause or permit to be displayed or possess any cancelled, revoked, suspended, fictitious, fraudulently altered or fraudulently obtained driver's license;



- (b) To alter, forge, substitute, counterfeit or use an unvalidated driver's license;
- (c) To lend his or her driver's license to any other person or knowingly permit the use thereof by another;
- (d) To display or represent as one's own any driver's license not issued to him or her;
- (e) To fail or refuse to surrender to the Department, a peace officer or a court upon lawful demand any driver's license which has been suspended, revoked or cancelled;
- (f) To permit any unlawful use of a driver's license issued to him or her; or
- (g) To photograph, photostat, duplicate or in any way reproduce any driver's license or facsimile thereof in such a manner that it could be mistaken for a valid license, or to display or possess any such photograph, photostat, duplicate, reproduction or facsimile unless authorized by this chapter.

2. Except as otherwise provided in this subsection, a person who uses a false or fictitious name in any application for a driver's license or identification card or who knowingly makes a false statement or knowingly conceals a material fact or otherwise commits a fraud in any such application is guilty of a category E felony and shall be punished as provided in NRS 193.130. If the false statement, knowing concealment of a material fact or other commission of fraud described in this subsection relates solely to the age of a person, including, without limitation, to establish false proof of age to game, purchase alcoholic beverages or purchase ~~-cigarettes-or-other~~ tobacco products, the person is guilty of a misdemeanor.

Sec. 75. NRS 687B.225 is hereby amended to read as follows:



687B.225 1. Except as otherwise provided in NRS 689A.0405, 689A.0412, 689A.0413, 689A.044, 689A.0445, 689B.031, 689B.0313, 689B.0315, 689B.0317, 689B.0374, 689C.1675, 695A.1856, 695B.1912, 695B.1913, 695B.1914, 695B.1925, 695B.1942, 695C.1713, 695C.1735, 695C.1737, 695C.1745, 695C.1751, 695G.170, 695G.171, 695G.1714 and 695G.177, *and sections 76, 78, 79, 81, 82, 83 and 86 of this act*, any contract for group, blanket or individual health insurance or any contract by a nonprofit hospital, medical or dental service corporation or organization for dental care which provides for payment of a certain part of medical or dental care may require the insured or member to obtain prior authorization for that care from the insurer or organization. The insurer or organization shall:

(a) File its procedure for obtaining approval of care pursuant to this section for approval by the Commissioner; and

(b) Respond to any request for approval by the insured or member pursuant to this section within 20 days after it receives the request.

2. The procedure for prior authorization may not discriminate among persons licensed to provide the covered care.

Sec. 76. Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:

1. An insurer that offers or issues a policy of health insurance shall include in the policy coverage for at least two attempts per year by an insured to cease using tobacco, including, without limitation:



(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and

(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A policy of health insurance must not require an insured to obtain prior authorization for any service provided pursuant to this section.

3. A policy of health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the policy of health insurance that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.

Sec. 77. NRS 689A.330 is hereby amended to read as follows:

689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive ~~[]~~, *and section 76 of this act.*

Sec. 78. Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:



1. An insurer that offers or issues a policy of group health insurance shall include in the policy coverage for at least two attempts per year by an insured to cease using tobacco, including, without limitation:

(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and

(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A policy of group health insurance must not require an insured to obtain prior authorization for any service provided pursuant to this section.

3. A policy of group health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the policy of group health insurance that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.

Sec. 79. Chapter 689C of NRS is hereby amended by adding thereto a new section to read as follows:

1. A carrier that offers or issues a health benefit plan shall include in the plan coverage for at least two attempts per year by an insured to cease using tobacco, including, without limitation:

(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and



(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A health benefit plan must not require an insured to obtain prior authorization for any service provided pursuant to this section.

3. A health benefit plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the health benefit plan that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.

Sec. 80. NRS 689C.425 is hereby amended to read as follows:

689C.425 A voluntary purchasing group and any contract issued to such a group pursuant to NRS 689C.360 to 689C.600, inclusive, are subject to the provisions of NRS 689C.015 to 689C.355, inclusive, *and section 79 of this act*, to the extent applicable and not in conflict with the express provisions of NRS 687B.408 and 689C.360 to 689C.600, inclusive.

Sec. 81. Chapter 695A of NRS is hereby amended by adding thereto a new section to read as follows:

1. A society that offers or issues a benefit contract shall include in the contract coverage for at least two attempts per year by an insured to cease using tobacco, including, without limitation:

(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and



(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A benefit contract must not require an insured to obtain prior authorization for any service provided pursuant to this section.

3. A benefit contract subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the benefit contract that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.

Sec. 82. Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:

1. A hospital or medical services corporation that offers or issues a policy of health insurance shall include in the policy coverage for at least two attempts per year by an insured to cease using tobacco, including, without limitation:

(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and

(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A policy of health insurance must not require an insured to obtain prior authorization for any service provided pursuant to this section.



3. A policy of health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the policy of health insurance that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.

Sec. 83. Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:

1. A health maintenance organization that offers or issues a health care plan shall include in the plan coverage for at least two attempts per year by an enrollee to cease using tobacco, including, without limitation:

(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and

(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A health care plan must not require an enrollee to obtain prior authorization for any service provided pursuant to this section.

3. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the evidence of coverage that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.



Sec. 84. NRS 695C.050 is hereby amended to read as follows:

695C.050 1. Except as otherwise provided in this chapter or in specific provisions of this title, the provisions of this title are not applicable to any health maintenance organization granted a certificate of authority under this chapter. This provision does not apply to an insurer licensed and regulated pursuant to this title except with respect to its activities as a health maintenance organization authorized and regulated pursuant to this chapter.

2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority, or its representatives, must not be construed to violate any provision of law relating to solicitation or advertising by practitioners of a healing art.

3. Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and is exempt from the provisions of chapter 630 of NRS.

4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734, 695C.1751, 695C.1755, 695C.1759, 695C.176 to 695C.200, inclusive, and 695C.265 do not apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt a health maintenance organization from any provision of this chapter for services provided pursuant to any other contract.



5. The provisions of NRS 695C.1694 to 695C.1698, inclusive, 695C.1701, 695C.1708, 695C.1728, 695C.1731, 695C.17333, 695C.17345, 695C.17347, 695C.1735, 695C.1737, 695C.1743, 695C.1745 and 695C.1757 *and section 83 of this act* apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid.

Sec. 85. NRS 695C.330 is hereby amended to read as follows:

695C.330 1. The Commissioner may suspend or revoke any certificate of authority issued to a health maintenance organization pursuant to the provisions of this chapter if the Commissioner finds that any of the following conditions exist:

(a) The health maintenance organization is operating significantly in contravention of its basic organizational document, its health care plan or in a manner contrary to that described in and reasonably inferred from any other information submitted pursuant to NRS 695C.060, 695C.070 and 695C.140, unless any amendments to those submissions have been filed with and approved by the Commissioner;

(b) The health maintenance organization issues evidence of coverage or uses a schedule of charges for health care services which do not comply with the requirements of NRS 695C.1691 to 695C.200, inclusive, *and section 83 of this act* or 695C.207;

(c) The health care plan does not furnish comprehensive health care services as provided for in NRS 695C.060;

(d) The Commissioner certifies that the health maintenance organization:

(1) Does not meet the requirements of subsection 1 of NRS 695C.080; or



(2) Is unable to fulfill its obligations to furnish health care services as required under its health care plan;

(e) The health maintenance organization is no longer financially responsible and may reasonably be expected to be unable to meet its obligations to enrollees or prospective enrollees;

(f) The health maintenance organization has failed to put into effect a mechanism affording the enrollees an opportunity to participate in matters relating to the content of programs pursuant to NRS 695C.110;

(g) The health maintenance organization has failed to put into effect the system required by NRS 695C.260 for:

(1) Resolving complaints in a manner reasonably to dispose of valid complaints; and

(2) Conducting external reviews of adverse determinations that comply with the provisions of NRS 695G.241 to 695G.310, inclusive;

(h) The health maintenance organization or any person on its behalf has advertised or merchandised its services in an untrue, misrepresentative, misleading, deceptive or unfair manner;

(i) The continued operation of the health maintenance organization would be hazardous to its enrollees or creditors or to the general public;

(j) The health maintenance organization fails to provide the coverage required by NRS 695C.1691; or

(k) The health maintenance organization has otherwise failed to comply substantially with the provisions of this chapter.



2. A certificate of authority must be suspended or revoked only after compliance with the requirements of NRS 695C.340.

3. If the certificate of authority of a health maintenance organization is suspended, the health maintenance organization shall not, during the period of that suspension, enroll any additional groups or new individual contracts, unless those groups or persons were contracted for before the date of suspension.

4. If the certificate of authority of a health maintenance organization is revoked, the organization shall proceed, immediately following the effective date of the order of revocation, to wind up its affairs and shall conduct no further business except as may be essential to the orderly conclusion of the affairs of the organization. It shall engage in no further advertising or solicitation of any kind. The Commissioner may, by written order, permit such further operation of the organization as the Commissioner may find to be in the best interest of enrollees to the end that enrollees are afforded the greatest practical opportunity to obtain continuing coverage for health care.

Sec. 86. Chapter 695G of NRS is hereby amended by adding thereto a new section to read as follows:

1. A managed care organization that offers or issues a health care plan shall include in the plan coverage for at least two attempts per year by an insured to cease using tobacco, including, without limitation:

(a) Four sessions of counseling relating to the cessation of the use of tobacco of at least 10 minutes each; and



(b) An unlimited amount of any drug approved by the United States Food and Drug Administration for the cessation of the use of tobacco prescribed by an appropriate practitioner.

2. A health care plan must not require an insured to obtain prior authorization for any service provided pursuant to this section.

3. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by this section, and any provision of the evidence of coverage that is in conflict with this section is void.

4. As used in this section, “practitioner” has the meaning ascribed to it in NRS 639.0125.

Sec. 87. NRS 704.78343 is hereby amended to read as follows:

704.78343 1. “Historically underserved community” means:

(a) A census tract:

(1) Designated as a qualified census tract by the Secretary of Housing and Urban Development pursuant to 26 U.S.C. § 42(d)(5)(B)(ii); or

(2) In which, in the immediately preceding census, at least 20 percent of households were not proficient in the English language;

(b) A public school in this State:

(1) In which 75 percent or more of the enrolled pupils in the school are eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.; or

(2) That participates in universal meal service in high poverty areas pursuant to Section 104 of the Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296; or



(c) Qualified tribal land . [~~as defined in NRS 370.0325.~~]

2. As used in this section:

(a) “Block” means the smallest geographical unit whose boundaries were designated by the Bureau of the Census of the United States Department of Commerce in its topographically integrated geographic encoding and referencing system.

(b) “Block group” means a combination of blocks whose numbers begin with the same digit.

(c) “Census tract” means a combination of block groups.

(d) “Qualified tribal land” means any real property:

(1) For which legal title is vested in, or held in trust for the benefit of, an Indian tribe or an individual Native American, and which is subject to restrictions against alienation pursuant to federal law; and

(2) Over which an Indian tribe exercises governmental power.

Sec. 88. NRS 704.7867 is hereby amended to read as follows:

704.7867 1. An electric utility in this State shall file with the Commission, as part of the distributed resources plan required to be submitted pursuant to NRS 704.741, a plan to accelerate transportation electrification in this State. Two or more electric utilities that are affiliated through common ownership and that have an interconnected system for the transmission of electricity shall submit a joint plan.

2. A plan submitted pursuant to subsection 1 may include:

(a) Investments or incentives to facilitate the deployment of charging infrastructure and associated electrical equipment which supports transportation electrification across all customer



classes including, without limitation, investments or incentives for residential charging infrastructure at single-family homes and multi-unit dwellings for both shared and assigned parking spaces;

(b) Investments or incentives to facilitate the electrification of public transit and publicly owned vehicle fleets;

(c) Investments or incentives to increase access to the use of electricity as a transportation fuel in historically underserved communities;

(d) Rate designs, programs or management systems that encourage the charging of vehicles in a manner that supports the operation and optimal integration of transportation electrification into the electric grid, including, without limitation, proposed schedules necessary to implement the rate designs or programs; and

(e) Customer education and culturally competent and linguistically appropriate outreach programs that increase awareness of investments, incentives, rate designs and programs of the type listed in paragraphs (a) to (d), inclusive, and of the benefits of transportation electrification.

3. During the 9 months immediately before an electric utility files its first plan pursuant to subsection 1 and during the 12 months immediately before an electric utility files any subsequent plan pursuant to subsection 1, the electric utility shall conduct at least one stakeholder engagement meeting each calendar quarter to discuss the development of the plan and to solicit comments and gather ideas for improvements or additions to the plan which support transportation electrification. Each stakeholder engagement meeting must be open to participation by the Regulatory Operations Staff of the Commission, personnel from the Bureau of Consumer Protection in the Office of the



Attorney General and any other interested person. Each plan filed pursuant to subsection 1 must include a summary of the stakeholder engagement meetings conducted in the 9- or 12-month period, as applicable, immediately preceding the filing of the plan, which must include, without limitation, summaries of the comments and ideas provided by the participants.

4. Not more than 60 days after the issuance of an order by the Commission pursuant to NRS 704.751 approving or modifying a plan submitted pursuant to subsection 1, an electric utility which supplies electricity in this State shall file with the Commission any schedules necessary to implement the rate designs and programs included in the plan.

5. To the extent that a plan submitted pursuant to subsection 1 includes programs in which customers may participate, eligibility for participation by customers in such programs must be offered by the electric utility on a nondiscriminatory basis to both bundled retail customers and eligible customers, as defined in NRS 704B.080, who purchase or plan to purchase electricity from a provider of new electric resources, as defined in NRS 704B.130.

6. The Commission shall adopt regulations necessary to carry out the provisions of this section. The regulations adopted pursuant to this section may require an annual review of the progress and budgets of an approved plan submitted pursuant to this section.

7. As used in this section:

(a) "Block" means the smallest geographical unit whose boundaries were designated by the Bureau of the Census of the United States Department of Commerce in its topographically integrated geographic encoding and referencing system.

(b) "Block group" means a combination of blocks whose numbers begin with the same digit.



(c) “Census tract” means a combination of block groups.

(d) “Electric utility” has the meaning ascribed to it in NRS 704.187.

(e) “Historically underserved community” means:

(1) A census tract:

(I) Designated as a qualified census tract by the Secretary of Housing and Urban Development pursuant to 26 U.S.C. § 42(d)(5)(B)(ii); or

(II) In which, in the immediately preceding census, at least 20 percent of households were not proficient in the English language;

(2) A public school in this State:

(I) In which 75 percent or more of the enrolled pupils in the school are eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.; or

(II) That participates in universal meal service in high poverty areas pursuant to Section 104 of the Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296; or

(3) Qualified tribal land . ~~[, as defined in NRS 370.0325.]~~

(f) *“Qualified tribal land” means any real property:*

(1) For which legal title is vested in, or held in trust for the benefit of, an Indian tribe or an individual Native American, and which is subject to restrictions against alienation pursuant to federal law; and

(2) Over which an Indian tribe exercises governmental power.



(g) “Transportation electrification” means the use of electricity from external sources to power, wholly or in part, passenger vehicles, trucks, buses, trains, boats or other equipment that transports goods or people.

Sec. 89. Section 5 of this act is hereby amended to read as follows:

Sec. 5. 1. It is unlawful to sell, distribute or offer to sell:

(a) ~~[Cigarettes, cigarette]~~ *Cigarette* paper or a vapor product that contains a distinguishable taste or aroma other than the taste or aroma of tobacco, including, without limitation, vanilla, honey, cocoa, menthol, mint and wintergreen.

(b) A product that is designed, manufactured, produced, marketed or sold to be added to cigarettes, cigarette paper or a vapor product that produces a distinguishable taste or aroma other than the taste or aroma of tobacco.

(c) *Cigarettes.*

2. In addition to or in lieu of any other civil or criminal remedy provided by law, a person who violates this section is subject to:

(a) A civil penalty in an amount not more than \$1,000 for each violation; and

(b) The suspension or revocation of the license of the person by the Department of Taxation, if the person is licensed pursuant to chapter 370 of NRS.

Sec. 90. The State Fire Marshall shall transfer any balance remaining in the Cigarette Fire Safety Standard and Firefighter Protection Fund created by NRS 477.210 on January 1, 2030, to the State Treasurer for credit to the State General Fund.



Sec. 91. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 92. NRS 76.103, 202.2494, 370.007, 370.009, 370.013, 370.014, 370.015, 370.027, 370.0275, 370.028, 370.0295, 370.0325, 370.037, 370.042, 370.048, 370.070, 370.0751, 370.077, 370.090, 370.165, 370.170, 370.175, 370.180, 370.190, 370.193, 370.195, 370.200, 370.210, 370.220, 370.230, 370.240, 370.255, 370.257, 370.270, 370.280, 370.290, 370.295, 370.301, 370.310, 370.315, 370.350, 370.360, 370.371, 370.3715, 370.372, 370.3725, 370.373, 370.3735, 370.374, 370.376, 370.378, 370.385, 370.400, 370.430, 370.440, 370.525, 370.531, 370.533, 370.535, 370.537, 370.539, 370.541, 370.543, 370.545, 370.547, 370.549, 370.551, 370.553, 370.555, 370.557, 370.559, 370.561, 370.563, 370.565, 370.600, 370.605, 370.610, 370.615, 370.620, 370.625, 370.630, 370.635, 370.640, 370.645, 370.650, 370.655, 370.660, 370.663, 370.665, 370.670, 370.675, 370.677, 370.680, 370.682, 370.683, 370.684, 370.685, 370.690, 370.692, 370.693, 370.695, 370.696, 370.697, 370.698, 370.700, 370.705, 442.340, 477.172, 477.174, 477.176, 477.178, 477.182, 477.184, 477.186, 477.188, 477.192, 477.194, 477.196, 477.198, 477.202, 477.204, 477.206, 477.208, 477.210 and 477.214 are hereby repealed.

Sec. 93. NRS 370A.010, 370A.020, 370A.030, 370A.040, 370A.050, 370A.060, 370A.070, 370A.080, 370A.090, 370A.095, 370A.100, 370A.110, 370A.120, 370A.130, 370A.140, 370A.150, 370A.153, 370A.157, 370A.160 and 370A.170 are hereby repealed.

Sec. 94. 1. This section becomes effective upon passage and approval.

2. Section 1 of this act becomes effective on July 1, 2023.



3. Sections 5, 6, 7, 9, 11, 13, 16, 18, 20, 21, 53, 59, 63, 72, 73, 75 to 86, inclusive, and 91 of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2024, for all other purposes.

4. Sections 2, 4, 8, 10, 12, 14, 15, 17, 19, 22 to 52, inclusive, 54 to 58, inclusive, 60, 61, 62, 64 to 71, inclusive, 74, 87 to 90, inclusive, and 92 of this act become effective on January 1, 2030.

5. Sections 3 and 93 of this act become effective on January 1, 2055.

LEADLINES OF REPEALED SECTIONS

76.103 Certain manufacturers not required to obtain state business license.

202.2494 Cigarette vending machines lawful in certain public areas; restrictions on coin-operated machines.

370.007 Definitions.

370.009 “Basic cost of cigarettes” defined.

370.013 “Cigarette package” defined.

370.014 “Cigarette rolling machine” defined.

370.015 “Cigarette vending machine operator” defined.



- 370.027** “Cost to the wholesale dealer” defined.
- 370.0275** “Counterfeit cigarettes” defined.
- 370.028** “Counterfeit stamp” defined.
- 370.0295** “Importer” defined.
- 370.0325** “Qualified tribal land” defined.
- 370.037** “Sale at wholesale” defined.
- 370.042** “Secretary” defined.
- 370.048** “Stamp” defined.
- 370.070** Applicability.
- 370.0751** Imposition of excise tax on cigarettes by governing body of Indian reservation or colony.
- 370.077** Cigarette taxes are direct taxes upon consumer.
- 370.090** Inventory required for wholesale dealer.
- 370.165** Levy, rate and collection of tax.
- 370.170** Revenue stamp to be affixed to each package of cigarettes; tribal stamp required on each package of cigarettes sold on tribal land or by Indian tribe.
- 370.175** Unstamped cigarettes: Restriction on possession.
- 370.180** Design and printing of revenue stamps; identification of dealer on stamp; regulations concerning use of metered stamping machine.
- 370.190** Sale of revenue stamps by Department; payment for revenue stamps; regulations.



370.193 Department to fix maximum amount of revenue stamps upon application by wholesale dealer.

370.195 Due date for deferred payment owing for revenue stamps; extension; conditions under which Department may suspend without notice privilege to defer payment.

370.200 Sale of cigarette revenue stamps by sheriff and city officers.

370.210 Requirements for and restrictions on affixing stamps; handling of unstamped cigarettes for sale or distribution outside State.

370.220 Allowance of discounts for services rendered by dealers.

370.230 Destruction of spoiled or unusable stamps upon written authorization of State Board of Examiners.

370.240 Monthly reports of wholesale dealers: Due date; contents and form; separate report for each facility; extension of deadline; correction of errors; reporting of additional information.

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

370.257 Access to and sharing of records and reports; confidentiality of data relating to cigarette sales provided in accordance with certain settlement agreements; audit of records and investigation of facilities by Department.

370.270 Duties of retail dealers and vending machine operators; unlawful possession of unstamped cigarettes; seizure and disposition of unstamped cigarettes and vending machines.



370.280 Tax refunds; wholesale dealer required to return unused tribal stamps after ceasing operations.

370.290 Exemption for cigarettes exported from State; notice to Department of Taxation and state of destination; penalty.

370.295 Transportation of cigarettes: Invoices to accompany shipment.

370.301 Transportation of unstamped cigarettes; inspection of vehicles for contraband cigarettes.

370.310 Sale or distribution of tax-free cigarettes by vending machine prohibited.

370.315 Sale of cigarettes in various packages.

370.350 Levy; amount; exemptions.

370.360 Payment of tax; reports.

370.371 Prevention of competition by wholesale dealer; purchase of cigarettes below cost by retail dealer; penalty; prima facie evidence.

370.3715 Adoption of regulations by Nevada Tax Commission.

370.372 Determination of cost of cigarettes to wholesale dealer.

370.3725 Selling price of wholesale dealer in certain circumstances.

370.373 Sale by wholesale dealer of cigarettes bought from another wholesale dealer.

370.3735 Certain sales at wholesale exempted.

370.374 Meeting lawful price of competitor.

370.376 Contract in violation of provisions is void.



370.378 Action to prevent, restrain or enjoin a violation or threatened violation of provisions; action for damages and costs.

370.385 Prohibited acts by wholesale or retail dealer; prohibited acts regarding cigarettes manufactured for export outside United States; penalties; seizure and destruction of certain unlawfully stamped cigarettes.

370.400 Penalty for violation of NRS 370.350 or 370.360.

370.430 Penalty for exportation of unstamped cigarettes to unauthorized persons.

370.440 Definitions.

370.525 Civil action for injunctive relief.

370.531 Definitions.

370.533 “Cigarette” defined.

370.535 “Cigarette rolling machine” defined.

370.537 “Cigarette vending machine operator” defined.

370.539 “Commission” defined.

370.541 “Consumer” defined.

370.543 “License” defined.

370.545 “Licensee” defined.

370.547 “Logistics company” defined.

370.549 “Manufacturer” defined.

370.551 “Other tobacco product” defined.

370.553 “Place of business” defined.



- 370.555** “Sale” and “to sell” defined.
- 370.557** “Stamp” defined.
- 370.559** “Tobacco retail dealer” defined.
- 370.561** “Warehouse or distribution center” defined.
- 370.563** “Wholesale dealer of cigarettes” defined.
- 370.565** “Wholesale dealer of other tobacco products” defined.
- 370.600** Legislative findings.
- 370.605** Definitions.
- 370.610** “Brand family” defined.
- 370.615** “Cigarette” defined.
- 370.620** “Directory” defined.
- 370.625** “Distributor” defined.
- 370.630** “Manufacturer of tobacco products” defined.
- 370.635** “Master Settlement Agreement” defined.
- 370.640** “Nonparticipating manufacturer” defined.
- 370.645** “Participating manufacturer” defined.
- 370.650** “Qualified escrow fund” defined.
- 370.655** “Stamp” defined.
- 370.660** “Units sold” defined.
- 370.663** Agreement with Indian tribe to implement this chapter or chapter 370A of NRS.



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