## CANNABIS COMPLIANCE BOARD STATE OF NEVADA

ccb.nv.gov



1550 College Parkway, Suite 142 Carson City, Nevada 89706 Phone: (775) 687-6299 HON. MICHAEL DOUGLAS

Chair

STEVE SISOLAK

Governor

Grant Sawyer Office Building, Suite 4200 555 E. Washington Avenue Las Vegas, Nevada 89101 TYLER KLIMAS
Executive Director

July 9, 2021

Dear "COMPANY A,"

With the passage of AB 341 in the 2021 81st Session of the Nevada Legislature, the Nevada Legislature authorized the Nevada Cannabis Compliance Board ("CCB") to license and regulate cannabis consumption lounges.

Section 36.3 of AB 341 provides as follows:

- 1. The Cannabis Compliance Board shall provide to each person who, on July 1, 2021, holds an adult-use cannabis establishment license for an adult-use cannabis retail store a written notification informing the person that the person may be eligible to hold an adult-use cannabis establishment license for a retail cannabis consumption lounge.
- 2. The notification required to be provided pursuant to subsection 1 must include, without limitation:
  - (a) A statement indicating that the person may be limited to holding one adult-use cannabis establishment license for a retail cannabis consumption lounge pursuant to section 12.7 of this act; and
  - (b) A description of the procedures and requirements for the issuance of an adult-use cannabis establishment license for a retail cannabis consumption lounge, as set forth in chapter 678B of NRS, as amended by this act, and the regulations adopted pursuant thereto.

This letter notifies "COMPANY A" with license number ########### that you may be eligible to hold a retail cannabis consumption lounge license.

A person may be limited to one license. The CCB is in the process of drafting and adopting regulations establishing the criteria of merit and scoring guidelines to be used by the CCB in evaluating applications for the issuance of a license for a retail cannabis consumption lounge and an independent cannabis consumption lounge pursuant to NRS 678B.250. This process may take some time to complete. If you are deemed eligible to receive a retail consumption lounge license, you will receive further guidance from the CCB detailing additional procedures and requirements for the issuance of the license. Eligibility for a state consumption lounge license does not exclude an applicant from meeting all local jurisdiction requirements and approvals before receiving a license.

If "COMPANY A" has an adult-use cannabis retail store and intends to apply and is reasonably able to open a consumption lounge in first or second quarter of 2022, it is strongly recommended that you submit a letter of intent before the application period opens, preferably by July 30, 2021. The letter of intent is not

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required by law but will assist the CCB in gauging the level of interest in the program. A letter of intent has no other purpose and is not part of an application process.

If you would like to begin the process of a suitability background check early, please indicate as such in your letter of intent. The CCB may allow such an option, with a deposit of \$20,000 for pre-payment of time and effort billings.

Please direct all questions and send your letter of intent to <a href="mailto:CCBConsumptionLounge@ccb.nv.gov">CCBConsumptionLounge@ccb.nv.gov</a>

Sincerely,

/s/ Steve Gilbert

Steve Gilbert Chief of Licensing and Administration