

5250 Neil Rd., Suite 203 Reno, NV 89502 TobaccoFreeNV.org

April 6, 2022

Cannabis Compliance Board PO Box 1948 Carson City, NV 89701

Re: March 22, 2022 Workshop

Dear CCB Executive Director and members of the Board,

The Nevada Tobacco Prevention Coalition (NTPC), comprised of collaborating public health and private partner organizations, is writing to you today as champions for the Nevada Clean Indoor Air Act (NCIAA) NRS 202.2438. Everyone deserves the right to breathe smoke-free air.

Smoke-free policies are designed to protect both employees and the public from the health hazards caused by exposure to secondhand smoke and vapor. We applaud you for including "and/or nicotine" to the 15.060 Notices and Additional Disclosures proposed regulations to better align with the NCIAA. The NCIAA specifically prohibits smoking of any product "made or derived from tobacco or any other substance intended for human consumption that can be used by a person to simulate smoking in the delivery of nicotine or any other substance through inhalation of vapor or aerosol form the product." NTPC would like to reinforce that this definition includes the smoking of cannabis wrappers derived from tobacco. Further, cannabis consumption lounges are not currently listed in the NCIAA as one of the specific exempted areas for public indoor smoking.

As there are no safe levels of secondhand smoke exposure, NTPC encourages CCB to emphasize outdoor cannabis consumption lounges over indoor consumption as the least harmful environment for secondhand smoke exposure. NTPC also recommends CCB and industry applicants explore and prioritize alternative means of consumption that don't involve inhalation to further reduce the risk of secondhand smoke and vapor exposure.

NTPC also strongly urges CCB to not take lightly the responsibility of protecting Nevada's next generation from substance abuse or substance use disorders, and to therefore enforce responsible adult use by limiting advertising from reaching youth and adolescents.

To learn more about the Nevada Tobacco Prevention Coalition (NTPC) and our members, please visit http://www.tobaccofreenv.org/. Representatives from our coalition are available as a resource if you have any further questions.

Sincerely,

Taylor Allison NTPC President

The mission of the Nevada Tobacco Prevention Coalition is to improve the health of all Nevadans by reducing the burden of tobacco use and nicotine addiction.

From: Angel piza <abad6000@gmail.com>
Sent: Wednesday, April 20, 2022 3:18 PM

To:CCB RegulationsSubject:April workshop

<u>WARNING</u> - This email originated from outside the State of Nevada. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Sadly i probably won't be able to attend in person so i hope this is read and that i get a response im looking to start a cultivation and after years i still haven't been given a clear cut way that i can get started provisional licensing or supplemental licensing i want a way to get started this process is extremely flawed no industry should be monopolized.

Abad A. Piza 702.609.1657 Abad6000@gmail.com From: Jennifer Gallerani < Jennifer.G@myblackbird.com>

Sent: Friday, April 22, 2022 1:14 PM

To: CCB Regulations

Cc: Tim Conder; Drea Ballard

Subject: Public Comment: Regulatory Workshop April 29, 2022

<u>WARNING</u> - This email originated from outside the State of Nevada. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear CCB Board Members,

Thank you for continuing to work towards effective regulations for consumption lounges. Crooked Wine (DBA Blackbird Logistics) holds two distribution licenses in Nevada, in the cities of Reno and Las Vegas; distributing the majority of cannabis goods in the state. We support the proposed revised regulations, which reflect the Distributor's role in delivering cannabis goods to independent cannabis lounges.

Thank you,

--

Jennifer Gallerani (she/her)

VP of Compliance and Regulatory Affairs



an HERBL company

Be good people, help good people.

650.515.1381

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Department of Business License

VINCENT V. QUEANO DIRECTOR



500 SOUTH GRAND CENTRAL PKY, 3RD FLOOR BOX 551810 LAS VEGAS, NEVADA 89155-1810 (702) 455-4252 (800) 328-4813 FAX (702) 386-2168 http://www.clarkcountynv.gov/businesslicense

April 28, 2022

Tyler Klimas, Executive Director Nevada Cannabis Compliance Board Grant Sawyer State Office Building 555 East Washington Avenue Las Vegas, Nevada 89706

Re: Comments to the Proposed Amendments and/or Additions to the Nevada Cannabis Compliance Regulations (NCCRs 1, 5, 6, 7, 13 and 15)

Dear Director Klimas:

Clark County is submitting the following comments regarding the proposed amendments and/or additions to the NCCR Regulations for the State of Nevada following the release of the draft regulations on April 21, 2022:

APPLICATION REGULATIONS (Proposed NCCR Regulation 5)

NCCR 5.040

Submission of application for a cannabis establishment license.

- (I) An attestation wherein the applicant agrees and understands that the actual location whereof the cannabis establishment will be conducting business:
- (i) must be a location which may not be within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board; (ii) must not be within 300 feet of a community facility that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board; and
- (iii) if the proposed cannabis establishment will be located in a county whose population is 100,000 or more, it must not be within 1,500 feet of an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board.

Comment: Please clarify whether a retail cannabis consumption lounge attached to an existing adult-use cannabis retail store is subject to the distance requirements in 5.040(e)(1)(3).

NCCR 5.040.

Submission of application for a cannabis establishment license.

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

Comment: Concerns were expressed about owners below 5% percent being allowed to be part of numerous applications. We request a limit on one application regardless of ownership percentage.

NCCR 5.040.

Submission of application for a cannabis establishment license.

3. If the applicant has obtained a conditional cannabis establishment license the applicant must obtain the final license and the cannabis establishment must become operational within 12 months of receiving the conditional cannabis establishment license.

Comment: Concern was expressed that 12 months is not long enough to get in an operational state. We request a process for extensions of this requirement in order to give time to be properly and adequately set up and licensed.

General Concerns.

Comment: Please clarify if an independent consumption lounge licensee can partner with a licensed cannabis retail store and operate from the cannabis retail store location.

Comment: Please clarify if businesses that are currently licensed as cannabis cultivation or production establishments are able to qualify for the independent licenses.

Comment: Please clarify if other State Boards have been consulted on whether or not other professional services requiring State licensure, such as cosmetology or massage, can be provided at cannabis consumption lounges.

Please do not hesitate to reach out to Clark County should you have any questions on the foregoing comments. You may reach me by email (VincentQ@ClarkCountyNV.gov) or by phone (702) 455-2963. We look forward to continued collaboration with the State as these policies move forward through the regulatory process.

Sincerely,

Vincent Q. Queano

Director of Business License

cc: Yolanda King, Clark County Manager
Randy Tarr, Deputy County Manager
Clark County Board of County Commissioners



April 28, 2022

Cannabis Compliance Board 700 Warm Springs Road, Suite 100 Las Vegas, NV 89119

Subject: Comment on Proposed Revisions to Consumption Lounge NCCRs

Dear Members of the Cannabis Compliance Board and Director Klimas,

On behalf of the Nevada Cannabis Association, thank you for considering our comments on the proposed revisions to the Consumption Lounge NCCRs. We appreciate the thoughtful and transparent approach that CCB staff has taken in drafting and revising the regulations.

Applications

Proposed Changes to NCCR 1

We appreciate the clarification that the proposed revisions currently are limited to the consumption lounge license application process rather than all future licensing rounds, as well as the clarification regarding the retail lounge application process in 5.060.

Proposed Changes to NCCR 5

ACH Payment requirement (NCCR 5.040(1)(a))

In an industry that does not have adequate access to banking, a provision requiring that application fees can only be paid by an ACH bank transfer may create a hardship for applicants. We suggest that alternative methods of payment, such as cash or money order, be permitted.

Extension of immunity (NCCR 5.040(1)(m))

We reiterate our concerns with the attestation required by 5.040(1)(m) and request that this provision be stricken. NRS Chapter 41 already protects state employees or contractors from civil liability for injuries or actions taken while performing their official job duties in good faith. Qualified immunity does not apply where employees act in bad faith or in violation of established law. There is no justification or authority to extend immunity beyond the well-established doctrine of qualified immunity codified in NRS Chapter 41.



Relative weight for criteria of merit (NCCR 5.045(2)(e))

We have raised this issue since the initial round of proposed revisions, and we remain concerned that the proposed revisions do not meet the statutory requirement set forth in NRS 678.280. According to NRS 678B.280, the Board is required to consider certain criteria of merit and shall adopt regulations for determining the relative weight of each of those criteria. Criteria of merit such as diversity, industry experience, and key personnel must be considered prior to the issuance of a license pursuant to NRS 678B.250. While these are each mentioned in NCCR 5.040 and 5.045, the proposed regulations do not set forth "regulations for determining the relative weight of each criteria of merit." (NRS 678B.280(2)).

The proposed revision references the language of the statutory requirement and states that the Board will determine relative weight on a "case-by-case basis." It is not clear whether case-by-case means by licensing round or by individual application, and there is no commitment to set forth such criteria in advance of a licensing round.

We renew our recommendation of the following revision which increases transparency, complies with NRS 678B.280, and gives applicants clear and actionable information regarding how their applications will be scored.

NCCR 5.040(2)(e). Prior to the opening of any licensing round, the Board will determine and publish on a case-by-case basis the relative weight to it will give, if any, to any criterion of merit considered and established by the Board.

Operations

Proposed Changes to NCCR 1

"Single-use cannabis product" defined (NCCR 1.222)

Because usable flower is contained within the definition of "single-use cannabis product" we suggest reverting to using the term "pre-packaged" instead of "single-use" in the last two sentences of NCCR 1.222. Otherwise, this drafting change could create confusion regarding whether bulk flower may be purchased by a lounge and then divided into smaller containers.

NCCR 1.222 *Pre-packaged* cannabis products must be prepared at a licensed cannabis production facility, and may not exceed the allowable



serving size. All *pre-packaged* items must be sold as a single serving and labeled in accordance with NCCR 12.040 or 12.045.

Proposed Changes to NCCR 6

Ceasing operations (NCCR 6.085(11))

We continue to suggest that NCCR 6.085(11) be modified to require employees to cooperate with emergency personnel, but not to require sales and consumption to cease across the entire establishment.

NCCR 6.085(11). If an emergency requires law enforcement, firefighters, emergency medical service providers, Board Agents or other public safety personnel to enter the premises of the business, the cannabis establishment is responsible for *cooperating with law enforcement or emergency personnel*. ensuring that all consumption, if allowed, and other activities, including sales, cease until such personnel have completed their investigation or services and have left the premises.

Proposed Changes to NCCR 9

Requirements for lighting (NCCR 9.065)

The lighting requirements for cannabis production facilities have been adopted for consumption lounges. However, this should be clarified to apply to the back of the house or commercial kitchen area of a lounge, and not throughout the customer-facing area of the lounge.

Proposed Changes to NCCR 15

Ready-to-consume cannabis products (NCCR 15.105(4)(e))

To make compliance more possible, we suggest changing the language of this provision to "shall not encourage sharing" instead of "shall not allow." Not encouraging sharing can be accomplished by not serving family-style infused dishes or a large dessert with several spoons. Additionally, servers could verbally discourage sharing. However, to "not *allow...*sharing" creates an environment where servers must be continuously watching customers as they eat, rather than checking in regularly.

NCCR 15.105(4)(e). Shall *not* neither allow nor encourage sharing of ready-to-consume cannabis products.



Thank you for the opportunity to provide comment and for your consideration.

Respectfully,

Layke A. Martin, Esq.

Executive Director

Nevada Cannabis Association

- Good morning Board Members. My name is Brendan Blume, and I am the VP of Experiences for Green Thumb Industries (GTI).
- I've been with GTI for 7 years, and managed the opening of the only licensed consumption lounge east of the Mississippi, in Illinois. Given my experience launching one of the first consumption lounges in the country, I'm excited to be here today to provide feedback on the Board's proposed regulations.
- As background, GTI operates the Rise dispensaries in Reno, Carson City, Henderson, South Durango, South Rainbow, and Tropicana. GTI is a proud partner with COOKIEs in running the COOKIES on the Strip dispensary. We cultivate, manufacture, and distribute a wide variety of products throughout Nevada, and are committed to the hundreds of employees we employ; and the patients and consumers we serve everyday.
- We commend the CCB for its inclusive process and hard work revising and refining the consumption lounge regulations - this is an exciting new license opportunity in Nevada, and one that we know consumers are looking forward to enjoying.
- I have two main recommendations:
 - 1. We recommend the Board consider allowing flower products to be treated similarly to edibles within the lounges, by permitting consumption lounge staff to handle and prepare the flower into the determined serving size portions on-site. Currently, the regulations would require manufacturers to create an entirely new line of flower products specific for consumption lounges, with special packaging and labeling.
 - While we support the pre-packaged and labeling for concentrates, which can be very potent and impact people differently, it is our experience that flower is much more consistent and the most popular product form. The success of a consumption lounge, especially independent and/or social equity consumption lounges, will hinge on its ability to serve an attractive menu to its consumers. If manufacturers have to develop an entirely new line of CL-specific products, it will likely be challenging to balance supply and demand, especially at the outset of launching operations.
 - 2. We recommend the Board allow sharing among patrons. In our experience, it is very common for customers to share orders with one another. In fact, this facilitates safer consumption habits and reduces the chances of overconsumption since a group can start low and go slow rather than have each individual within a party order the serving limit. Flexibility to allow sharing also cuts down on wasting unused products. If the CCB is concerned that sharing will spread illness, there are safe ways to protect consumers, such as requiring that individual filter tips be used.

CCB Consumption Lounge Workshop April 29, 2022 10 AM

- Thank you for your time- I'd be happy to take any questions you may have.



April 29, 2021

Nevada Cannabis Compliance Board 1550 College Pkwy Ste 142 Carson City, NV 89706

Re: Proposed Amendments, Additions and Clarifications to Nevada Cannabis Compliance Regulations - Consumption Lounges (AB-341)

Proposed Changes and Clarifications

9.050 Requirements for sinks and running water.

1. Each cannabis establishment that handles open cannabis which is not pre-packaged shall ensure that it provides:

Seeking Clarification:

We ask that "open cannabis" is more clearly defined.

9.065 Requirements for lighting.

Each cannabis product manufacturing facility and cannabis consumption lounge shall ensure that the light intensity in the facility is:

2. At least 50 foot candles (540 lux) at a surface where a cannabis establishment agent engaged in the extraction of concentrated cannabis or production of cannabis products is working with cannabis products or working with utensils or equipment, including, without limitation, knives, slicers, grinders or saws where employee safety is a factor.

Seeking Clarification:

Does "working with cannabis products" include any tableside service, cannabis serving operations or handling of cannabis tableside? Will any consumer areas where cannabis is being handled by any service (front of house) employees be required to have "50 foot candles (540 lux)" requirements for lighting?

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

3. Not conduct sales one half hour prior to closing unless the cannabis consumption lounge operates 24 hours per day.

Recommendations:

We recommend increasing the sales cutoff time to one (1) hour prior to the designated closing time.

Reasoning:

Customers will more rapidly consume products within the current half-hour cutoff, creating excessive risks to overconsumption and drugged driving.

15.095 Water service.

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

Recommendations:

"Water shall be provided free of charge to all consumers."

Reasoning:

With the current water crisis in the western United States, water service should be provided upon request and encouraged, but not required.

15.105 Ready-to-consume cannabis products.

- 4. Cannabis consumption lounges:
- e. Shall limit neither allow nor encourage sharing of ready-to-consume cannabis products.

Recommendations:

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

Reasoning:

Not allowing sharing and enforcing this will be extremely difficult and add undue burden to front of house staff and operators.



11700 W. Charleston Blvd Ste. 170-700 Las Vegas, NV 89135

Cannabis Compliance Board
Tyler Klimas, Executive Director
555 E. Washington Avenue, Suite 5100
Las Vegas, NV 89101
Submitted via email: regulations@ccb.nv.gov

April 28, 2022

Dear Director Klimas and Cannabis Compliance Board Members,

On behalf of Planet 13 Holdings, Sala Consulting, and Jardin Premium Cannabis Dispensary, thank you for the collaborative process you have maintained in developing cannabis consumption lounge regulations. We sincerely appreciate the multitude of opportunities for input you have afforded to the industry and the public.

In order to provide adequate flexibility to allow the forthcoming consumption lounge industry to flourish, we hope you will favorably consider the recommendations contained below. We are proud to have worked extensively with you to cultivate a regulatory foundation for safe, fun, and commercially successful spaces for cannabis use.

Sincerely,

Chris Anderson President Sala Consulting

Deleted

New
Suggested removal
Suggested addition

Regulation 1.222

1.222 "Single-use cannabis product" defined. "Single-use cannabis product" means a type of cannabis or adult-use cannabis product, other than a ready-to-consume cannabis product, that the Board has determined to be appropriate for consumption in a cannabis consumption lounge. Single-use cannabis products includes, but are not limited to, items that are designed for use in a single sitting. Such items may not contain more than 13.5 grams of usable cannabis or may not contain more than 10mg of THC in an adult-use edible cannabis product or tincture. Usable cannabis products containing more than 1 gram of usable cannabis must include a written warning stating "Caution- This product is not recommended for inexperienced users". Inhalable extracted adult-use cannabis products, transdermal patches, or other adult-use cannabis products not mentioned in this section may not exceed 100250mg THC and must include a written warning stating "Caution- This product is very potent and is not recommended for inexperienced users". Topical adult-use cannabis products may not exceed **14**00mg THC. Single-use *Pre-packaged* cannabis products must be prepared at a licensed cannabis production facility, must be sold as a single serving, and may not exceed the allowable serving size. All items must be pre-packaged and sold as a single serving prior to sale and labeled in accordance with NCCR 12.040 or 12.045.

- The 100mg THC limit for reduced secondhand smoke vaporizer products in the "inhalable extracted" category must be increased. At 0.3 grams and approximately 80% THC, the smallest single-use disposable vaporizers contain approximately 240mg of THC.
 - It is important to note such devices cease to produce inhalable vapor before all concentrated cannabis is exhausted, resulting in potentially 30% less usable THC than the actual total THC content.
- We request allowance for the sale of products containing up to 3.5 grams of usable cannabis, which notably include the larger tobacco-wrapped "blunt" products which this draft aims to provide for. For comparison with inhalable extracted products, 3.5 grams of cannabis flower would contain less than 125mg of THC.

5.040 Submission of application for a cannabis lounge establishment license.

1.(e)(1) Except for a retail cannabis consumption lounge application, aAn attestation wherein the applicant agrees and understands that the actual location, when determined, where the cannabis establishment will be conducting business:

• New language to clarify that if an existing retail location is in compliance with distance requirements, the potential retail lounge location will also be deemed compliant.

Regulation 6.085 Required security measures, equipment and personnel; location of outdoor cultivation facility must allow for response by local law enforcement. (Effective on August 1, 2022)

- 11. If an emergency requires law enforcement, firefighters, emergency medical service providers, board agents or other public safety personnel to enter the premises of the business, the cannabis establishment is responsible for ensuring that all consumption <u>of inhalable</u> <u>cannabis products</u>, if allowed, <u>and other activities</u>, <u>including sales</u>, cease until such personnel have completed their investigation or services and have left the premises.
 - We urge the Board to consider allowing the continuation of lounge activities that do not involve inhalable products while any emergency services are being provided. This is intended to alleviate the perception of potential for second-hand intoxication and prevent impacts from second-hand smoke.

9.065 Requirements for lighting. Each cannabis product manufacturing facility <u>and cannabis</u> <u>consumption lounge</u> <u>within ready-to-consume product preparation stations</u> shall ensure that the light intensity in the facility is:

 Revised to ensure that consumer-facing areas within a cannabis consumption lounge are not subject to lighting standards meant for cannabis product preparation/production areas.

9.075 Sufficiency of ventilation. Each cannabis product manufacturing facility <u>and cannabis</u> <u>consumption lounge</u> <u>within ready-to-consume product preparation stations</u> shall ensure that its ventilation hood systems and devices are sufficient in number and capacity to prevent grease or condensation from collecting on walls and ceilings.

 Revised to ensure that customer-facing areas within a cannabis consumption lounge are not subject to ventilation standards meant for cannabis product preparation/production areas.

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

- 1. A cannabis consumption lounge shall not sell to any consumer <u>in a single transaction</u> at one time an amount of single-use cannabis products or ready-to-consume cannabis products which exceeds:
 - (a) One gram 3.5 grams of usable cannabis.
 - (c) Inhalable extracted cannabis products, <u>transdermal patches</u>, <u>or other cannabis</u> <u>products not otherwise mentioned in this section</u> containing not more than <u>100250</u> milligrams of THC;
- 4. Except tobacco leaves used to wrap cannabis, a cannabis consumption lounge shall not sell any product that contains tobacco and/or nicotine,
- Changes to conform with comments to Regulation 1.222, intended to allow vaporizer products and the larger tobacco-wrapped "blunt" products often favored by consumers of diverse backgrounds.

15.105 Ready-to-consume cannabis products.

- 4.e. Shall limit neither allow nor <u>not</u> encourage sharing of ready-to-consume cannabis products.
 - Revised language to ensure that lounge operators are held to a realistic standard in a social consumption setting.