

June 27, 2022

Nevada Cannabis Compliance Board The Honorable Michael Douglas, Chair 555 E. Washington Avenue, Ste. 5100 Las Vegas, NV 89101

Submitted via email: regulations@ccb.nv.gov

Dear Chair Douglas and Cannabis Compliance Board Members:

On behalf of the Nevada Resort Association, we thank you for your thoughtful consideration and draft amendment to the gaming distance separation regulations in NCCR 5.040:

"(III) if the proposed cannabis establishment will be located in a county whose population is 100,000 or more, it must not be within 1,500 feet of an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed cannabis establishment was submitted to the Board.

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

The Nevada Resort Association understands that NCCR 5.040 prohibits a cannabis sales facility that received its final license to operate after the effective date of AB533 on November 23, 2019, from adding a retail cannabis consumption lounge if the lounge would be within 1,500 feet of a nonrestricted gaming establishment. We oppose CCB licensure of any such retail cannabis consumption lounge applicant. The cannabis consumption lounge enabling legislation, AB341, was intended to extend retail cannabis consumption lounge grandfathering privileges exclusively to cannabis sales facilities that were in compliance with the gaming distance separation provisions in AB533 as of November 23, 2019.

We ask that the Board further clarify for the record its agreement with the intent and interpretation of NCCR 5.040 stated herein.

Thank you for allowing us the opportunity to share our thoughts with you. Should you have any questions or concerns, please contact me at (702) 735-4888.

Sincerely,

Virginia Valentine

President, Nevada Resort Association



June 27, 2022

Nevada Cannabis Compliance Board Executive Assistant regulations@ccb.nv.gov

Re: Proposed Regulations to be Considered at the June 28, 2022 Meeting

To Whom It May Concern:

With regards to the Notice of Hearing issued on May 26, 2022, the stated purpose was "to establish regulations for the applications for cannabis consumption lounges and licensing and regulation of cannabis consumption lounges." However, the proposed regulations also incorporate changes and new requirements for all license types. Particularly the proposed changes to NCCR 6.085 relating to security create new requirements for remote access, having external hard drives, and ceasing operations at the request of law enforcement, emergency personnel and Board agents. These proposed changes would add expense and cost to the operations of each license type. It is unclear what these additional requirements are trying to prevent or mitigate. Furthermore, it is likely that several licensees do not realize that these regulations may impact their current operations as the stated purpose was to establish regulations for cannabis consumption lounges.

The proposed language in NCCR 5.040(1)(e)(1)(III) relating to distance separation requirements for retail cannabis consumption lounge licenses does not accurately reflect the language adopted by the legislature in Assembly Bill 341. Assembly Bill 341 exempted all cannabis sales facilities that were operational as of the date it submitted an application for a retail consumption lounge regardless of the date that it received final approval from the regulating agency to being its sales facility operations. The proposed language that utilizes the date of "final license" is problematic for a variety of reasons including the simple fact that it is unknown whether a protected use had moved in after the facility obtained land use but prior to the date of "final license" – a term that is not defined in Nevada Revised Statutes. The "final license" language opens the door to litigation and creates substantial and unreasonable risk to the industry.

Thank you in advance for your prompt attention to this matter. If you have any questions, please do not hesitate to contact me directly.

Sincerely,

/s/ Steve Haffer

Steve Haffer, CEO

Email: shaffer@thesource.green

Direct: 513.312.9257

Chair Douglas and the Cannabis Compliance Board,

The Sierra Cannabis Coalition is a coalition of cannabis licensees focused solely on the economic challenges facing Nevada's cannabis industry.

Since my last conversation with the Board, I have done further fact-findings and met with CCB staff as promised. As I am still in the midst of this process, I have no final declarations to make but am still rather sure the practice of billings for time and effort by CCB staff seems to be excessive, if not done completely incorrectly, as is the process of stacking and duplicating fines that we see as settlement agreements voted on by this Board.

Additionally, industry members I speak with regarding the lab testing process agree not everything in the program needs changing, but certain updates to Nevada's program could benefit all sides of the testing equation.

As such, I would ask the Board to please consider holding the town hall, previously mentioned by Chair Douglas, regarding the industry perspective on fines and fees. As I do not know what venue the CCB holds a town hall meeting, I would ask that we call for the meeting of for the Cannabis Advisory Board and ask its members to look into matters such as time and effort bills, the perception created and hardship rendered by the fines levied by the CCB, and the Cannabis Lab testing program as a whole. Holding these meetings through the Advisory Board should allow for the discussion on these subjects and address everybody's concerns in a public way.

Again, thank you for your time and consideration on these matters.

As an accompaniment to this, I will be reading a few of my member's accumulated bills for the calendar year 2022 as time and effort charges seem to be stacking up at a previously unseen rate.

Thank you, Will Adler Director, Sierra Cannabis Coalition