

Proposed Changes to NCCR Regulation 5

New

See Page 3 – de minimis conditional language included following original notice to adopt

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5.040 Submission of application for a cannabis consumption lounge license.

1. Upon a request by the Board for applications to operate a cannabis consumption lounge license, a person may apply for a cannabis establishment license that has an open application period. An applications must be submitted through the Board’s designated electronic licensing application system during the time listed on the open application period. No applications will be accepted before or after the open application period. The deadline for application submissions and compliance with the application instructions will be strictly enforced. The Board will grant no grace period for an application once the application period has concluded. The Board will not be held responsible for any technical or other issues that ~~may occur with~~ the applicant may experience with the electronic licensing application system during the application period. Failure to submit an application, in a timely manner, for any reason including technical issues, will result in a denial. Questions on the application and/or application submittal process must only be submitted in writing to an email designated explicitly for that purpose in the written application instructions. All such emails will be posted publicly on the Board’s website. Regarding such emails, the Board cannot guarantee a response within any particular time frame and/or prior to the application submittal deadline. No applicant is entitled to rely on any verbal information relayed to them regarding the application submittal process. All official application instructions will be posted on the Board’s website at www.ccb.nv.gov. The applicant must also provide a point of contact, as required by NCCR 2.050, and update that information as required.

2. An application for a cannabis establishment license is non-transferable.

3. To meet the minimum scoring guidelines, the initial application must include the following:

- (a) A one-time, nonrefundable administrative processing fee in an amount designated in NRS 678B.390 for that particular cannabis establishment license type.
 - (1) Applicants are solely responsible for ensuring the Board physically receives payment for the above referenced fee no later than 5:00 p.m., Pacific Time, on the final date of the open application period, at either the Board’s Carson City office located at 1550 College Parkway, Suite 142, Carson City, Nevada 89706, or the Board’s Las Vegas office located at 700 East Warm Springs Road, Suite 100, Las Vegas, Nevada 89119. Payments delivered to any other locations will not be considered valid or received. Payments must strictly comply with the application instruction requirements regarding submission of payments and will be rejected for any failure to comply with those application instructions. Payments must be made via one of the following methods: (1) electronic transfer via ACH through the Board’s electronic licensing system; (2) cashier’s check; (3) or money order. If

payment is made by ACH, that process must be completed no later than 5:00 p.m., Pacific Time, on the final date of the open application period. If payment is made by cashier's check or money order, it still must be physically received no later than 5:00 p.m., Pacific Time, on the final date of the open application period. For applicants paying by ACH, if payment does not clear, the application will be deemed incomplete, untimely, and rejected. The Board and its staff are not required to notify applicants of the failure of their payments to clear. The Board is not responsible for any difficulties any applicant may experience in the timely submission of their electronic payment, no matter where such issues or problems may arise. For applicants paying by cashier's check or money order, such payment must be delivered in person to the Board offices listed in this subsection, but still must be physically received no later than 5:00 p.m., Pacific Time, on the final date of the open application period. Payments must not be dropped off in any drop boxes or mail slots which will result in the associated application being deemed incomplete, untimely, and rejected. The Board shall not be responsible for any payments that are late due to misdirected deliveries from the applicant or anyone else making the in person delivery, banking issues or mistakes, transportation problems and/or any other reasons. Payment will not be accepted via mail or any other form of commercial delivery service such as Federal Express, United Parcel Service, or DHL. Failure to timely pay the administrative proceeding fee will result in the associated application or applications being deemed incomplete and the Board shall reject them.

- (b) The type of cannabis establishment license the applicant is applying for;
- (c) The legal name of the proposed cannabis establishment, as reflected in the articles of incorporation or other formation documents filed with the Nevada Secretary of State;
- (d) An attestation that the applicant can, has, or will secure evidence that the applicant controls liquid assets in an amount of at least \$200,000.00 and will provide said evidence within the time frame required in NCCR 5.045(2)(a)(2);
 - (1) If and when an applicant meets the minimum scoring guidelines on the application and is selected for a prospective license this affirmation will be verified, and if untrue, may be used to deny the applicant a conditional license.
- (e) The address where the proposed cannabis establishment will be located and, if applicable, the physical address of any co-owned or otherwise affiliated cannabis establishments;
 - (1) An attestation wherein the applicant agrees and understands that the actual location, when determined, where the cannabis establishment will be conducting business:
 - (I) must 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.

→ Pursuant to NRS 678B.322(2)(a), “[t]he location of a proposed retail cannabis consumption lounge: [e]xcept as otherwise provided in paragraph (b) [of NRS 678B.322], is not subject to the restrictions set forth in sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 678B.250 so long as the adult-use cannabis retail store to which the proposed retail cannabis consumption lounge is to be attached or immediately adjacent was in compliance with such requirements at the time it was issued an adult-use cannabis establishment license”. “[T]he time [the adult-use cannabis retail store] was issued an adult-use cannabis establishment license” is interpreted to mean the time frame referenced in NRS 678B.250(3)(a)(2)(II).

5.057 Lack of an ordinance from local governmental jurisdiction conclusively establishes no limit on business licensees for cannabis consumption lounges in local governmental jurisdiction.

5.057 Lack of an ordinance from local governmental jurisdiction conclusively establishes no limit on business licensees for cannabis consumption lounges in local governmental jurisdiction. If, by the date that the Board issues a request for applications to operate a cannabis consumption lounge, a local governmental jurisdiction has not adopted an ordinance limiting the amount of business licenses issued to cannabis consumption lounges, then this conclusively establishes no limit exists in the local governmental jurisdiction for purposes of NRS 678B.327 for that specific application period.

Proposed Changes to NCCR Regulation 6

New

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6.085 Required security measures, equipment and personnel; location of outdoor cultivation facility must allow for response by local law enforcement. (Effective on January 1, 2023)

1. To prevent unauthorized access to cannabis at a cannabis establishment, the cannabis establishment must have:
 - (a) One single secure entrance of the physical building;
 - (b) No visible cannabis or cannabis products from outside the establishment.
 - (c) Security equipment to deter and prevent unauthorized entrance into limited access areas that includes, without limitation:
 - (1) Devices or a series of devices to detect unauthorized intrusion, which may include a signal system interconnected with a radio frequency method, such as cellular or private radio signals, or other mechanical or electronic device, and which, for a cannabis cultivation facility which engages in outdoor cultivation, covers the entirety of the cultivation area and the perimeter and exterior area of the cannabis cultivation facility;
 - (2) Exterior lighting to facilitate surveillance which, for a cannabis cultivation facility which engages in outdoor cultivation:
 - (I) When the lighting would not interfere with the growing cycle of a crop, covers the entirety of the cultivation area and the perimeter and exterior area of the cannabis cultivation facility; and
 - (II) When the lighting would interfere with the growing cycle of a crop, covers the perimeter and exterior area of the cannabis cultivation facility;
 - (3) Electronic monitoring, including, without limitation, each of the following:

(VIII) In a cannabis consumption lounge, security personnel are required to **continually** monitor real time security camera footage while the facility is open for business as prescribed by the Board; and
