

**CANNABIS COMPLIANCE BOARD
STATE OF NEVADA**



STEVE SISOLAK
Governor

ccb.nv.gov
CARSON CITY OFFICE
1550 College Parkway, Suite 142
Carson City, Nevada 89706
Main Line: (775) 687-6299

LAS VEGAS OFFICE
700 East Warm Springs Road, Suite 100
Las Vegas, Nevada 89119

HON. MICHAEL DOUGLAS
Chair

TYLER KLIMAS
Executive Director

Issued July 8, 2022
Issuing Division: Investigations
NOTICE TO LICENSEES

Update to Monopoly Analysis

This notice is to provide updated guidance regarding how to determine if a potential monopoly exists when completing the "No Monopoly Attestation" requirement for a Transfer of Interest, or any other, application.

Monopoly requirements are covered by NRS 678B.230 (medical) and NRS 678B.270 (adult-use), as follows:

NRS 678B.230 Licensing of medical cannabis establishments in larger counties: Limitation on number of medical cannabis dispensaries located in any one governmental jurisdiction within county; limitation on number of licenses issued to any one person. [Effective July 1, 2020.]

1. Except as otherwise provided in this subsection, in a county whose population is 100,000 or more, the Board shall ensure that not more than 25 percent of the total number of medical cannabis dispensaries that may be licensed in the county, as set forth in NRS 678B.220, are located in any one local governmental jurisdiction within the county. The Board may increase the percentage described in this subsection upon the request of the board of county commissioners of the county. The Board shall adopt regulations setting forth the requirements for granting such a request.
2. To prevent monopolistic practices, the Board shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any one person, group of persons or entity, the greater of:
 - (a) One medical cannabis establishment license; or
 - (b) More than 10 percent of the medical cannabis establishment licenses otherwise allocable in the county.
3. As used in this section, "local governmental jurisdiction" means a city or unincorporated area within a county.

NRS 678B.270 Licensing of adult-use cannabis establishments in larger counties: Limitation on number of licenses issued to any one person. [Effective July 1, 2020.] Except as otherwise provided in subsection 2, to prevent monopolistic practices, the Board shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any one person, group of persons or entity, the greater of:

1. One adult-use cannabis establishment license; or
2. More than 10 percent of the adult-use cannabis establishment licenses otherwise allocable in the county.

Two (2) calculations need to be made to check for a monopoly, one under NRS 678B.230 covering medical licenses only, and one under NRS 678B.270 covering adult-use licenses only. Distribution licenses are considered adult-use only because they were licensed in connection with the legalization of adult-use cannabis on July 1, 2017. The two Nevada counties with populations over 100,000 are Washoe County and Clark County.

Cannabis establishment licenses include cultivation, production, dispensary/retail, distributor, and laboratory, as well as all licenses that have been surrendered or are in provisional/conditional status.

CCB files show the following total number of medical and adult-use licenses in Clark and Washoe Counties, as of April 15, 2022:

Clark County
 Medical Licenses - 276
 Adult-Use Licenses – 329

Washoe County
 Medical Licenses - 74
 Adult-Use Licenses - 76

As a result, for example, a licensee with 27 total licenses –

- four (4) med/adult-use cultivation (2 in Washoe and 2 in Clark),
- four (4) med/adult-use production (2 in Washoe and 2 in Clark),
- two (2) distributor (1 in Washoe and 1 in Clark), and
- five (5) dispensaries (2 med/adult-use and 1 adult-use only in Clark and 2 med/adult-use in Washoe)

would be calculated as follows:

Licensee Clark County
 Medical Licenses – $6/276=2.2\%$
 Adult-Use Licenses – $8/329=2.4\%$

Licensee Washoe County
 Medical Licenses – $6/74=8.1\%$
 Adult-Use Licenses – $7/76=9.2\%$

These calculations show that the licensee is below the 10% threshold in all scenarios and demonstrates that it would not have a monopoly in either Clark or Washoe County.

Based on the above calculations, the licensee would be able to affirmatively execute a “No Monopoly Attestation.” Licensees are required to provide their monopoly calculations within the “No Monopoly Attestation” they are required to submit.

The following charts detail the distribution of all licenses that exist in Clark County and Washoe County (expired, rescinded, revoked, and surrendered, included) as of April 14, 2022, further supporting CCB calculations for a monopoly analysis.

CLARK COUNTY

License Type	Clark County Total	Unincorporated Clark	North Las Vegas	Las Vegas	Henderson	Mesquite
Medical Dispensary	49	26	4	13	5	1
Medical Cultivation	127	55	52	9	10	1
Medical Production	85	37	37	4	6	1
Medical Laboratory	15	4	2	9	0	0
Total	276	122	95	35	21	3

The above chart includes 46 medical licenses in Clark County that have been surrendered, expired, revoked, rescinded, conditional, provisional, non-operational, or suspended.

Adult-Use Dispensary	80	36	9	23	11	1
Adult-Use Cultivation	111	53	46	5	6	1
Adult-Use Production	76	36	34	1	4	1
Adult-Use Laboratory	9	4	0	5	0	0
Adult-Use Distribution	53	36	15	1	0	1
Total	329	165	104	35	21	4

The above chart includes 47 adult-use licenses in Clark County that have been surrendered, expired, revoked, rescinded, conditional, provisional, non-operational, or suspended.

WASHOE COUNTY

License Type	Washoe County Total	Unincorporated Washoe	Reno	Sparks
Medical Dispensary	13	6	4	3
Medical Cultivation	36	11	14	11
Medical Production	23	6	10	7
Medical Laboratory	2	0	0	2
Total	74	23	28	23

The above chart includes 20 medical licenses in Washoe County that have been surrendered, expired, revoked, rescinded, conditional, provisional, non-operational, or suspended.

Adult-Use Dispensary	20	6	10	4
Adult-Use Cultivation	26	7	11	8
Adult-Use Production	19	5	8	6
Adult-Use Laboratory	2	0	0	2
Adult-Use Distribution	9	0	6	3
Total	76	18	35	23

The above chart includes 14 adult-use licenses in Washoe County that have been surrendered, expired, revoked, rescinded, conditional, provisional, non-operational, or suspended.

Questions regarding this notice should be directed to CCBinvestigations@ccb.nv.gov.



Dave Staley
Division Chief - Investigations