



September 30, 2022 Live Webinar – Q&A Clarification

Issued September 30, 2022

During the live cannabis consumption lounge application webinar hosted by the Cannabis Consumption Board (CCB) on September 30, 2022, there were numerous questions regarding proposed owners who hold less than 5% ownership interest in the consumption lounge. Specifically, whether such owners must be listed on the consumption lounge license application and whether such owners must apply for an agent card as a prospective owner and submit a complete set of fingerprints.

Potentially misleading information was detailed during the live question and answer portion of the webinar. The CCB is providing this additional information and clarification to the answers provided during the live event.

If the applicant or owner is anything other than a natural person, all owners within the ownership structure for the cannabis establishment must be listed if the person owns 5% or greater interest in any entity within the ownership structure. As a result, only the owners listed on a retail consumption lounge or independent consumption lounge application must apply for an agent card as a prospective owner and submit a complete set of fingerprints.

Nevada Cannabis Compliance Regulation (NCCR) 5.040(1)(h) and (j) outlines, in part, the application requirements for natural person applicants and applicants/owners other than natural persons. Again, for an applicant/owner other than a natural person to meet the minimum scoring guidelines, the application must include all owners within the ownership structure for the cannabis establishment that own 5% or greater interest in any entity within the ownership structure.

5.040 Submission of application for a cannabis consumption lounge license.

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

(b) The name, address, and date of birth of each natural person proposed to be an owner, officer or board member of the proposed cannabis establishment. If the applicant or an owner is anything other than a natural person, said applicant or owner must submit the aforementioned information for all owners who hold shares or any type of ownership interest directly or indirectly in any way that equate to 5% or greater;

(1) All owners within the ownership structure for the cannabis establishment must be listed if the person owns 5% or greater interest in any entity within the ownership structure.

... (j) For each owner, officer and board member listed in the application, please provide the agent card portal record number showing proof the person has applied for an agent card as a prospective owner, officer, or board member;

(1) Payment of the agent card fee will not be required until the applicant has met the minimum scoring guidelines on the application and has been selected for a prospective license. Applicants must complete all other sections of the application, including a complete set of the person's fingerprints, which must be submitted to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(2) If any owner, officer, or board member listed in the application has been convicted of an excluded felony offense, per NRS 678B.050, the application will be removed from the process.



Additionally, the CCB is providing additional information and clarification to an answer provided during the live cannabis consumption lounge webinar hosted by the CCB on September 30, 2022.

During the live webinar, the following question was asked:

If we have a dispensary license, can we apply for an independent lounge license?

The answer provided at that time was “Yes;” however, NRS 678B.325 prohibits the Board from issuing an adult-use cannabis establishment license for an adult-use cannabis retail store and an adult-use cannabis establishment license for an independent cannabis consumption lounge to one person.

NRS 678B.325 Licensing of cannabis consumption lounges: Issuance of adult-use cannabis establishment license for retail store and independent cannabis consumption lounge to one person prohibited. *The Board shall not issue to any one person both an adult-use cannabis establishment license for an adult-use cannabis retail store and an adult-use cannabis establishment license for an independent cannabis consumption lounge.*

Therefore, the correct answer to the question is “No.” The correct answer and explanation will be included in materials posted on the CCB website, here: <https://ccb.nv.gov/nevada-cannabis-program/#item-2>.

For further questions or clarification, please email CCBconsumptionlounge@ccb.nv.gov.