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NOTICE TO LICENSEES

Cannabis: Definition & Authorized Acquisition

The Nevada Cannabis Compliance Board (CCB) is issuing this notice to provide guidance regarding the acquisition of cannabis through authorized sources including, transfers, purchases, and donations, and root ball tracking and disposal. According to Nevada Cannabis Compliance Regulation (NCCR) 6.080(2), cannabis establishments may only acquire cannabis or cannabis products from another Nevada-licensed cannabis establishment.

Effective January 1, 2024, per Senate Bill 277 (SB 277) Section 15.5, NRS 453.096 will exclude Seeds and Root balls from the definition of **Marijuana**. However, please be advised that "Seeds" are defined in NRS 678C.100 as Usable Cannabis and must be tracked according to the seed-to-sale tracking requirement as defined in NCCR 6.082.

The CCB has reviewed the U.S. Department of Justice, Drug Enforcement Administration (DEA) assessment of the control status of Cannabis Sativa L. seeds, tissue culture, and any other genetic material of Cannabis Sativa L. under the Controlled Substances Act (CSA). The CSA excludes from that definition "hemp." 21 USC § 802(16)(B)(i). The term "hemp" is "the plant Cannabis Sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis." 7 USC § 1639o. Please be advised that the DEA does not consider the statutory and regulatory requirements of the State of Nevada or the CCB, which may be more strict.

Be advised, the State of Nevada does not consider seeds derived from a cannabis plant to be hemp, regardless of the THC concentration.

Root Ball Tracking & Disposal Requirements:

According to SB 277 Section 15.5 (2)(b), root balls are excluded from the definition of Marijuana as defined in NRS 453.096, effective January 1, 2024. Therefore, root balls will no longer need to be rendered unusable via grinding.

In the meantime, the CCB has completed a thorough review of information regarding root balls and re-vegging. A cannabis root ball will not re-veg under normal waste conditions, providing it does not contain shoot apical meristem (SAM).

Therefore, effective immediately, it is an approved option for all licensed cannabis cultivation establishments to waste root balls without grinding/shredding, as long the establishment fully separates the stalk of the cannabis plants from the root ball at the base, prior to disposal.

Root balls must be fully separated from the stalks of the plant after harvest and disposed of following your local waste management guidelines. The CCB does not require root ball destruction to be tracked in the state seed-to-sale inventory tracking system.

Usable Cannabis Acquisition:

NRS 678C.410(2) provides an allowance for medical cannabis dispensaries and medical cultivation facilities to acquire usable cannabis or cannabis plants from a person who holds a valid patient or caregiver card under the following conditions:

1. The patient or caregiver, as applicable, must receive no compensation for the cannabis.
2. The patient or caregiver may sell usable cannabis to a medical cannabis dispensary **one time** and may sell cannabis plants to a cultivation facility **one time**.

In addition to the conditions outlined above, patient acquisitions must adhere to the following possession and transaction limits per, NRS 678C.200(3)(b).

1. Two and one-half ounces of usable cannabis maximum limit.
2. Twelve cannabis plants maximum limit.

Documentation Requirements for Patient Donation or Sale:

If a licensed cultivation facility acquires usable cannabis (excluding seeds) or plants from a medical patient, the facility must process the acquisition in the State's seed-to-sale inventory system within 24 hours of receipt. In addition, the following acquisition documents must be obtained and retained by the facility for a minimum of 5 years.

1. Copy of the patient's Nevada Medical Marijuana Card
2. Document of sale/donation to include the following:
 - a. For a donation:
 - i. Date of donation
 - ii. Patient's name as donor
 - iii. Licensed facility as receiver of donation
 - iv. Attestation that no compensation was received by the patient for the donation
 - v. Itemized list of items donated including quantity, category (clones, mature plants, etc.) and strain
 - b. For a one-time sale:
 - i. Date of sale
 - ii. Patient's name as seller
 - iii. Licensed facility as purchaser
 - iv. Itemized invoice of items sold including quantity, category (seeds, clones, mature plants, etc.) and strain
3. Completed Seed-to-Sale External Transfer Manifest showing the intake of the usable cannabis or plants.

Requirements for Seed Acquisition:

If a licensed cultivation facility acquires seeds, the facility must process the acquisition in the State’s seed-to-sale inventory system within 24 hours of receipt. In addition, the following acquisition documents must be obtained and retained by the facility for a minimum of 5 years. Acquisition Document to include the following:

- i. Date of sale
- ii. Name and address of seller
- iii. Licensed facility as purchaser
- iv. Itemized invoice of seeds sold and strain

- 1. Completed Seed-to-Sale External Transfer Manifest showing the intake of seed.

Seeds are required to be tracked in the State mandated seed-to-sale inventory system by weight in accordance with Title 56 of NRS and (NCCR 6.080) (7)(a)(5).

Seed-to-Sale Tracking:

Instructions on processing an external transfer in the seed-to-sale inventory tracking system can be found in the Nevada Metrc State Supplemental Guide located under the Support tab in your license Metrc account. Step-by-step instructions can be found on pages 96 through 98 of the Metrc guide.

Definitions:

Usable Cannabis defined. NRS 678C.100: “Usable cannabis” means: The dried leaves and flowers of a plant of the genus Cannabis, and any mixture or preparation thereof, that are appropriate for the medical use of cannabis or the adult use of cannabis; and the seeds of a plant of the genus Cannabis. The term does not include the stalks and roots of the plant.

“Marijuana” defined (eff. 1/1/24) means: a) All parts of any plant of the genus Cannabis, whether growing or not; b) The resin extracted from any part of the plant, including concentrated cannabis; c) Every compound, manufacture, salt, derivative, mixture or preparation of the plant, or its resin; d) Any commodity or product made using hemp which exceeds the maximum THC concentration established by the State Department of Agriculture for hemp; and e) Any product or commodity made from hemp which is manufactured or sold by a cannabis establishment which violates any regulation adopted by the Cannabis Compliance Board pursuant to paragraph f) of subsection 1 of NRS 678A.450 relating to THC concentration.

“Marijuana” does not include (eff. 1/1/24): Hemp, as defined in NRS 557.160, which is grown or cultivated pursuant to the provisions of chapter 557 of NRS; the mature stalks of the plant, and **root balls** which have been fully separated from the stalks of the plant after harvest, fiber produced from the stalks, **seeds of the plant**, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination; or any commodity or product made using hemp, as defined in NRS 557.160, which does not exceed the maximum THC concentration established by the State Department of Agriculture for hemp.

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

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