

Nevada Cannabis Compliance Board

Special Meeting Minutes November 21, 2023

The Nevada Cannabis Compliance Board (CCB) held a meeting via remote technology system Zoom on November 21, 2023, scheduled at 10:30 a.m.

Cannabis Compliance Board Members Present:

Adriana Guzmán Fralick, Chair
Riana Durrett, Vice Chair
Hon. Michael Douglas
Jerrie Merritt
Bryan Young

Chair Guzmán Fralick called the meeting to order, and Executive Director Klimas took roll. Chair Guzmán Fralick, Member Douglas, Member Durrett, and Member Merritt were present via video connection. Member Young joined the meeting via video connection shortly after roll call was taken.

The instructions to join the meeting via Zoom were read aloud.

I. Public Comment

Rusty Graf stated that he represented Hempire LLC in the underlying District Court Case. Mr. Graf noted that he provided correspondence to the Board the previous day and wanted to make sure that it was received. [Chair Guzmán Fralick stated that it was received and reviewed.] Mr. Graf stated that it was their position that the receivership is not appropriate and the issuance of an agent card to the receiver is premature. There is a hearing to be held on December 11. They had objections to the underlying case. Mr. Graf stated he received the public notice at 10:06am on December 16 and had a technical objection that it did not provide the three-day notice as required by open meeting law.

Chair Guzmán Fralick noted that Member Young had joined the meeting.

II. Kevin Singer's Application for a Cannabis Establishment Agent Registration Card for a Cannabis Receiver as Court-Appointed Receiver for The Hempire Company, LLC (C184, RC184, P120, RP120) in Eighth Judicial District Court Case No. A-23-880387-B (for possible action)

Chair Guzmán Fralick asked for comment on the notice requirement. Deputy Attorney General Chricy Harris stated that the three-day notice is separate from the notice giving awareness that character or professionalism might be discussed. The three-day notice only applies relative to this meeting as far as the public is concerned; so long as there is a record that was abided by, Ms. Harris did not see the issue that Mr. Graf has posed. Chair Guzmán Fralick noted that the only issue before the Board was whether Mr. Singer is qualified.

Senior Deputy Attorney General Tony Garasi stated agenda item II concerned the application for a cannabis receiver card for Kevin Singer to be placed as the receiver over The Hempire Company, LLC and its four cannabis licenses. The receivership was ordered by the Eighth District Court after a complaint was filed by one of Hempire's creditors. Mr. Garasi detailed the actions in court. An amended Order was filed but this did not change the appointment of Mr. Singer, nor did it condition

the appointment to anything other than it is subject to CCB approval. All interested parties were notified of the Board agenda item and are present. Mr. Singer completed the application requirements; should the Board approve the application, a temporary agent card could be issued to him immediately.

Mr. Garasi added that the previous night, CCB received correspondence from Hempire counsel objecting to today's agenda item and requested that the Board refrain from hearing the application until after the December 11 status check.

Mr. Kevin Singer and his counsel John Savage were present. Mr. Singer stated that he had completed his application, the judge appointed him and there was a signed court order in place appointing him as receiver. Mr. Singer is ready to assume the duties and will work with both the plaintiffs and defendants.

John Savage reiterated that the decision as to whether a receiver should be appointed is within the jurisdiction of the district court. The Honorable Mark Denton ordered Mr. Singer to be appointed here subject to the Board's approval of his agent card application and whether Mr. Singer's qualifications satisfy the Board. Mr. Savage noted that Hempire was improperly asking the Board to reconsider the district court order after stipulating to extend the district court's temporary restraining order continuing the preliminary injunction hearing that was set for November 20. If Hempire wanted the court to consider any objections to the receiver's appointment before today's meeting, it should have kept the previous day's hearing on the court's calendar and made those arguments to the court. Mr. Savage referenced the recently approved regulation NCCR 5.175(8) and NRS 678B.355. The situation before the Board was to determine whether Mr. Singer is qualified to receive a cannabis receiver agent card. Mr. Savage added that the Board approved Mr. Singer's qualifications recently at the October 24 Board meeting. Similar objections were raised last month, and the Board properly concluded that the question of appointment was not before the Board, but only Mr. Singer's qualifications. Mr. Savage noted that Mr. Singer's qualifications have not changed and respectfully requested the Board's approval.

Member Douglas asked how many prior approvals Mr. Singer has received. Mr. Savage responded that Mr. Singer has received three prior approvals from the CCB.

Chair Guzmán Fralick asked for questions from the Board. There were no questions. Chair Guzmán Fralick reiterated what Mr. Savage stated in regard to the Board's duty under NRS 678B.355, that the Board shall issue the agent registration card if the individual checks all the boxes under that subsection.

Member Douglas made a motion to appoint Mr. Singer as receiver in the case before the Board. Member Young seconded the motion. Member Douglas commented that the Board's responsibility was not as to the underlying proceeding, but to appoint a receiver pursuant to CCB's relative statutes. All Board Members said aye. Motion carried.

III. Public Comment

There was no public comment.

IV. Adjournment

The meeting was adjourned at 10:49 a.m.

