

Nevada Cannabis Advisory Commission Federal Rescheduling/Descheduling Subcommittee

Meeting Minutes January 19, 2024

The Nevada Cannabis Advisory Commission's Subcommittee on Federal Rescheduling/Descheduling held a meeting via Zoom January 19, 2024, at 1:00pm

Members Present:

Ashley Balducci, Chair
Emily Berthelot
Mitchell Britten

Shellie Hughes
Andrew Kline

Chair Balducci called the meeting to order at 1:05 p.m. and took roll. All members were present via Zoom.

Instructions to join the meeting via Zoom for public comment were read into the record.

I. Public Comment

Katree Saunders, a longtime patient advocate, who has been affected by the War on Drugs at a State and federal level, stated that she appreciated the passing of SB277, which allowed her to get her agent card again, but she still doesn't feel it's doing enough to address the harm caused to her. She feels she still shouldn't have to be jumping through hoops after all the work she's done for the local industry. In regard to descheduling or rescheduling, she'd like to see more mention of social justice, so that people can have safe access to medicine nationwide and also as a pathway for more education and research in order to destigmatize the plant. She offered her assistance and thanked the Subcommittee for holding space to move the conversation forward.

II. Introductory Remarks (for discussion only)

Chair Balducci wished the subcommittee a happy new year and stated that it has been a pleasure serving with them. She wished the group a productive second to last meeting.

III. Introduction of Executive Director James Humm (for discussion only)

Item III was tabled until the next meeting.

IV. Discussion of Draft Report to the Legislature (for discussion only)

Executive Director Hughes stated that she thought the report looked great and that she was happy to work with her fellow members who brought a lot of expertise to the issue at hand. She had some suggestions regarding the tax portion of the report:

- Adding additional language under "Recommendations if cannabis rescheduled from the federal CSA," to state that medical cannabis is currently exempt from the retail excise tax and

if the Nevada legislature redefines medical cannabis as a medicine, it would also be exempt from Nevada sales tax. This may help reduce the sales price of cannabis to Nevada consumers if a federal excise tax was imposed.

- Add additional language to the same section to consider reducing Nevada’s cannabis excise tax.
- Under the Tax section of “Potential effects on the Nevada cannabis industry,” suggest the Nevada legislature consider a potency tax and have them reference the Washington study mentioned by the last presenter or conduct their own study.

Member Britten also recommended referencing New York’s decision to remove the potency tax.

Chair Balducci suggested a recommendation that the State conduct their own study to analyze the viability of a potency tax. Executive Director Hughes and Member Britten agreed with the Chair’s recommendation.

Member Berthelot suggested the removal of the use of marijuana due to the term’s historically coded language and make the document more cohesive by only using cannabis. Chair Balducci supported Member Berthelot’s suggestion and agreed to change the term when possible, but noted that all uses of marijuana were in reference to the language used in current Nevada Revised Statutes, so the language may have to remain in some instances.

Member Kline mentioned the objection to the use of marijuana is when the word is spelled with an “h” instead of a “j” and that the other challenge is that cannabis can also encompass the hemp plant. Member Britten agreed with Member Kline and stated that on the federal level there is no acceptable substitute term.

Chair Balducci asked the group if they should keep federal references as marijuana and State references as cannabis. Member Kline suggested adding a footnote disclaimer to acknowledge the problematic term and state why it’s being used. Chair Balducci agreed to add language to a footnote but will also try and change marijuana to cannabis when possible.

Member Kline complimented Chair Balducci on putting the report together and synthesizing the material in a comprehensive and intelligible way. He also mentioned the public release of the Health and Human Services report. Chair Balducci stated that she will footnote the release of the document and the Subcommittee’s acknowledgement of the report. She stated that she can distribute the 250-page document to the other members if they are interested.

Chair Balducci thanked Member Kline for his compliment and stated that she couldn’t have done it without the involvement of her fellow members, including their help bringing in subject-matter experts. She thanked the Subcommittee for helping put together a big report in a short amount of time.

Member Britten echoed Member Kline’s comments and feels the report will be ready to go with some minor massaging.

Chair Balducci also mentioned that she will be fixing the citations in the report to condense and get them up to Blue Book standards. She asked Member Kline what his thoughts are on adding something to the report about international treaties. While this would have an impact on the

federal level, she felt the Nevada legislature may want some context on the unlikelihood of breaking international treaties. Member Kline stated that former subject-matter expert Shane Pennington wrote a comprehensive memo on the subject, which he will request from Mr. Pennington. The Chair can consider adding the memo as an exhibit or reference.

Chair Balducci will also be adding some forfeiture statutes that will be affected but do not need to be amended if a change occurs. She may also add a recommendation to modifying Title 56 provide recommendations to modify SB 328, which references the forfeiture statutes.

Chair Balducci summarized some of the changes that were discussed during the meeting that she will incorporate into the final report.

The Subcommittee agreed to hold their next meeting on Friday, February 9, 2024.

Chair Balducci and Executive Director Hughes discussed the Cannabis Advisory Commission's process for reviewing and approving the final report.

V. Consideration for Approval of the December 1, 2023, Rescheduling/Descheduling Subcommittee Meeting Minutes (for possible action)

Executive Director Hughes moved to approve the minutes. Member Britten seconded. Minutes approved unanimously. Member Kline abstained from the vote.

VI. Future Meetings (for discussion only)

The final meeting of the Descheduling/Rescheduling subcommittee will be held on Friday, February 9, 2024.

VII. Public Comment

Abad Piza referred to the Cannabis Compliance Board's previous meeting and stated that he felt it showed that the CCB is involved in corruption in how the social equity licenses were handled, and he believes that true equity is freedom. He stated that cannabis should have the same freedoms that gambling and alcohol have and believes that equity cannot be accomplished through legislation.

Peggy Shaner stated that the previous speaker's comments were not helpful and believes that accusatory and defaming comments should be muted.

Abby Kaufman, Secretary and Chair of the Chamber of Cannabis' Commerce Committee, thanked the subcommittee for sharing their report. She thanked the Cannabis Compliance Board as a whole for the opportunity for public discourse. She ended by saying she was looking forward to seeing the final version of the Subcommittee's report.

VIII. Adjournment

The meeting was adjourned at 1:38pm.