

Proposed Changes to NCCR Regulation 6

PRODUCTION and DISTRIBUTION of CANNABIS

New~~{Deleted}~~

6.035 Confidentiality of name and other *personal* information of *natural* persons who facilitate or deliver services pursuant to ~~Title~~ *title* 56 of NRS *and the regulations adopted pursuant thereto*; exceptions.

1. Except *the names of owners, officers, board members, and receivers of licensees, which are public as provided in subsection 3(b)&(c) of NRS 678A.470, as otherwise provided in this section and NRS 239.011 pursuant to subsection 6 of NRS 678B.650, the Board and any designee of the Board shall* to maintain *accountability, the confidentiality of and shall not disclose* *protect* the name *and* or any other *identifying personal* information of *a natural* person who *receives, facilitates or delivers services pursuant to Title title 56 of NRS or the NCCR, Except as otherwise provided in NRS 239.0115 the Board may disclose* the name and any other *identifying personal* information of *any such a natural* person ~~who facilitates or delivers services pursuant to Title 56 of NRS or NCCR are confidential.~~

2. Notwithstanding the provisions of subsection 1, the Board or its designee may ~~release the name and other identifying information of a person who facilitates or delivers services pursuant to Title 56 of NRS or NCCR~~ *to governmental agencies pursuant to subsection 4 of NRS 678A.470 as follows:*

(a) ~~Authorized employees of the Board or its designee as necessary to perform official duties of the Board; and~~

~~(b) Authorized~~ *To authorized* employees of federal, state ~~and/or~~ or local law enforcement agencies *only as necessary to:*

(1) To verify that a the natural person is lawfully receiving, facilitating or delivering services pursuant to Title title 56 of NRS or NCCR. Nothing in this regulation will preclude the Board from disclosing the name and contact information of any person who facilitates or delivers services when providing a list of witnesses pursuant to a disciplinary complaint.; or

(2) During a joint investigation for the enforcement of title 56 of NRS, including without limitation, the prevention of unlicensed cannabis sales, if the release of such information is necessary to carry out the investigation.

(b) To authorized agents of a governmental entity:

~~the~~ *(1) Upon a* lawful order or subpoena of a court of competent jurisdiction, ~~authorized agents of any agency of the United States Government, any state or any political subdivision of a state, or the government of any foreign country~~ *directing the release of such information to that governmental entity, except that the governmental entity is not subject to the motion and notice requirements set forth in subsection 5 of NRS 678A.470; or*

(2) Upon an administrative subpoena or other compulsory administrative process issued by that governmental entity acting within its lawful authority;

(3) Pursuant to a memorandum of understanding, intergovernmental agreement, or other contract with the Board entered into for the administration of Title 56 of NRS, and only to the extent necessary to carry out the duties and responsibilities established in that agreement or contract.

~~3.~~ **2.** Nothing in this section ~~prohibits~~ :

(a) *Prohibits* the Board from providing a local ~~government~~ *governmental jurisdiction* with a copy of all information and documentation provided as part of an application to operate a cannabis establishment, *which may include personal information as defined under subsection 8 of NRS 678A.670*, upon the request of the local ~~government~~ *governmental jurisdiction* and with the prior consent of the applicant

(b) *Prohibits the Board from disclosing the name or other personal information of a natural person described in this section, as necessary in the administration of title 56 of NRS or the NCCR, such as to undertake a Board audit, inspection, investigation, or disciplinary action.*

(c) *Requires the Board to redact the name of a natural person described in this section when disclosing an otherwise public record, so long as including that name does not reveal information that is not already available to the public or not otherwise known in the context of the record.*

6.072 Training and instruction required before agent may begin work or service as a volunteer.

1. A cannabis establishment shall ensure that training is provided to a cannabis establishment agent before that person begins ~~to work~~ *independently perform any duties, or* volunteering at or provide ~~ing~~ labor as a cannabis establishment agent at the cannabis establishment. *No cannabis establishment agent shall perform any duties independently or without the supervision of a designated trainer, who has been authorized and deemed qualified by the cannabis establishment, until the agent has been released from training, as documented by a training attestation.* Such training must include, without limitation:

(a) The proper use of security measures and controls that have been adopted by the cannabis establishment for the prevention of diversion, theft or loss of cannabis;

(b) Procedures and instructions for responding to an emergency; ~~and~~

(c) State and federal statutes and regulations related to the use of cannabis;

(d) Use of the seed-to-sale tracking system designated by the Board, in accordance with the Board's training requirements; and

(e) Procedures for the proper handling of cannabis plants, usable cannabis, concentrated cannabis and cannabis products.

2. In addition to the training set forth in subsection 1, a cannabis sales facility shall ensure that instruction is provided to a cannabis establishment agent (including delivery drivers) before that person begins to work *independently* or volunteer at or provide labor as a cannabis establishment agent to the cannabis sales facility. Such instruction must include, without limitation:

(a) The different strains of cannabis;

(b) The different methods of using cannabis and cannabis products;

(c) Learning to recognize signs of cannabis abuse, impairment or instability in the use of cannabis by a consumer;

(d) Clinical effects of cannabis on the human body and how THC affects the consumer;

(e) Required warnings and literature which must be supplied to the consumer;

(f) Methods of refusing entry or sales to prohibited persons, including, without limitation:

(1) Verifying *and authenticating* identification and using age verification devices;

(2) Education on the effects of cannabis on persons under 21 years of age; and

(3) Recognition of false or altered identification.

(g) Understanding the role of law enforcement in confirming compliance with laws and regulations relating to cannabis;

(h) Applicable state and local laws and regulations regarding cannabis;

- (i) Preventing unlawful consumption of cannabis, including, without limitation, information regarding laws which prohibit open or public consumption of cannabis;
- (j) Preventing the use of cannabis by persons under the age of 21 years, including, without limitation, laws which prohibit such use and the penalties for the violation of such laws;
- (k) How to prevent and address disturbances; and
- (l) The responsibility of the cannabis establishment agent to put into effect strategies adopted by the cannabis establishment to prevent the diversion of cannabis.

3. In addition to the training set forth in subsection 1, a cannabis independent testing laboratory shall ensure that instruction is provided to a cannabis establishment agent before that person begins to work or volunteer at or provide labor as a cannabis establishment agent to the cannabis independent testing laboratory. Such instruction must include, without limitation:

- (a) The good laboratory practices adopted by the cannabis independent testing laboratory; and
- (b) The standard operating procedures and the quality control and quality assurance programs of the cannabis independent testing laboratory.

4. In addition to the training set forth in subsection 1, a cannabis cultivation facility shall ensure that instruction is provided to a cannabis establishment agent before that person begins to work *independently* or volunteer at or provide labor as a cannabis establishment agent to the cannabis cultivation facility. Such instruction must include, without limitation:

- (a) The methods of cultivation used by the cannabis cultivation facility;
- (b) The methods of fertilization used by the cannabis cultivation facility;
- (c) Methods for recognizing the signs of insect infestation, pathogens and disease in cannabis plants, and the procedures for eradication and the safe disposal of plants so affected;
- (d) The nutritional requirements of cannabis plants at various growth stages, including, without limitation, proper mixing and dispersal of fertilizer, flushing procedures and procedures for postharvest trimming, drying and curing; and
- (e) The safe handling of equipment, including, without limitation, high-intensity discharge lamps, electrical ballasts, pumps, fans, cutting implements and other equipment for cultivation.

5. In addition to the training set forth in subsection 1, a cannabis production facility shall ensure that instruction is provided to a cannabis establishment agent before that person begins to work *independently* or volunteer at or provide labor as a cannabis establishment agent to the cannabis production facility. Such instruction must include, without limitation:

- (a) Understanding the difference between concentrated cannabis, topical products and cannabis products, as applicable to the operations of the cannabis production facility;
- (b) The procedures used by the cannabis production facility to create concentrated cannabis and cannabis products; and
- (c) The proper procedures for handling concentrated cannabis and cannabis products, including, without limitation, the procedures used to prepare, produce, package and store such products as required by the provisions of the NCCR and chapters 678D and 678C of NRS.

6. In addition to the training set forth in subsection 1, a cannabis distributor shall ensure that instruction is provided to a cannabis establishment agent before that person begins to work *independently* or volunteer at or provide labor as a cannabis establishment agent to the cannabis distributor. Such instruction must include, without limitation:

- (a) ~~Procedures for the proper handling of cannabis plants, usable cannabis, concentrated cannabis and cannabis products;~~
- ~~(b)~~ Procedures for the proper transportation and storage of cannabis plants, usable cannabis, concentrated cannabis and cannabis products; and

(~~e~~b) Information regarding the type of driver's license which must be maintained for the loads expected to be transported.

7. In addition to the training set forth in subsection 1, cannabis consumption lounges shall ensure that instruction is provided to a cannabis establishment agent before that person begins to work independently or volunteers or provides labor as a cannabis establishment agent at the cannabis consumption lounge. Such instruction must include, without limitation:

6.075 Development, documentation and implementation of certain policies and procedures; maintenance and availability. A cannabis establishment shall:

1. Develop, document and implement policies and procedures regarding:

(e) Facility-specific training, including, without limitation:

(1) on the cannabis establishment's operations, policies, and procedures;

(2) on the use of the state-designated seed-to-sale inventory tracking system, including the entry, reconciliation, and reporting of cannabis and cannabis product data;

(3) on the proper management and handling of cannabis and cannabis products, including storage, packaging, labeling, transfer, and waste procedures;

(4) on procedures to ensure the security of cannabis and cannabis products, including restricted access, surveillance, and incident reporting; and

(5) Any additional health, safety, or compliance training deemed necessary by the Board.

6.080 Inventory control system; authorized sources for acquisition of cannabis and cannabis products; duties of establishment if loss incurred; maintenance and availability of documentation.

4. A cannabis cultivation facility may acquire seeds for the cultivation of cannabis from any person if the acquisition of the seeds does not violate ~~the provisions of Title 56 of NRS~~ State and Federal laws. A cannabis cultivation facility may also acquire cannabis or cannabis products from a consumer if the acquisition does not violate the provisions of Title 56 of NRS.

7. Each cannabis establishment, ~~except a cannabis independent testing laboratory~~, shall establish and implement an inventory control system that documents:

(a) Each day's beginning inventory, acquisitions, harvests, sales, disbursements, disposal of unusable cannabis and ending inventory, including, without limitation, the:

(1) Number of plants and cuttings;

(2) Weight of flowers, measured in grams;

(3) Weight of trim, measured in grams;

(4) Quantity of THC, measured in milligrams;~~and~~

(5) Weight of seeds, measured in grams;~~and~~

(6) Weight of concentrated cannabis, measured in grams.

(d) For each batch of cannabis cultivated:

- (1) The batch number, lot number and production run number, as applicable.
- (2) Whether the batch originated from cannabis seeds or cannabis cuttings.
- (3) The strain of the cannabis seeds or cannabis cuttings planted.
- (4) The number of cannabis seeds or cannabis cuttings planted.
- (5) The date on which the cannabis seeds or cuttings were planted.
- (6) A list of all chemical additives used in the cultivation, including, without limitation, nonorganic pesticides, herbicides and fertilizers.
- (7) The number of cannabis plants grown to maturity.
- (8) Harvest information, including, without limitation:
 - (I) The date of harvest
 - (II) The harvest batch number;
 - ~~(III)~~ (III) The final yield weight of processed usable cannabis, in grams; and
 - (IV) The name and the number of the cannabis establishment agent registration card of the cannabis establishment agent responsible for the harvest.

8. Each cannabis establishment shall:

- (a) Establish and maintain a seed-to-sale tracking system which adequately documents the flow of cannabis materials ~~through the manufacturing process~~ from raw input through processing, packaging, and final sale, to ensure complete traceability. The system must be capable of capturing real-time data and maintaining audit trails in compliance with GAAP Inventory Accounting Standards and the COSO Framework Principal 10: Control activities, which requires the implementation of controls through policies and procedures.
- (b) Establish procedures which reconcile the raw material used to create the finished product on the basis of each job. Significant variances must be documented, investigated by management personnel and immediately reported to the appropriate Board agent and to the cannabis establishment that ordered the concentrated cannabis or cannabis product.
- (c) Provide for quarterly physical inventory counts to be performed by persons independent of the manufacturing process which are reconciled to the perpetual inventory records. Significant variances must be documented, investigated by management personnel and reported to the appropriate Board agent within 24 hours after the completion of the investigation.

9. If a cannabis establishment identifies a reduction in the amount of cannabis in the inventory of the cannabis establishment which is not due to documented causes, the cannabis establishment shall:

- (a) Notify the Board of the discrepancy within 24 hours after discovering the reduction;
- (b) Conduct an investigation to determine where the loss has occurred;
- (c) Take and document corrective action; and
- (d) Notify the Board of the results of any investigation conducted by the cannabis establishment within 24 hours after the completion of the investigation.

10. If the reduction in the amount of cannabis in the inventory of the cannabis establishment is due to suspected criminal activity by a cannabis establishment agent, the cannabis establishment shall report the cannabis establishment agent to the Board in writing and to the appropriate law enforcement agencies within 24 hours. The Board may require the cannabis establishment to provide additional information as it determines necessary to conduct an investigation.

11. A cannabis establishment shall:

- (a) Maintain the documentation required by subsections 7, 8 and 9 at the cannabis establishment for at least 5 years after the date on the document; and
- (b) Provide the documentation required by subsections 7, 8 and 9 to the Board or Board agents for review upon request.

(c) Use Board-approved forms or formats to maintain and provide documentation required under subsections 7 through 9, when the forms are available.

6.085 Required security measures, equipment and personnel; location of outdoor cultivation facility must allow for response by local law enforcement.

- 1. To prevent unauthorized access to cannabis at a cannabis establishment, the cannabis establishment must develop a written standard operating procedure for security and have:
 - (a) All entrances of the physical building secured in accordance with this section.

- (3) Electronic monitoring, including, without limitation, each of the following:

(IV) Video cameras with a recording resolution of at least 720 x 480, or the equivalent, at a rate of at least 15 frames per second which provide continuous coverage of all limited access areas not described in sub-subparagraph (III) and any activity occurring in or adjacent to the establishment, which record 24 hours per day, which are capable of being accessed remotely by a law enforcement agency, the Board, and Board agents in real time upon request, which may record motion only and which, for a cannabis cultivation facility which engages in outdoor cultivation, cover the entirety of the cultivation area and the perimeter and exterior area of the cannabis cultivation facility. The information necessary to remotely access the camera footage must be entered into the cannabis establishment's portal within the Board's electronic licensing system;

(IX) Sufficient battery backup for video cameras and recording equipment to support at least ~~5~~ 60 minutes of recording in the event of a power outage;

- 2. Each video camera used pursuant to subparagraph (3) of paragraph (c) of subsection 1 must:

- (a) Include a date and time generator which ~~possesses the capability to display~~ displays the date and time of recorded events on the recording in a manner that does not significantly obstruct the recorded view; and
- (b) Be installed in a manner that will prevent the video camera from being readily obstructed, tampered with or disabled. This includes accounting for the changing height and density of plants during growth cycles.

6.100 Quality assurance testing required before sale or transfer of products. A cannabis establishment shall not sell, combine lots, or transfer a lot of usable cannabis, concentrated cannabis or cannabis products until all required quality assurance testing has been completed.

6.120 Restrictions on advertising; required posting of signs in cannabis sales facility.

3. A sign containing only a business name of company logo is not required to contain the words “Keep out of reach of children” or “For use only by adults 21 years of age and older.” *A cannabis establishment must maintain advertisement documentation for at least five years, if advertising to an audience and determining the percentage of persons under 21 years of age. The cannabis establishment must be able to demonstrate the manner in which it determined the reasonably expected age of the audience for that advertisement.*
4. *A cannabis establishment shall not advertise or offer any cannabis or cannabis product as “free” or “donated” without a purchase in the same transaction.*

Proposed Changes to NCCR Regulation 7

CANNABIS SALES FACILITY

New

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7.015 Duties of cannabis establishment agent before sale to consumer. Before a cannabis establishment agent sells cannabis or cannabis products to a consumer, the cannabis establishment agent shall:

1. Manually Verify ~~verify~~ the age of the consumer by checking a valid government-issued identification card containing a photograph of the consumer at point of entry and by using an identification scanner approved by the appropriate Board Agent to determine the validity of any government-issued identification card either at point of entry or point of sale;
2. Offer any appropriate consumer education or support materials; and
3. Enter the following information into the inventory control system:
 - (a) The amount of cannabis or cannabis product sold;
 - (b) The date and time at which the cannabis or cannabis product was sold;
 - (c) The number of the cannabis establishment agent registration card of the cannabis establishment agent; and
 - (d) The number of the license for the cannabis establishment.

Proposed Changes to NCCR Regulation 10

MINIMUM GOOD MANUFACTURING PRACTICES for
CULTIVATION and PREPARATION of CANNABIS PRODUCTS
for ADMINISTRATION to HUMANS

New

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10.080 Cannabis establishment: Storage, management and disposal of waste.

4. A cannabis establishment shall provide notice to the Board using the seed-to-sale tracking system before rendering unusable and disposing of cannabis or cannabis products.

(a) If the total amount to be disposed exceeds 23,000 grams, 4,000 individual units, or 50 pounds in aggregate weight of cannabis, cannabis products, or biomass, the cannabis establishment must submit a separate disposal request through the Board's electronic licensing system (Accela) for review and approval before proceeding.

(b) Routine cultivation waste such as fan leaves, stems, root balls, and other plant material not associated with tracked packages or tagged plants may be destroyed and logged in the seed-to-sale system without a separate Accela request, provided the waste is rendered unusable and recorded in compliance with NCCR.

(c) All destruction and disposal activities must be conducted under surveillance cameras and documented with time-stamped photographic evidence, method of destruction, and the name and agent ID of the employee(s) responsible.

Proposed Changes to NCCR Regulation 12

PACKAGING and LABELING of CANNABIS PRODUCTS

New~~{Deleted}~~**12.010 Requirements for single packages.**

1. A single package for an adult-use cannabis product sold as a pill must not contain more than 100 milligrams of THC per capsule or more than ~~800~~ 1000 milligrams of THC per package.
2. For cannabis or cannabis products that are intended to be sold to a consumer, the text used on all labeling must be printed in at least 8-point font and may not be in italics.

12.015 Requirements for packaging cannabis, cannabis products and edible cannabis products.

1. Except as otherwise provided in NCCR 12.040 and NCCR 12.045, any cannabis or cannabis product sold by a cannabis establishment must:
 - (a) Be clearly and unambiguously packaged as cannabis with the words “THIS PRODUCT CONTAINS CANNABIS” and the warning “KEEP OUT OF REACH OF CHILDREN” in bold type that clearly identifies that the product contains cannabis .
 - (b) Be packaged in a manner which is not modeled after a brand of products primarily consumed by or marketed to children .
 - (c) Be presented in packaging which does not contain an anthropomorphic image or an image of a cartoon character, mascot, action figure, balloon or toy, except that , for a cannabis product, such an item may appear in the logo of the cannabis production facility which produced the product.

12.070 Advertising of cannabis

1. Except as otherwise provided in subsection 2, a cannabis establishment shall ensure that all advertising by the cannabis establishment contains :
 - (a) In a visible and legible manner, the following warnings :
 - (1) “Keep out of reach of children”; and
 - (2) “For use only by adults 21 years of age and older”; and
 - (b) The following information in a visible and legible manner:
 - (1) The name of the cannabis establishment; and
 - (2) The cannabis establishment ID number assigned to the cannabis establishment by the cannabis establishment by the Board or if a cannabis establishment holds more than one license, either the adult-use cannabis establishment ID number or the medical cannabis establishment ID number.
2. The requirements of subsection 1 do not apply to:
 - (a) Signage of the business name, company logos, devices, lights, figures, paintings, drawings, branding or plaques that are used in the design of the cannabis establishment; or
 - (b) Advertisements which are posted inside a licensed cannabis establishment and are not for distribution, including, without limitation, displays or images for the promotion of a brand.
3. Except as otherwise provided in subsection 4, a cannabis establishment shall not engage in advertising that:
 - (a) In any way makes cannabis or cannabis products appeal to children, including , without limitation, advertising which uses an anthropomorphic image or an image of a cartoon character, mascot, action figure, balloon, fruit or toy; or
 - (b) Is modeled after a brand of products primarily consumed by or marketed to children.

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