

Nevada Cannabis Advisory Commission

Subcommittee on Taxation

Meeting Minutes April 14, 2026

The Nevada Cannabis Advisory Commission Subcommittee on Taxation held a meeting via Zoom on April 14h, 2026, at 1:00 pm

Members Present:

Erica Scott

David Goldwater

Mauricio Solorio Arteaga

Chair Scott called the meeting to order at 1:00 pm.

I. Public Comment

No public comment was provided.

II. Member Introduction

Chair Scott introduced Mauricio Solorio Arteaga from the Governor's Office of Finance to the group and Mauricio took a moment to introduce himself.

III. Consideration of Approval of the CAC Subcommittee on Taxation March 24th, 2026, Meeting Minutes (for possible action)

Chair Scott took a vote on the meeting minutes from March 24th, 2026, CAC Subcommittee on Taxation.

Motion made by David Goldwater

All members were in favor of the motion and the item passed

IV. Research and Data (for discussion only)

A. Cannabis Data

Chair Scott wanted to discuss the research and data since Member Solorio Arteaga was in the meeting and give him a chance to explain in more depth the data that has been obtained so far and what we plan to do with the subcommittee based on the analysis that is required.

Mauricio Solorio Arteaga explained that they have retail sales records from January 2019-December 2024. We have data on wages, on earnings and on employment data. We have also gathered, per zip code, we have gathered demographic information per zip code, so we know how many males and females were living in a certain zip code. We know also ethnicities, Hispanic, white, African Americans. We also have the total population per zip code, varying over the years. And we do have sales tax information with regards to each county, because each county has different sales tax rates that you need to add on top of the 10% retail tax that people get when they buy any cannabis products. So, we have that information also breaks it down. Another one that we have also is the number of dispensaries per zip code per year. That's another one that we're going to be using to measure some sort of supply, and that's where we're at so far. And right now, we're trying to get the data of sales from the beginning of 2025 all the way to September of 2025, and the

reason why we're only going to go to September is because the BLS data, the most current release of that BLS data goes to September 2025. So that's why we kind of need to wait until the next release which is on June 2nd of this year. They're going to be releasing the last quarter of 2025 with regards to wages, earnings, and unemployment rates of every single zip code. So that's where we're at so far. We haven't done much of any analysis. We did some sort of preliminary analysis on elasticities of each product. But that was before we started cleaning up the data, because the data... We noticed that some dispensaries name the same thing differently. You know, they have different nomenclatures for the same thing, so we went ahead and looked at the entire nomenclatures of every single dispensary. We clean it up. So, we standardized the naming, and we standardized the units as well, because some of them were in milliliters, some of others were in ounces, so we started standardized that unit and the naming as well. After we did that, we didn't do any sort of elasticity analysis on it, because we were working on gathering all this other data from outside sources. So that's where we're at so far.

Chair Scott mentioned that in reviewing a lot of other existing articles and analysis the existing data used is from quite a few years back so what Member Solorio is compiling is necessary for this study to be done with more up to date market data. Chair Scott mentioned that she will obtain and standardize the data to add to Member Solorio's time series.

Member Solorio stated that he has data up to December 2024.

Chair Scott stated that they will use any data we have access to that is the most recent including what we can get for 2025 and the BLS statistics.

Member Solorio mentioned we need statistics on measure of supply, or how much product was grown, how much of it was sold, and how much was left in inventory. We have this much product, but the demand was only this, you know, so how would you do that supply and demand type of analysis on it?

Member Goldwater mentioned that this has been part of the challenge, but he thinks that the group is headed in the right direction. However, he wanted to mention one of the challenges in the cannabis market is that there is still a lot of demand for cannabis but a lot of that comes from the illegal market. Wanting to make sure that in the analysis they aren't talking about some low demand figure but the effect of competitors from the unregulated market since illegal dealers aren't reporting.

Chair Scott thanked Goldwater for his comment and mentioned a similar issue with limited samples for illicit market data while completing the Cannabis Compliance Board Market Study in the past.

Member Goldwater also mentioned that it is important to note that increase price at the retail level tends to adversely affect demand.

Member Solorio mentioned that one of the things that they are trying to figure out is the substitution effect that happens between the same cannabis products, because this is something that we are aware of when people go to a dispensary they are looking for the cheapest thing they can get so we are trying to see what happens when the price goes higher.

Chair Scott mentioned that she would compile the data needed on cannabis sales.

B. Consumable Hemp Data

Chair Scott mentioned pricing and convenience driving consumers to online retailers being a concern and mentioned Amanda Connors presentation done at the last CAC Subcommittee on Hemp meeting with items being sold online as Hemp product rather than a licensed cannabis product.

If Nevada is to bring on those consumable Hemp products and create a tax for that product as well, the data behind that study is a significant challenge. Chair Scott wanted to open the conversation on data for the study and discuss what happens if we have an excise tax on consumable hemp.

Member Goldwater has two thoughts: There are two sources of economic activity. The first source is the state, and you could pull from some of the sales tax records of the smoke shops where a lot of this Intoxicating hemp is sold. They do a lot of business. I'm not sure what their codes are for those products, but they have them, and there are sales occurring within the state there that you can pull that data.

As far as what's happening online, I don't believe that they are paying sales tax, the online sale of this product through any of the Streamlined Sales Tax Project, or any of that, but to the degree you could extrapolate the brick-and-mortar sales to the... anybody who is participating in these things in the and their codes. That would be the best idea I would have for modeling that.

Chair Scott, I'm curious if we can look at any other states that have better tracking as far as the way they've allowed for consumable hemp, and if there is tracking of that. I'll have to look into some of those other states, and if they can provide some sort of estimate of market share. The issue with when we start looking at taxable sales coming from specified NAICS categories that these businesses register for sales tax. A lot of times they encompass so much other business we can't suss out the strictly consumable hemp sales. The way that the taxpayers also fill out their returns is they're only filling out their total sales of all items, so it's not, specific... it's not going to be specific by what type of product they're selling in their shops as well. So that makes it a little difficult, but I know there's just going to be a lot more research on our end, to be able to find some sort of reliable statistics to apply some sort of ratio or something of sales that are consumable hemp, so that we can factor this in. I know that we can come up with a good methodology, it's just getting off the ground with which data source do we chase after.

Member Solorio asked if the Department of Agriculture would have any helpful info on tracking hemp products.

Chair Scott mentioned that they are unsure if there is any tracking on hemp sales similar to the licensed cannabis, but we can reach out to the Department of Agriculture to ask about any tracking system they might have.

V. Consumable Hemp Overview (for discussion only)

Member Goldwater talked about the loophole in the Federal Law where hemp is produced at an intoxicating level competing with cannabis products and these are sold online or in brick-and-mortar stores in competition with licensed dispensaries using hemp products.

Chair Scott mentioned the changes effective in November the additional changes to the federal acknowledgment or definition of hemp and the consumable hemp. So, there was that loophole for testing, where they only had to test 30 days before harvest, for hemp and

that was the only testing of the product essentially, after harvest. Then producers make concentrates or versions of this hemp would be created to make these consumable hemp products that had THC and the advertisements are online. Searching online you find drinks, mainly drinks. But a friend who had been using CBD gummies to sleep is now receiving advertisements from that same company that they have THC versions of the product, which is not allowed in Nevada. But it's this loophole that is supposed to be curbed in November.

I guess we can treat it in this study as if that's not going to be an ongoing long-term situation as regulations are established to keep that product at bay, in Nevada, since that's our current state law. This is a tough one, because we must put out a study where we are looking at the potential of an excise tax on consumable hemp when the entire industry is in complete overhaul of change, currently.

Member Goldwater What happens at the local level will matter more than what happens at the federal level, because the smoke shops are prolific sellers of this product, and they're the ones that compete with us. If you offer estimates, use very conservative estimates on what retail sales would be of these intoxicating hemp products going forward. It is certainly not going to be something people are going to be excited about registering and especially once they're competing with the licensed retailers. You know, they will not have the price advantage that they currently have.

So, for the purpose of modeling, put that out there. I'd be more conservative than the trailing 3 years would probably be explosive growth. I think the next 3 years will be a big slowdown.

Chair Scott felt that was a good point to be made. Mentioned the study will discuss any changes and regulations that may be necessary, so clearly testing portion of this is what would be important to consumers. If that is the big piece that is missing in consumable hemp, if they're making the same product, but then the actual testing was only done 30 days before harvest, additional testing, since it's required on licensed cannabis would need to be required also on consumable hemp.

That would be something that we would need to discuss in this study as well, if we start our discussion of with the excise Tax on consumable hemp. We would need to add something about regulations on the testing.

Chair Scott wrapped up this agenda item by stating the team has a lot to work on here for the next meeting.

- VI. Future Meetings (for discussion only)
Chair Scott mentioned meeting next month in order to give everyone time to compile their data.
- VII. Public Comment
No one was online to provide public comments.
- VIII. Adjournment
1:52pm