CANNABIS COMPLIANCE BOARD
STATE OF NEVADA
ccb.nv.gov
CARSON CITY OFFICE
3850 Arrowhead Drive, Suite 100
Carson City, Nevada 89706
Main Line: (775) 687-6299

LAS VEGAS OFFICE
700 East Warm Springs Road, Suite 100
Las Vegas, Nevada 89119

JOE LOMBARDO
Governor

MICHAEL MILES
Executive Director

MAJ. GEN. ONDRA BERRY, (RET.)
Chair

Nevada Cannabis Advisory Commission
Subcommittee on Taxation
Meeting Minutes July 31st, 2026

The Nevada Cannabis Advisory Commission Subcommittee on Taxation held a meeting via Zoom on **July 31st, 2026**, at 1:00p.m.

Members Present:
Chair – Erica Scott
Frederick Steinman
Mauricio Solorio Arteaga
David Goldwater
Mitchell Britten

Member's Absent:

Chair Scott called the meeting to order at 9:00a.m.

I. Public Comment
   a. There was no one online to provide public comment.
II. Consideration of Approval of the CAC Subcommittee on Taxation July 23rd, 2026, Meeting Minutes (for possible action)
   a. Member Steinmann moved to approve the June meeting minutes, and Member Goldwater seconded.
III. Discussion of Study Outline (for discussion only)
   a. Chair Scott opened the discussion commending Member Goldwater on the introduction and that they were working on adding in citations.
      i. Member Goldwater stated that he had another outline of citations to be added to the document and that edits could be made in the document.
      ii. Chair Scott replied that the state of Nevada employees could not access shared documents, but she would lead edits the group would like to make to the document she was able to download from Member Goldwater.
   b. Chair Scott then requested updates from Member Solorio-Arteaga on the datasets being prepared for the report.
      i. Member Solorio-Arteaga stated that he was having an issue with the model price elasticity with infused edibles. For some reason, the model showed that infused edibles have a positive elasticity, which is counterintuitive for regular data models on retail goods. He found that there was an error and that some of the data was being treated as text instead of numbers.

ii. Member Solorio-Arteaga then ran a simulation with what will happen if the retail excise tax is increased to 20% and continued to test the model for errors.

    1. The data showed a substantial decrease in the quantity demand and retail sales but the excise tax that the state collects would increase significantly. This increase in money generated by the 20% excise tax would be approximately 82%.
    2. Member Solorio-Arteaga then found that the base tax to be used in the model should not reflect a 10% excise tax, it would be approximately 17% because of the sales tax on top of it. So, to increase the excise tax to 20% it would have to reflect the total tax being charged to produce an accurate quantity.
    3. Member Solorio-Arteaga's next steps are to fix the infused edible issue and find a ratio that models where the Laffer curve exists. In taxation, there is a tax rate to tax revenue curve and there is a point on that curve where the revenue starts to go down just because the tax rate is way too high and customers begin to completely exit the market. The data set will need to be tested where the revenue is at the max with no decline on the demand side to be the most effective tax rate.
        a. Member Goldwater requested that the data model also consider the portion of medical cannabis users that are currently not subject to the retail tax. Generally, recreational consumers weigh the cost of becoming a medical patient approved for cannabis use against the price of cannabis at retail and that if the retail tax were to increase significantly, it could incentivize consumers to get their medical cards so they would not be subject to that price increase.
        b. Member Solorio-Arteaga agreed that the consideration of medical patients should be incorporated into the data model and asked how many individuals currently have medical cards. Member Goldwater stated that he believed [The Department of Public and Behavioral Health] DPBH had a publicly available database on the current amount of medical card holders in the state of Nevada.
        c. Further discussion occurred regarding rationale for consumers to not want to pay an increased excise tax, including what the breaking point for consumers would be to go directly to the illicit market.
        d. Chair Scott stated that although there is not a specific set of data around the illicit market, the data model would give a very specific rationale and then the members could make other logical recommendations to reduce the incentive for consumers to turn to the illicit market in the assumptions section of their report.

iii. Chair Scott valued the addition of medical patients into their data because when looking at other recreational states, specifically Minnesota that has the closest tax structure to Nevada, the medical sales were almost half at the beginning of recreational cannabis being legalized but has decreased over the years. This trend is similar to what occurred in the first three years of sales in Nevada as Minnesota's sales for recreation are going up and the sales for medical are maintaining about the same.

c. Chair Scott explained that the report would have an "Assumptions" section, where members would address variables that the subcommittee would be unable to model in data, and a "Additional Regulation Requirements" section where further suggestions could be made by the subcommittee.
    i. Member Solorio-Arteaga brought up the assumption that he has included in the data model, being that even with the removal of the wholesale tax the retail price of products would most likely remain the same. Chair Scott responded that this should be addressed in the assumptions section and that they would have to take into account the margins for profit have drastically reduced for cannabis wholesalers.
    ii. Chair Scott then opened the discussion for further regulation requirements including the restrictions on cannabis establishments having to be so many feet away from a casino as an example.
        1. Member Goldwater stated that additional regulatory requirement suggestions don't seem to be within the scope of the subcommittees mission currently and that focus should be on building a model for the elasticity of demand and whether it makes sense to change the current scheme of cannabis taxation in Nevada. Chair Scott agreed.
        2. Member Goldwater continued that there may be regulatory suggestions they could make to support the cannabis industry that have to do with where the tax is paid, but it would overcomplicate the current mission of the subcommittee and similarly, how to address the extra financial burden cannabis establishments bare not being able to finance their businesses through regular loans.
        3. Member Steinmann included that the conception of enforcement is beyond the scope of what the current subcommittee can consider. There is a cost of enforcement to regulatory changes which are contrary to the revenue model to be estimated, because although they could suggest increasing tax revenues based upon different fiscal policies, that could still require a regulatory framework that has to be built with an enforcement mechanism. Ultimately, it would start to erode the economic and fiscal benefit of the suggestion in the first place. All members agreed.

d. Chair Scott then began an overview of the outline remarking on the assumptions to be added to the report and began discussion of the hemp section.
    i. Members discussed the hemp tax revenue data Chair Scott found from Minnesota and how they could reflect that system to Nevada's current market. Member Steinmann questioned the amount of licenses Minnesota currently has and asked if cannibalization of the market shows anywhere in the data. Members discussed that what is happening in Minnesota could be reflected to Nevada, but it would have to be incredibly bare numbers and assumptions.
    ii. Chair Scott then asked how members felt about the federal handling of hemp legalization and what the subcommittee's suggestion would be regarding not taxing hemp in the state. Member Goldwater responded that not taxing consumable hemp would be very bad for the legal cannabis industry and should be taxed the same, if not more, than cannabis. Chair Scott agreed and included that they could even include imposing the same kinds of licensing fees to consumable hemp businesses as well.

IV. Future Meetings (for discussion only)

  a. Chair Scott requested to have a meeting on the calendar for the following week, and a form link would be sent out for everyone's availability.

V. Public Comment

  a. There was no one online to provide public comment.

VI. Adjournment

  a. Chair Scott adjourned the meeting at 2:05pm.