

THE ELEPHANT IN NEVADA’S HOTEL ROOMS:

APPENDIX A

Legislative Proposals for a Social-Consumption Industry¹

1.

Suggested Senate/Assembly Bill 1

For Nevada’s 2019 (or 2021) Legislative Session

SUMMARY— Requires an onsite consumption endorsement issued by the Department of Taxation to operate a designated consumption area within a retail marijuana store; Requires a license issued by a local government to operate a designated consumption area in a retail marijuana store; Provides conditions subject to which a local government may authorize, license, and regulate consumption of marijuana in a designated consumption area of a retail marijuana store.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 453D.030 is hereby amended to read as follows:

As used in this chapter, unless the context otherwise requires:

1. “Community facility” means a facility licensed to provide day care to children, a public park, a public playground, a public swimming pool, a center or facility the primary purpose of which is to provide recreational opportunities or services to children or adolescents, or a church, synagogue, or other building, structure, or place used for religious worship or other religious purpose.

2. “Concentrated marijuana” means the separated resin, whether crude or purified, obtained from marijuana.

3. “Consumer” means a person who is 21 years of age or older who purchases marijuana or marijuana products for use by persons 21 years of age or older, but not for resale to others.

4. “Department” means the Department of Taxation.

¹ EXPLANATION – Matter in *italics* is new; matter between brackets ~~omitted material~~ is material to be omitted; matter enclosed in *optional material* is optional; and matter enclosed in *alternative version* is an alternative version of the immediately preceding provision.

5. *“Designated consumption area” means the specifically designated, physically separated, and independently ventilated area within a retail marijuana store where, pursuant to an onsite consumption endorsement issued by the Department, persons may consume individual onsite-consumption servings of marijuana {and/or marijuana products}.*

~~{5-}~~ 6. “Dual licensee” means a person or group of persons who possess a current, valid registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS and a license to operate a marijuana establishment under this chapter.

~~{6-}~~ 7. “Excluded felony offense” means a conviction of an offense that would constitute a category A felony if committed in Nevada or convictions for two or more offenses that would constitute felonies if committed in Nevada. “Excluded felony offense” does not include:

(a) A criminal offense for which the sentence, including any term of probation, incarceration, or supervised release, was completed more than 10 years ago; or

(b) An offense involving conduct that would be immune from arrest, prosecution, or penalty pursuant to chapter 453A of NRS, except that the conduct occurred before the effective date of chapter 453A of NRS (October 1, 2001), or was prosecuted by an authority other than the State of Nevada.

8. *“Individual onsite-consumption serving” means the limitations and restrictions on the sale of marijuana and marijuana products sold for the purpose of consumption in the designated consumption area of a retail marijuana store imposed by the Department pursuant to NRS 453D.200. {“Individual onsite-consumption serving” does not include: with respect to marijuana, any individually packaged marijuana in an amount that exceeds one gram by weight; and with respect to marijuana products, any individually packaged marijuana product that contains or comprises more than 10 milligrams of THC.}*

~~{7-}~~ 9. “Locality” means a city or town, or, in reference to a location outside the boundaries of a city or town, a county. *{“Locality” includes the governing body of a town or an incorporated city in this State, whether organized pursuant to general law or special charter, and board of county commissioners of a county in this State.}*

~~{8-}~~ 10. “Marijuana” means all parts of any plant of the genus Cannabis, whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Marijuana” does not include:

(a) The mature stems of the plant, fiber produced from the stems, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stems (except the resin extracted therefrom), fiber, oil, or cake, the sterilized seed of the plant which is incapable of germination; or

(b) The weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

~~[9.]~~ 11. “Marijuana cultivation facility” means an entity licensed to cultivate, process, and package marijuana, to have marijuana tested by a marijuana testing facility, and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

~~[10.]~~ 12. “Marijuana distributor” means an entity licensed to transport marijuana from a marijuana establishment to another marijuana establishment.

~~[11.]~~ 13. “Marijuana establishment” means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, or a retail marijuana store.

~~[12.]~~ 14. “Marijuana product manufacturing facility” means an entity licensed to purchase marijuana, manufacture, process, and package marijuana and marijuana products, and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

~~[13.]~~ 15. “Marijuana products” means products comprised of marijuana or concentrated marijuana and other ingredients that are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

~~[14.]~~ 16. “Marijuana paraphernalia” means any equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, preparing, testing, analyzing, packaging, repackaging, storing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

~~[15.]~~ 17. “Marijuana testing facility” means an entity licensed to test marijuana and marijuana products, including for potency and contaminants.

18. *“Onsite consumption endorsement” means an endorsement issued by the Department pursuant to NRS 453D.210. A retail marijuana store with an onsite consumption endorsement is authorized to permit consumption of marijuana {and marijuana products} in the designated consumption area of the retail marijuana store for which the endorsement was issued.*

~~[16.]~~ 19. “Process” means to harvest, dry, cure, trim, and separate parts of the marijuana plant by manual or mechanical means, such as sieving or ice water separation, but not by chemical extraction or chemical synthesis.

~~[17.]~~ 20. “Public place” means an area to which the public is invited or in which the public is permitted regardless of age. “Public place” does not include a retail marijuana store.

||| ~~[17.]~~ 20. “Public place” means any area, *establishment, or premises* to which the public is invited or in which the public is permitted, regardless of *any* age *restrictions on entry*. “Public place” does not include a retail marijuana store. |||

~~[18.]~~ 21. “Retail marijuana store” means an entity licensed to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities and retail marijuana stores, and to sell marijuana and marijuana products to consumers. *“Retail*

marijuana store” includes the retail premises of a retail marijuana store and, if applicable, the designated consumption area of a retail marijuana store with an onsite consumption endorsement.

22. *“Retail premises of a retail marijuana store” means the premises of a retail marijuana store. “Retail premises of a retail marijuana store” does not include the designated consumption area of a retail marijuana store with an onsite consumption endorsement.*

~~[19.]~~ 23. *“Unreasonably impracticable” means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent businessperson.*

Section 2. Subsection (2) of NRS 453D.400 is hereby amended to read as follows:

2. A person who smokes or otherwise consumes marijuana in a public place, in *the retail premises of* a retail marijuana store, or in a moving vehicle is guilty of a misdemeanor punished by a fine of not more than \$600.

Section 3. NRS 453D.200 is hereby amended by adding the following Subsections (8), (9) and (10):

8. *Not later than January 1, 2020, the Department shall adopt all regulations necessary or convenient to carry out the provisions of this chapter. The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. The regulations shall include:*

(a) *Procedures for the issuance, renewal, suspension, and revocation of an onsite consumption endorsement;*

(b) *Qualifications for licensure that are directly and demonstrably related to the operation of a designated consumption area in a marijuana establishment;*

(c) *Requirements for the security of designated consumption areas in marijuana establishments;*

(d) *Requirements for the packaging of marijuana {and marijuana products} sold in individual onsite-consumption servings;*

(e) *Requirements for the testing and labeling of marijuana {and marijuana products} sold in individual onsite-consumption servings;*

(f) *Requirements for record keeping by marijuana establishments operating designated consumption areas;*

(g) *Reasonable restrictions on signage, marketing, display, and advertising for designated consumption areas;*

(h) *A definition of “onsite-consumption individual serving”;*

(i) *Specifications and other requirements for the construction and operation of a designated consumption area in a retail marijuana store, including but not limited to specific requirements for how a designated consumption area*

within a retail marijuana store should be specifically designated, physically separated, and independently ventilated from the retail premises of the retail marijuana store;

(j) Requirements and process for submitting applications for onsite consumption endorsements;

(k)[. . .]; and

(l) Civil penalties for any violation of this Act.

9. The Department shall approve or deny local ordinances pursuant to NRS 453D.210.

10. The Department shall approve or deny applications for onsite consumption endorsements pursuant to NRS 453D.210.

Section 4. NRS 453D.210 is hereby amended by adding the following Subsections (7), (8) and (9):

7. A locality may submit to the Department for approval a proposed ordinance that would provide for the licensing and regulation of retail marijuana stores that wish to operate designated consumption areas on their premises. The Department shall approve any such ordinance unless the ordinance:

(a) Contains any provision that purports to authorize what would constitute a violation of any State regulation or provision of State law; or

(b) Fails to meet any other requirement set forth by the Department pursuant to NRS 453D.200(8).

8. The Department shall not issue an onsite consumption endorsement to a retail marijuana store located in the jurisdiction of a locality whose board of county commissioners or governing body does not:

(a) Submit a proposed ordinance for approval by the Department pursuant to subsection (7);

(b) Receive a written confirmation from the Department that the proposed ordinance has been approved by the Department pursuant to subsection (7);

(c) Enact the proposed ordinance that was approved by the Department pursuant to subsection (7); and

(d) Refrain from amending or altering the enacted ordinance that was approved by the Department pursuant to subsection (7) without notifying the Department of the proposed amendments or alterations and receiving a written confirmation from the Department that the proposed amended or altered ordinance has been approved by the Department pursuant to subsection (7).

9. A retail marijuana store in a locality with an ordinance that meets the requirements of subsection 7 may submit to the Department an application for an onsite consumption endorsement. The Department may approve an application and issue an onsite consumption endorsement only if:

(a) The application meets all requirements set forth by the Department pursuant to NRS 453D.200(8).

(b) The proposed designated consumption area meets all requirements set forth by the Department pursuant to NRS 453D.200(8).

Section 5. NRS 453D.220 is hereby amended by adding the following Subsection (3):

3. All onsite consumption endorsements expire on the sooner of one year after the date of issue or upon the expiration of the license that was current at the time the onsite consumption endorsement was issued.

Section 6. NRS 453D.400 is hereby amended by adding the following Subsection (9):

9. A retail marijuana store which:

(a) Allows or fails to reasonably prohibit consumption of marijuana on any part of its premises other than a designated consumption area for which a valid and current onsite consumption endorsement has been issued by the Department pursuant to NRS 453D.200(10); or

(c) Fails to comply with any regulation issued by the Department {pursuant to the Department's authority under NRS 453D.200(8)};

Is subject to such civil penalties as the Department issues pursuant to its authorities under NRS 453D.200.

Section 7. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The board of county commissioners of each county may, by ordinance, require each person who wishes to operate a business in which the use of marijuana is allowed in an unincorporated area of the county to obtain a license issued by the board before the person operates the business.

2. The ordinance must require each applicant for such a license to submit an application for the license or permit to the board of county commissioners in a form prescribed by the board.

3. The board of county commissioners shall not issue a license pursuant to this section if the proposed business in which the use of marijuana is allowed:

(a) Would be located on the property of a public airport, within 1,000 feet of a public or private school or within 300 feet of a community facility;

(b) Would allow the consumption of marijuana at any place which is viewable from a public place; or

(c) Would allow any person who is less than 21 years of age to enter the business.

4. The board of county commissioners may:

(a) Establish and collect a fee for the issuance or renewal of a license issued pursuant to this section which does not exceed the fee charged for a business license for similar businesses;

(b) Grant or deny applications for licenses and impose conditions, limitations or restrictions upon the license that are not unreasonably impracticable; and

(c) Establish any other requirements necessary to carry out the provisions of this section.

5. As used in this section:

(a) “Business in which the use of marijuana is allowed” means a retail marijuana store which has an onsite consumption endorsement and which is licensed pursuant to this section.

(b) “Community facility” has the meaning ascribed to it in NRS 453D.030. It includes a center or facility, the primary purpose of which is the treatment or rehabilitation for the abuse of alcohol or drugs.

(c) “Unreasonably impracticable” means that the measures necessary to comply with the conditions, limitations or restrictions require such a high investment of risk, money, time or any other resource or asset that the operation of a business in which the use of marijuana is allowed or special event at which the use of marijuana is allowed is not worthy of being carried out in practice by a reasonably prudent businessperson.

(d) Other terms used in this section which are defined in NRS 453D.030 shall have meaning ascribed to them in NRS 453D.030.

Section 8. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The governing body of an unincorporated city in this State, whether organized pursuant to general law or special charter, may, by ordinance, require each person who wishes to operate a business in which the use of marijuana is allowed in an unincorporated city to obtain a license issued by the governing body before the person operates the business.

2. The ordinance must require each applicant for such a license to submit an application for the license or permit to the governing body of the unincorporated city in a form prescribed by the body.

3. The governing body of the unincorporated city shall not issue a license pursuant to this section if the proposed business in which the use of marijuana is allowed:

(a) Would be located on the property of a public airport, within 1,000 feet of a public or private school or within 300 feet of a community facility;

(b) Would allow the consumption of marijuana at any place which is viewable from a public place; or

(c) Would allow any person who is less than 21 years of age to enter the business.

4. The governing body of the unincorporated city may:

(a) Establish and collect a fee for the issuance or renewal of a license issued pursuant to this section which does not exceed the fee charged for a business license for similar businesses;

(b) Grant or deny applications for licenses and impose conditions, limitations or restrictions upon the license that are not unreasonably impracticable; and

(c) Establish any other requirements necessary to carry out the provisions of this section.

5. *As used in this section:*

(a) *“Business in which the use of marijuana is allowed” means a retail marijuana store which has an onsite consumption endorsement and which is licensed pursuant to this section.*

(b) *“Community facility” has the meaning ascribed to it in NRS 453D.030. It includes a center or facility, the primary purpose of which is the treatment or rehabilitation for the abuse of alcohol or drugs.*

(c) *“Unreasonably impracticable” means that the measures necessary to comply with the conditions, limitations or restrictions require such a high investment of risk, money, time or any other resource or asset that the operation of a business in which the use of marijuana is allowed or special event at which the use of marijuana is allowed is not worthy of being carried out in practice by a reasonably prudent businessperson.*

(d) *Other terms used in this section which are defined in NRS 453D.030 shall have meaning ascribed to them in NRS 453D.030.*

Section 9. This Act becomes effective on July 1, 2019.

{Section 10. The lawful effect of this Act will discontinue automatically on January 1, 2022.**}**

2.

Suggested Senate/Assembly Bill 2²**For Nevada's 2021 Legislative Session**

SUMMARY—Requires an onsite consumption endorsement and marijuana limited-retail license issued by the Department of Taxation to operate a designated consumption area of a marijuana social-consumption business; Requires a license or permit issued by a local government to operate a designated consumption area of a marijuana social-consumption business; Provides conditions subject to which a local government may authorize, license, and regulate consumption of marijuana and marijuana products in a designated consumption area of a marijuana social-consumption business.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 453D.030 is hereby amended to read as follows:

As used in this chapter, unless the context otherwise requires:

1. “Community facility” means a facility licensed to provide day care to children, a public park, a public playground, a public swimming pool, a center or facility the primary purpose of which is to provide recreational opportunities or services to children or adolescents, or a church, synagogue, or other building, structure, or place used for religious worship or other religious purpose.

2. “Concentrated marijuana” means the separated resin, whether crude or purified, obtained from marijuana.

3. “Consumer” means a person who is 21 years of age or older who purchases marijuana or marijuana products for use by persons 21 years of age or older, but not for resale to others.

4. “Department” means the Department of Taxation.

5. “Designated consumption area” means the specifically designated, physically separated, and independently ventilated area within a retail marijuana store *or marijuana social-consumption business* where, pursuant to an onsite consumption endorsement issued by the Department, persons may consume individual onsite-consumption servings of marijuana and/or marijuana products. *The designated consumption area of a marijuana social-consumption business may encompass the entire premises of the marijuana social-consumption business.*

6. “Dual licensee” means a person or group of persons who possess a current, valid registration certificate to operate a medical marijuana establishment

² This Bill 2 assumes that Bill 1 has been enacted.

pursuant to chapter 453A of NRS and a license to operate a marijuana establishment under this chapter.

7. “Excluded felony offense” means a conviction of an offense that would constitute a category A felony if committed in Nevada or convictions for two or more offenses that would constitute felonies if committed in Nevada. “Excluded felony offense” does not include:

(a) A criminal offense for which the sentence, including any term of probation, incarceration, or supervised release, was completed more than 10 years ago; or

(b) An offense involving conduct that would be immune from arrest, prosecution, or penalty pursuant to chapter 453A of NRS, except that the conduct occurred before the effective date of chapter 453A of NRS (October 1, 2001), or was prosecuted by an authority other than the State of Nevada.

8. “Individual onsite-consumption serving” means the limitations and restrictions on the sale of marijuana and marijuana products sold for the purpose of consumption in the designated consumption area of a retail marijuana store with an onsite consumption endorsement *or a marijuana social-consumption business* imposed by the Department pursuant to NRS 453D.200. “Individual onsite-consumption serving” does not include: with respect to marijuana, any individually packaged marijuana in an amount that exceeds one gram by weight; and with respect to marijuana products, any individually packaged marijuana product that contains or comprises more than 10 milligrams of THC.

9. “Locality” means a city or town, or, in reference to a location outside the boundaries of a city or town, a county. “Locality” includes the governing body of a town or an incorporated city in this State, whether organized pursuant to general law or special charter, and board of county commissioners of a county in this State.

10. “Marijuana” means all parts of any plant of the genus *Cannabis*, whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Marijuana” does not include:

(a) The mature stems of the plant, fiber produced from the stems, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stems (except the resin extracted therefrom), fiber, oil, or cake, the sterilized seed of the plant which is incapable of germination; or

(b) The weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

11. “Marijuana cultivation facility” means an entity licensed to cultivate, process, and package marijuana, to have marijuana tested by a marijuana testing facility, and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

12. “Marijuana distributor” means an entity licensed to transport marijuana from a marijuana establishment to another marijuana establishment.

13. “Marijuana establishment” means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, ~~or~~ a retail marijuana store~~;~~ *or a marijuana social-consumption business.*

14. *“Marijuana limited-retail license” means a retail license issued by the Department pursuant to NRS 453D.200 authorizing a marijuana social-consumption business to sell only individual onsite-consumption servings of marijuana and marijuana products to consumers on the premises of the marijuana social-consumption business.*

~~14.~~ 15. “Marijuana product manufacturing facility” means an entity licensed to purchase marijuana, manufacture, process, and package marijuana and marijuana products, and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

~~15.~~ 16. “Marijuana products” means products comprised of marijuana or concentrated marijuana and other ingredients that are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

~~16.~~ 17. “Marijuana paraphernalia” means any equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, preparing, testing, analyzing, packaging, repackaging, storing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

18. *“Marijuana social-consumption business” means an entity to which the Department has issued a marijuana limited-retail license and an onsite-consumption endorsement. {“Marijuana social-consumption business” may include an entity to which the Department has issued a marijuana limited-retail license and an onsite-consumption endorsement to a special event at which the use of marijuana is allowed, as defined in Chapter 244 of NRS.}*

~~17.~~ 19. “Marijuana testing facility” means an entity licensed to test marijuana and marijuana products, including for potency and contaminants.

~~18.~~ 20. “Onsite consumption endorsement” means an endorsement issued by the Department pursuant to NRS 453D.210. A retail marijuana store with an onsite consumption endorsement *or marijuana social-consumption business* is authorized to permit consumption of marijuana *{and marijuana products}* in the designated consumption area of the retail marijuana store *or marijuana social-consumption business* for which the endorsement was issued.

~~19.~~ 21. “Process” means to harvest, dry, cure, trim, and separate parts of the marijuana plant by manual or mechanical means, such as sieving or ice water separation, but not by chemical extraction or chemical synthesis.

~~20.~~ 22. “Public place” means any area, establishment, or premises to which the public is invited or in which the public is permitted, regardless of any age restrictions on entry. “Public place” does not include a retail marijuana store~~;~~ *or a marijuana social-consumption business.*

||| ~~20.~~ 22. “Public place” means any area, establishment, or premises to

which the public is invited or in which the public is permitted, regardless of any age restrictions on entry. “Public place” does not include a retail marijuana store ~~[.]~~ *or a marijuana social-consumption business.* |||

~~[21.]~~ 23. “Retail marijuana store” means an entity licensed to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities and retail marijuana stores, and to sell marijuana and marijuana products to consumers. “Retail marijuana store” includes the retail premises of a retail marijuana store and, if applicable, the designated consumption area of a retail marijuana store with an onsite consumption endorsement.

~~[22.]~~ 24. “Retail premises of a retail marijuana store” means the premises of a retail marijuana store. “Retail premises of a retail marijuana store” does not include the designated consumption area of a retail marijuana store with an onsite consumption endorsement.

~~[23.]~~ 25. “Unreasonably impracticable” means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent businessperson.

Section 2. NRS 453D.200 is hereby amended by adding the following Subsections (10) and (11):

10. Not later than January 1, 2022, the Department shall adopt all regulations necessary or convenient to carry out the provisions of this Act. The regulations must not prohibit the operation of marijuana social-consumption businesses, either expressly or through regulations that make their operation unreasonably impracticable. The regulations shall include:

(a) Procedures for the issuance, renewal, suspension, and revocation of a marijuana limited-retail license to operate a marijuana social-consumption business;

(b) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana social-consumption business;

(c) Specifications and other requirements for the construction and operation of a designated consumption area in a marijuana social-consumption business, including but not limited to specific requirements for if and how a designated consumption area within a marijuana social-consumption business should be specifically designated, physically separated, and independently ventilated from the non-designated consumption area of the marijuana social-consumption business;

(d) Requirements and process for submitting applications for marijuana limited-retail licenses;

(e) [. . .]; and

(f) Civil penalties for any violation of this Act.

11. The Department shall approve or deny applications for marijuana limited-retail licenses pursuant to NRS 453D.210.

Section 3. Sections (7), (8), and (9) of NRS 453D.210 are hereby amended to read as follows:

7. A locality may submit to the Department for approval a proposed ordinance that would provide for the licensing and regulation of retail marijuana stores *and/or marijuana social-consumption businesses* that wish to operate designated consumption areas on their premises. The Department shall approve any such ordinance unless the ordinance:

(a) Contains any provision that purports to authorize what would constitute a violation of any State regulation or provision of State law; or

(b) Fails to meet any other requirement set forth by the Department pursuant to NRS 453D.200(8) ~~and/or~~ *NRS 453D.200(10)*.

8. The Department shall not issue an onsite consumption endorsement to a retail marijuana store *or person who wishes to operate a marijuana social-consumption business* located in the jurisdiction of a locality whose board of county commissioners or governing body does not:

(a) Submit a proposed ordinance for approval by the Department pursuant to subsection (7);

(b) Receive a written confirmation from the Department that the proposed ordinance has been approved by the Department pursuant to subsection (7);

(c) Enact the proposed ordinance that was approved by the Department pursuant to subsection (7); and

(d) Refrain from amending or altering the enacted ordinance that was approved by the Department pursuant to subsection (7) without notifying the Department of the proposed amendments or alterations and receiving a written confirmation from the Department that the proposed amended or altered ordinance has been approved by the Department pursuant to subsection (7).

9. A retail marijuana store *or person who wishes to operate a marijuana social-consumption business* in a locality with an ordinance that meets the requirements of subsection 7 may submit to the Department an application for an onsite consumption endorsement. The Department ~~may~~ *shall* approve an application and issue an onsite consumption endorsement ~~only~~ if:

(a) The application meets all requirements set forth by the Department pursuant to NRS 453D.200(8) ~~and/or~~ *NRS 453D.200(10)*.

(b) The proposed designated consumption area meets all requirements set forth by the Department pursuant to NRS 453D.200(8) ~~and/or~~ *NRS 453D.200(10)*.

Section 4. NRS 453D.210 is hereby amended by adding the following Subsections (10):

10. A person who wishes to operate a marijuana social-consumption business in a locality with an ordinance that meets the requirements of subsection 7 may submit to the Department an application for a marijuana limited-retail license. The Department shall approve an application and issue a marijuana limited-retail license only if:

(a) The application meets all requirements set forth by the Department pursuant to NRS 453D.200.

(b) The proposed designated consumption area meets all requirements set forth by the Department pursuant to NRS 453D.200.

Section 5. NRS 453D.220 is hereby amended by adding the following Subsection (4):

4. Marijuana limited-retail licenses expire no later than one year after the date of issue. {A marijuana limited-retail license issued to an entity hosting a special event at which the use of marijuana is allowed expires immediately at the end of the special event, but in no case later than seven calendar days after the date of issue.}

Section 6. NRS 453D.400 is hereby amended by adding the following Subsection (9):

9. A marijuana social-consumption business which:

(a) Allows or fails to reasonably prohibit consumption of marijuana on any part of its premises other than a designated consumption area for which a valid and current onsite consumption endorsement has been issued; or

(c) Fails to comply with any regulation issued by the Department {pursuant to the Department's authority under NRS 453D.200(10)};

Is subject to such civil penalties as the Department issues pursuant to its authorities under NRS 453D.200.

Section 7. NRS 244.[000] is hereby amended to read as follows:

1. The board of county commissioners of each county may, by ordinance, require each person who wishes to operate a business in which the use of marijuana is allowed *{or hold a special event at which the use of marijuana is allowed}* in an unincorporated area of the county to obtain a license issued by the board before the person operates the business ~~{or}~~ *or a permit issued by the board before the person holds the special event.*

2. The ordinance must require each applicant for such a license *{or permit}* to submit an application for the license *{or permit}* to the board of county commissioners in a form prescribed by the board.

3. The board of county commissioners shall not issue a license *{or permit}* pursuant to this section if the proposed business in which the use of marijuana is allowed *{or a special event at which the use of marijuana is allowed}*:

(a) Would be located on the property of a public airport, within 1,000 feet of a public or private school or within 300 feet of a community facility;

(b) Would allow the consumption of marijuana at any place which is viewable from a public place; or

(c) Would allow any person who is less than 21 years of age to enter the business *{or special event}*.

4. The board of county commissioners may:

(a) Establish and collect a fee for the issuance or renewal of a license issued pursuant to this section which does not exceed the fee charged for a business license for similar businesses;

(b) Grant or deny applications for licenses *{and permits}* and impose conditions, limitations or restrictions upon the license *{or permit}* that are not unreasonably impracticable; and

(c) Establish any other requirements necessary to carry out the provisions of this section.

5. As used in this section:

(a) “Business in which the use of marijuana is allowed” means *a marijuana social-consumption business which has a marijuana limited-retail license and an onsite consumption endorsement, or a retail marijuana store which has an onsite consumption endorsement, and which is licensed pursuant to this section.*

(b) “Community facility” has the meaning ascribed to it in NRS 453D.030. It includes a center or facility, the primary purpose of which is the treatment or rehabilitation for the abuse of alcohol or drugs.

{(c) “Special event at which the use of marijuana is allowed” means a special event which allows marijuana to be consumed within a designated consumption area of the premises of the special event and which is issued a permit pursuant to this section. The term does not include a temporary event held at a location which is designed to hold special events, including, without limitation, concerts, conventions, sporting events or trade shows.}

~~{(e)}~~ (d) “Unreasonably impracticable” means that the measures necessary to comply with the conditions, limitations or restrictions require such a high investment of risk, money, time or any other resource or asset that the operation of a business in which the use of marijuana is allowed or special event at which the use of marijuana is allowed is not worthy of being carried out in practice by a reasonably prudent businessperson.

~~{(e)}~~ (e) Other terms used in this section which are defined in NRS 453D.030 shall have meaning ascribed to them in NRS 453D.030.

Section 8. NRS 244.[000] is hereby amended to read as follows:

1. The governing body of an unincorporated city in this State, whether organized pursuant to general law or special charter, may, by ordinance, require each person who wishes to operate a business in which the use of marijuana is allowed *{or hold a special event at which the use of marijuana is allowed}* in an unincorporated city to obtain a license issued by the governing body before the person operates the business~~{,}~~ *or a permit issued by the body before the person holds the special event.}*

2. The ordinance must require each applicant for such a license *{or permit}* to submit an application for the license or permit to the governing body of the unincorporated city in a form prescribed by the body.

3. The governing body of the unincorporated city shall not issue a license *{or permit}* pursuant to this section if the proposed business in which the use of marijuana is allowed *{or a special event at which the use of marijuana is allowed}*:

(a) Would be located on the property of a public airport, within 1,000 feet of a public or private school or within 300 feet of a community facility;

(b) Would allow the consumption of marijuana at any place which is viewable from a public place; or

(c) Would allow any person who is less than 21 years of age to enter the business *{or special event}*.

4. The governing body of the unincorporated city may:

(a) Establish and collect a fee for the issuance or renewal of a license issued pursuant to this section which does not exceed the fee charged for a business license for similar businesses;

(b) Grant or deny applications for licenses *{and permits}* and impose conditions, limitations or restrictions upon the license *{or permit}* that are not unreasonably impracticable; and

(c) Establish any other requirements necessary to carry out the provisions of this section.

5. As used in this section:

(a) “Business in which the use of marijuana is allowed” means *a marijuana social-consumption business which has a marijuana limited-retail license and an onsite consumption endorsement, or a retail marijuana store which has an onsite consumption endorsement, and which is licensed pursuant to this section.*

(b) “Community facility” has the meaning ascribed to it in NRS 453D.030. It includes a center or facility, the primary purpose of which is the treatment or rehabilitation for the abuse of alcohol or drugs.

{(c) “Special event at which the use of marijuana is allowed” means a special event which allows marijuana to be consumed within a designated consumption area of the premises of the special event and which is issued a permit pursuant to this section. The term does not include a temporary event held at a location which is designed to hold special events, including, without limitation, concerts, conventions, sporting events or trade shows.}

{(e) (d)} “Unreasonably impracticable” means that the measures necessary to comply with the conditions, limitations or restrictions require such a high investment of risk, money, time or any other resource or asset that the operation of a business in which the use of marijuana is allowed or special event at which the use of marijuana is allowed is not worthy of being carried out in practice by a reasonably prudent businessperson.

{(d) (e)} Other terms used in this section which are defined in NRS 453D.030 shall have meaning ascribed to them in NRS 453D.030.

Section 9. This Act becomes effective on July 1, 2021.

Section 10. The lawful effect of the [2019 Act] will renew automatically on January 1, 2022, and will continue indefinitely.