



Planning Commission Staff Report

Meeting Date: December 6, 2022

Agenda Item: 9A

DEVELOPMENT CODE
AMENDMENT CASE NUMBER: WDC A22-0003 (Cannabis Consumption Lounges)

BRIEF SUMMARY OF REQUEST: To amend Washoe County Chapter 110 (Development Code) at Articles 302, 304, and 410 related to cannabis consumption lounges.

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CASE DESCRIPTION

Development Code Amendment Case Number WDC A22-0003 (Cannabis Consumption Lounges)

— For hearing, discussion, and possible action to approve a resolution to amend Washoe County Code Chapter 110 (Development Code), at Articles 302 (Allowed Uses), 304 (Use Classification System), and 410 (Parking and Loading) to create the necessary code language to facilitate the Board of County Commissioner’s policy direction regarding cannabis consumption lounges as provided during its regular meeting of September 20, 2022.

The ordinance will amend: (1) Article 302 (Allowed Uses) by adding new uses to Table 110.302.05.3 to allow retail and independent cannabis consumption lounges; (2) Article 304 (Use Classification System) by adding use definitions for retail and independent cannabis consumption lounges; and (3) Article 410 (Parking and Loading) by adding parking standards to Table 110.410.10.3 for retail and independent cannabis consumption lounges; and all matters necessarily connected therewith and pertaining thereto.

The Planning Commission may recommend approval of the proposed ordinance as submitted, recommend approval with modifications based on input and discussion at the public hearing, or recommend denial. Any material modifications that exceed the scope of the amendments being considered at this hearing may require continuation of the hearing for possible action at a future meeting. If approval is recommended, the Planning Commission is asked to authorize the Chair to sign a resolution to that effect.

STAFF RECOMMENDATION

APPROVE

APPROVE WITH CONDITIONS

DENY

POSSIBLE MOTION

I move that, after giving reasoned consideration to the information contained in the staff report and information received during the public hearing, the Washoe County Planning Commission recommend approval of WDC A22-0003, to amend Washoe County Code Chapter 110 (Development Code), Articles 302, 304, and 410 as reflected in the proposed ordinance contained in Attachment A-1. I further move to authorize the Chair to sign the resolution contained in Exhibit A on behalf of the Planning Commission and to direct staff to present a report of this Commission’s recommendation to the Board of County Commissioners within 60 days of today’s date. This recommendation for approval is based on the four findings within Washoe County Code Section 110.818.15(e).

(Motion with Findings on Page 7)

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Process for Development Code Amendments

The Washoe County Development Code is Chapter 110 of the Washoe County Code (WCC). The Development Code broadly regulates allowable and permitted land uses, subdivision of land, planning permit requirements and procedures, signage, infrastructure availability, land use development standards, and other related matters. Because the Development Code covers so many varying aspects of land use and development standards, it is expected that from time to time it may be necessary to change or amend one or more portions of the Development Code to keep it up to date with the most current and desirable trends in planning and development.

The Development Code amendment process provides a method of review and analysis for such proposed changes. Development Code amendments may be initiated by the Washoe County Board of County Commissioners (BCC), Planning Commission (PC), or an owner of real property. Development Code amendments are generally initiated by resolution of the BCC or PC. Real property owners may apply to initiate a Development Code amendment.

After initiation, the PC considers the proposed amendment in a public hearing. The PC may recommend approval, approval with modifications or denial of the proposed amendment. The PC records its recommendation by resolution. The BCC hears all amendments recommended for approval, and amendments recommended for denial upon appeal. The BCC will hold an introduction and first reading of the ordinance (proposed amendment), followed by a second reading and possible ordinance adoption in a public hearing at a second meeting at least two weeks after the first reading. Unless otherwise specified, ordinances are effective 10 days after adoption.

Previous Action

October 11, 2022. The Board initiated amendments to Washoe County Code Chapter 25 (Business Licenses, Permits and Regulations), and Chapter 110 (Development Code) instructing staff to create the necessary code language to facilitate the Board's policy direction at its September 20, 2022 meeting to allow cannabis consumption lounges in unincorporated Washoe County.

September 20, 2022. The Board directed to staff to draft regulations that would allow cannabis consumption lounges, as defined by NRS 678A.087 and regulated by the State of Nevada Cannabis Compliance Board, to be established and operated in unincorporated Washoe County.

In addition to the above actions, the Board has taken previous action on Medical and Recreational Marijuana as follows:

April 10, 2018, the Board held a second reading and adopted Ordinance #1616 to provide for the operation of marijuana establishments which are licensed by the State of Nevada under NRS Chapters 453A (medical marijuana) and 453D (recreational marijuana).

March 27, 2018, the Board adopted the Business Impact Statement for the new quarterly marijuana establishment license fee with a finding that the proposed fee does not impose a direct and significant economic burden on a business; nor does the proposed fee directly restrict the formation, operation, or expansion of a business.

December 19, 2017, the Board initiated an amendment to WCC Chapter 25 (Business Licenses, Permits and Regulations) to provide for the operation of marijuana establishments which are licensed by the State of Nevada under NRS Chapters 453A (medical marijuana) and 453D (recreational marijuana). During the meeting, the Board further directed staff to provide for single licensure for marijuana establishments.

July 25, 2017, the Board amended WCC Chapter 25 to include new regulations on business licenses for temporary marijuana establishments.

April 8, 2014, the Board adopted Ordinance #1527 amending WCC Chapters 25, 53 and 110 to provide for limited exemption of certain acts from criminal prosecution and for the licensing and land use authorization required to operate medical marijuana establishments (including dispensaries, cultivation facilities, testing laboratories, and production facilities) which are registered and permitted by the State of Nevada under NRS Chapter 453A.

Background

Since passage of state legislation legalizing of both medical and recreational use of cannabis, the topic of how cannabis can be consumed has been debated in each subsequent legislative session. Prior to the 2021 legislative session, public consumption of cannabis was prohibited. Consumption was only allowed in private homes or on private property. This presented a dilemma for out of state visitors or for members of the public who are prohibited from consuming cannabis in their private residence (e.g., restrictive rental/lease agreements).

During the 2021 legislative session, Assembly Bill (AB) 341 was passed and subsequently signed into law. The bill authorized the licensure and regulation of cannabis consumption lounges (BDR 56-583) and directed the Cannabis Compliance Board (“CCB”) to adopt implementing regulations. AB 341 enabled local governments to allow cannabis consumption lounges, subject to the regulations adopted by the CCB, but does not require that local governments allow consumption lounges. After considerable research, outreach to industry representatives and local governments, numerous drafts, and public comment, the CCB approved Nevada Cannabis Compliance Regulation (“NCCR”) 15 on June 28, 2022, at its regularly scheduled and publicly noticed meeting.

The final regulations dictate requirements on the following (please see Exhibit D, Nevada Cannabis Compliance Regulation (“NCCR”) 15 for further detail):

- The location of retail lounges;
- Product procurement and storage methods;
- Employee training and consumer education;
- Product types and serving sizes;
- Indoor air quality, ventilation standards, and consumption visibility;
- Health standards for food preparation and service;
- Incident reporting, impaired driving mitigation, and sanitation;
- The criteria for issuing licenses for independent consumption lounges.

AB 341 provides for two types of lounges – retail and independent. Retail lounges must be affiliated with existing adult-use cannabis retail dispensaries, meaning the existing license holder must apply for and be the consumption lounge licensee. Therefore, the number of retail lounges allowed in a given jurisdiction will automatically be limited to the number of existing licensed adult-use cannabis retail dispensaries. Per adopted regulations, retail lounges must be “attached to or immediately adjacent to the cannabis sales facility,” meaning it must be physically attached to the retail dispensary building, on the same parcel, or on a property sharing a common border.

Independent lounges are standalone facilities in a location not associated with a retail dispensary. Independent lounges are limited to the number equal to the total number of retail lounges in the state; however, only 20 independent lounge licenses will be issued by the State in the first application round (via random number generator). The State will use a complicated ranking and scoring process to determine which applicants will be issued an independent lounge license, including the requirement that at least 50% of the licenses be awarded to “social equity” applicants (basically, historically underprivileged neighborhoods with higher incarceration rates for cannabis offenses and minority applicants).

The CCB opened the first licensing round for consumption lounges this fall from October 14-27, 2022. The CCB has reported that 100 applications were received (statewide), 80 of which were for independent lounges (but only 20 can be issued). It is unknown at this time how many applications were received for unincorporated Washoe County (if any), but the CCB has indicated they will inform local jurisdictions as soon as possible. As with all other cannabis business licensing, the State must issue their license (i.e., a conditional license) prior to local government issuing final license approval. However, Washoe County Business License cannot begin accepting applications for consumption lounge licenses until proposed code amendments enabling consumptions lounges are adopted and effective. It is not guaranteed that any applications that are received for unincorporated Washoe County will be awarded a conditional license from the State.

Proposed Amendments

The following is a summary of the specific sections of WCC Chapter 110 (Development Code) recommended for amendment (please see Attachment A-1 for the full ordinance language):

- **Section 110.302.05 (Allowed Uses), Table 110.302.05.3:** Adds new uses to Table 110.302.05.3, commercial uses, to allow retail and independent cannabis consumption lounges.
- **Section 110.304.25 (Use Classification System, Commercial Use Types):** Adds use definitions for retail and independent cannabis consumption lounges.
- **Section 110.410.10 (Parking and Loading), Table 110.410.10.3:** Adds parking standards to Table 110.410.10.3, commercial uses, for retail and independent cannabis consumption lounges.

Public Comment and Agency Outreach

Due to the expedited adoption timeline directed by the Board, it was not possible for staff to conduct extensive public and agency outreach regarding the proposed amendments. However, staff was able to schedule an “all Citizen Advisory Board (CAB)” workshop on November 7, 2022. A summary of input received at that workshop is outlined below.

All CAB Workshop Input

On November 7, 2022, a hybrid in-person and zoom meeting was held in the Washoe County Commission Chambers from 5:30 to 7:00 p.m. that was noticed to all CAB members. The county communications team sent a “C-Blast” to all CAB email lists and asked members to share notification of the workshop with potentially interested members of the public. It appeared that approximately 11 attendees joined by Zoom and 2 members of the public attended in person,

representing a relatively low turnout. However, several public comments were made which are summarized below (see also Exhibit E, Public Comment/CAB meeting minutes).

Top areas of public concern and input were related to the following:

- Safety concerns regarding a potential increase in impaired driving and a lack of adequate field sobriety testing that would confirm cannabis use.
- Concerns that additional enforcement resources would need to be spent unnecessarily.
- Opposition to consumption lounges being allowed in Incline Village/Crystal Bay.
- Concerns about the speed of ordinance adoption and diminished opportunity for further public input, particularly on the issue of impaired driving.
- Concerns from a cannabis industry representative that the current ordinance approach has not considered the full range of potential business models that could be incorporated into consumption lounges. Expedited adoption timeline may not allow for robust industry input on this concern, particularly regarding amendments to WCC Chapter 25. Examples raised were live entertainment and food pairing in conjunction with consumption lounge uses.
- Questions regarding food service regulations in conjunction with consumption lounges. For example, would smoking areas be allowed in the same area as food service (which is currently prohibited for tobacco)? Would OSHA regulations apply to such circumstances?

Agency Outreach

Staff has provided the draft ordinance to the Washoe County Health District (WCHD) and the Sheriff's Office for review and comment. To date, staff has received comments from the WCHD stating that district health staff have been meeting and coordinating with the Cannabis Compliance Board (CCB) regarding enforcement of health provisions outlined in NRS and NCR Regulation ("NCCR") 15. According to district health staff, an agreement has been reached that the CCB will take lead responsibility for enforcement of health-related regulations in consumption lounges. Staff has not received any specific comments, recommendations, or concerns from the Sheriff's Office (to date). Due to the many cannabis uses already established and operating within the unincorporated county, with minimal issues experienced, staff anticipates limited impacts from allowing consumption lounges in addition to other cannabis uses.

Findings

Washoe County Code Section 110.818.15(e) requires the Planning Commission to make **at least one** of the following findings of fact. Staff has completed an evaluation for each of the findings of fact and recommends that the Planning Commission make all four findings in support of the proposed amendment.

1. Consistency with Master Plan. The proposed Development Code amendment is in substantial compliance with the policies and action programs of the Washoe County Master Plan.

Staff comment: There are no policies and action programs specific to cannabis consumptions lounges. Therefore, the proposed amendments are in substantial compliance with the policies and action programs of the Washoe County Master Plan.

2. Promotes the Purpose of the Development Code. The proposed Development Code amendment will not adversely impact the public health, safety or welfare, and will promote the original purposes for the development code as expressed in Article 918, Adoption of Development Code.

Staff comment: The proposed code amendment promotes the purpose of the development code, specifically section 110.918.10(g): "Promote the economic and social advantages gained from an appropriately regulated use of land resources."

3. Response to Changed Conditions. The proposed Development Code amendment responds to changed conditions or further studies that have occurred since the Development Code was adopted by the Board of County Commissioners, and the requested amendment allow for a more desirable utilization of land within the regulatory zones.

Staff comment: The proposed code amendments respond to changed conditions resulting from recent legislative action and subsequent policy direction from the Board.

4. No Adverse Effects. The proposed Development Code amendment will not adversely affect the implementation of the policies and action programs of the Conservation Element or the Population Element of the Washoe County Master Plan.

Staff comment: There are no relevant policies of the Conservation Element or Population Element that would be adversely affected by the creation of cannabis consumption lounges. For example, retail consumption lounges will be created on already developed parcels and/or attached to existing buildings, independent consumption lounges must be located on commercial or industrial properties already in conformance with the Master Plan, and consumption lounge uses will not create the potential for additional population growth. Therefore, the proposed amendments will have no effect on the implementation of the policies and action programs of the Conservation Element or the Population Element of the Washoe County Master Plan.

Public Notice

Pursuant to WCC Section 110.818.20, notice of this public hearing was published in the newspaper at least 10 days prior to this meeting. Staff can provide proof of notification if requested.

Recommendation

It is recommended that the Planning Commission recommend approval of WDCA22-0003, to amend the Development Code as described in this staff report, with the details provided in Attachment A-1. The following motion is provided for your consideration.

Motion

I move that, after giving reasoned consideration to the information contained in the staff report and information received during the public hearing, the Washoe County Planning Commission recommend approval of WDCA22-0003, to amend Washoe County Code Chapter 110 (Development Code), Articles 302, 304, and 410 as reflected in the proposed ordinance contained in Attachment A-1. I further move to authorize the Chair to sign the resolution contained in Exhibit A on behalf of the Planning Commission and to direct staff to present a report of this Commission's recommendation to the Board of County Commissioners within 60 days of today's date. This

recommendation for approval is based on the four findings within Washoe County Code Section 110.818.15(e):

1. Consistency with Master Plan. The proposed Development Code amendment is in substantial compliance with the policies and action programs of the Washoe County Master Plan;
2. Promotes the Purpose of the Development Code. The proposed Development Code amendment will not adversely impact the public health, safety or welfare, and will promote the original purposes for the Development Code as expressed in Article 918, Adoption of Development Code;
3. Response to Changed Conditions. The proposed Development Code amendment responds to changed conditions or further studies that have occurred since the Development Code was adopted by the Board of County Commissioners, and the requested amendment allow for a more desirable utilization of land within the regulatory zones; and,
4. No Adverse Effects. The proposed Development Code amendment will not adversely affect the implementation of the policies and action programs of the Conservation Element or the Population Element of the Washoe County Master Plan.

Appeal Process

An appeal of the Planning Commission's denial of a Development Code amendment may be made to the Washoe County Board of Commissioners within 10 calendar days from the date that the Planning Commission's decision is filed with the Secretary to the Planning Commission, pursuant to Washoe County Code Sections 110.818.25 and 110.912.20.



RESOLUTION OF THE WASHOE COUNTY PLANNING COMMISSION

RECOMMENDING APPROVAL TO THE BOARD OF COUNTY COMMISSIONERS FOR AN ORDINANCE AMENDING WASHOE COUNTY CODE CHAPTER 110 (DEVELOPMENT CODE), AT ARTICLES 302 (ALLOWED USES), 304 (USE CLASSIFICATION SYSTEM), AND 410 (PARKING AND LOADING) TO CREATE THE NECESSARY CODE LANGUAGE TO FACILITATE THE BOARD'S POLICY DIRECTION REGARDING CANNABIS CONSUMPTION LOUNGES AS PROVIDED DURING ITS REGULAR MEETING OF SEPTEMBER 20, 2022. THE ORDINANCE WILL AMEND: (1) ARTICLE 302 (ALLOWED USES) BY ADDING NEW USES TO TABLE 110.302.05.3 TO ALLOW RETAIL AND INDEPENDENT CANNABIS CONSUMPTION LOUNGES; (2) ARTICLE 304 (USE CLASSIFICATION SYSTEM) BY ADDING USE DEFINITIONS FOR RETAIL AND INDEPENDENT CANNABIS CONSUMPTION LOUNGES; AND (3) ARTICLE 410 (PARKING AND LOADING) BY ADDING PARKING STANDARDS TO TABLE 110.410.10.3 FOR RETAIL AND INDEPENDENT CANNABIS CONSUMPTION LOUNGES; AND ALL MATTERS NECESSARILY CONNECTED THEREWITH AND PERTAINING THERETO.

Resolution Number 22-18

WHEREAS

- A. Development Code Amendment Case Number WDCA22-0003, came before the Washoe County Planning Commission for a duly noticed public hearing on December 6, 2022; and
- B. The Washoe County Planning Commission gave reasoned consideration to the information it received regarding the proposed Development Code Amendment; and
- C. Whereas, pursuant to Washoe County Code Section 110.818.15(e), the Washoe County Planning Commission made the following findings necessary to support its recommendation for adoption of the proposed Development Code Amendment Case Number WDCA22-0003:
 1. Consistency with Master Plan. The proposed amendment is in substantial compliance with the policies and action programs of the Washoe County Master Plan;
 2. Promotes the Purpose of the Development Code. The proposed Development Code amendment will not adversely impact the public health, safety or welfare, and will promote the original purposes for the Development Code as expressed in Article 918, Adoption of Development Code;
 3. Response to Changed Conditions. The proposed Development Code amendment responds to changed conditions or further studies that have occurred since the Development Code was adopted by the Board of County Commissioners, and the

requested amendment allow for a more desirable utilization of land within the regulatory zones; and,

4. No Adverse Effects. The proposed Development Code amendment will not adversely affect the implementation of the policies and action programs of the Conservation Element or the Population Element of the Washoe County Master Plan.

NOW, THEREFORE, BE IT RESOLVED that the Washoe County Planning Commission recommends approval of the ordinance attached hereto as Exhibit A-1.

A report describing this amendment, discussion at this public hearing, this recommendation, and the vote on the recommendation will be forwarded to the Washoe County Board of Commissioners within 60 days of this resolution's adoption date.

ADOPTED on December 6, 2022.

WASHOE COUNTY PLANNING COMMISSION

ATTEST:

Trevor Lloyd, Secretary

Francine Donshick, Chair

**WORKING COPY
INFORMATION ONLY**

REGULAR TEXT: NO CHANGE IN LANGUAGE

~~STRIKEOUT TEXT: DELETE LANGUAGE~~

UNDERLINE TEXT: NEW LANGUAGE

Notice: Per NRS 239B.030, this document does not contain personal information as defined in NRS 603A.040

Summary: AMENDS WASHOE COUNTY CODE CHAPTER 110 (DEVELOPMENT CODE), ARTICLES 302, 304, AND 410 RELATED TO CANNABIS CONSUMPTION LOUNGES.

BILL NO. _____

ORDINANCE NO. _____

Title:

An ordinance amending Washoe County Code Chapter 110 (Development Code), at Articles 302 (Allowed Uses), 304 (Use Classification System), and 410 (Parking and Loading) to create the necessary code language to facilitate the Board's policy direction regarding cannabis consumption lounges as provided during its regular meeting of September 20, 2022. The ordinance will amend: (1) Article 302 (Allowed Uses) by adding new uses to Table 110.302.05.3 to allow retail and independent cannabis consumption lounges; (2) Article 304 (Use Classification System) by adding use definitions for retail and independent cannabis consumption lounges; and (3) Article 410 (Parking and Loading) by adding parking standards to Table 110.410.10.3 for retail and independent cannabis consumption lounges; and all matters necessarily connected therewith and pertaining thereto.

WHEREAS:

- A. This Commission desires to amend Washoe County Code Chapter 110 (Development Code) to create the necessary code language to facilitate the Board's policy direction to

allow cannabis consumption lounges as authorized, defined, and regulated by NRS Chapters 678A-D;

- B. The Washoe County Commission (Board), pursuant to WCC Sections 2.030 and 110.818.05, initiated amendments to Washoe County Code Chapter 110 (Development Code) on October 11, 2022, for the purpose of creating the necessary code language to facilitate the Board’s direction at its September 20, 2022 meeting regarding cannabis consumption lounges;
- C. The amendments and this ordinance were drafted in concert with the District Attorney, and the Planning Commission held a duly noticed public hearing for WDCA22-0003 on December 6, 2022, and adopted Resolution Number 22-18 recommending adoption of this ordinance;
- D. Following a first reading and publication as required by NRS 244.100(1), and after a duly noticed public hearing, this Commission desires to adopt this Ordinance; and
- E. This Commission has determined that this ordinance is being adopted pursuant to requirements set forth in Chapter 278 of NRS, therefore it is not a “rule” as defined in NRS 237.060 requiring a business impact statement.

THE BOARD OF COUNTY COMMISSIONERS OF WASHOE COUNTY DOES HEREBY ORDAIN:

SECTION 1. Washoe County Code Chapter 110 (Development Code), Article 302 (Allowed Uses), Table 110.302.05.3 is hereby amended as follows:

Table 110.302.05.3

TABLE OF USES (Commercial Use Types)
(See Sections 110.302.10 and 110.302.15 for explanation)

Commercial Use Types (Section 110.304.25)	LDR	MDR	HDR	LDS/L DS 2	MDS/ MDS 4	HDS	LDU	MDU	HDU	GC	NC	TC	I	PSP	PR	OS	GR	GRA
Administrative Offices	--	--	--	--	--	--	P	P	P	A	A	A	A	A	P	--	--	--
Adult Characterized Business (see Chapter 25, Washoe County Code)	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Animal Sales and Services																		
Commercial Kennels	S ₂	S ₂	S ₂	S ₂	--	--	--	--	--	S ₂	--	--	S ₂	--	--	--	S ₂	S ₂

Commercial Stables	S ₂	S ₂	S ₂	S ₂	--	--	--	--	--	--	S ₂	--	--	S ₂	--	S ₂	S ₂	S ₂	
																			*See Article 226 for Warm Springs parcels.
Dog Training Services (see Article 330)	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Grooming and Pet Stores	--	--	--	S ₂	A	A	--	--	--	--	--	--	--	--					
Pet Cemeteries	P	P	P	--	--	--	--	--	--	S ₂	--	--	--	A	--	--	P	--	--
Veterinary Services, Agricultural	P	P	P	P	--	--	--	--	--	S ₂	--	--	--	--	--	--	S ₂	S ₂	--
Veterinary Services, Pets	--	--	--	S ₂	A	A	--	P	--	--	--	--	S ₂	--					
Automotive and Equipment																			
Automotive Repair	--	--	--	--	--	--	--	--	--	P	--	--	A	--	--	--	--	--	--
Automotive Sales and Rentals	--	--	--	--	--	--	--	--	S ₂	A	A	A	A	--	--	--	--	--	--
Cleaning	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	A	A	A	--	--	--	--	--	--
Commercial Parking	--	--	--	--	--	--	P	P	P	A	A	A	A	P	--	--	--	--	--
Equipment Repair and Sales	--	--	--	--	--	--	--	--	--	S ₂	--	--	A	--	--	--	--	--	--
Fabricated Housing Sales	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--	--
Storage of Operable Vehicles	--	--	--	--	--	--	--	--	--	S ₂	--	--	A	--	--	--	--	--	--
Truck Stops	--	--	--	--	--	--	--	--	--	S ₂	--	S ₂	S ₂	--	--	--	--	--	--
Building Maintenance Services	--	--	--	--	--	--	--	--	--	A	A	--	A	--	--	--	--	--	--
<u>Cannabis Establishments</u>																			
Marijuana <u>Adult Use/Medical Cannabis</u> Cultivation Facility	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--	--
Marijuana Product Manufacturing Facility <u>Cannabis Production Facility</u>	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--	--
Marijuana Testing Facility <u>Cannabis Independent Testing Laboratory</u>	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--	--
Marijuana <u>Adult Use Cannabis Retail</u> Store/Medical Dispensary	--	--	--	--	--	--	--	--	--	A	A	A	A	--	--	--	--	--	--
Marijuana <u>Adult Use Cannabis</u> Distributor	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--	--
<u>Retail Cannabis Consumption Lounge</u>	--	--	--	--	--	--	--	--	--	A	A	A	A	--	--	--	--	--	--
<u>Retail Cannabis Consumption Lounge – with Outdoor Area</u>	--	--	--	--	--	--	--	--	--	A	--	A	A	--	--	--	--	--	--
<u>Independent Cannabis Consumption Lounge</u>	--	--	--	--	--	--	--	--	--	A	A	A	A	--	--	--	--	--	--
<u>Independent Cannabis Consumption Lounge – with Outdoor Area</u>	--	--	--	--	--	--	--	--	--	A	--	A	A	--	--	--	--	--	--
Commercial Centers																			
Neighborhood Centers	--	--	--	S ₂	S ₂	S ₂	P	P	P	A	A	A	A	--	--	--	--	--	--

Community Centers	--	--	--	--	--	--	--	--	--	S ₂	S ₂	S ₂	--	--	--	--	--	--
Regional Centers	--	--	--	--	--	--	--	--	--	S ₂	--	S ₂	--	--	--	--	--	--
Commercial Educational Services	--	--	--	--	--	--	P	P	P	A	A	--	A	A	--	--	--	--
Commercial Recreation																		
Commercial Campground Facilities/RV Park	--	--	--	--	--	--	--	--	--	--	--	S ₂	--	--	S ₂	--	S ₂	S ₂
Destination Resorts	--	--	--	--	--	--	--	--	--	--	--	S ₂	--	--	S ₂	--	S ₂	S ₂
Indoor Entertainment	--	--	--	--	--	--	--	--	--	A	P	A	--	P	--	--	--	--
Indoor Sports and Recreation	--	--	--	--	--	--	--	--	--	S ₂	S ₂	P	S ₂	P	P	--	--	--

Table 110.302.05.3 (continued)

Commercial Use Types (Section 110.304.25)	LDR	MDR	HDR	LDS/ LDS 2	MDS/ MDS 4	HDS	LDU	MDU	HDU	GC	NC	TC	I	PSP	PR	OS	GR	GRA
Limited Gaming Facilities	--	--	--	--	--	--	--	--	--	P	P	P	S ₂	--	--	--	--	--
Marinas	--	--	--	--	--	--	--	--	--	P	--	P	--	P	P	--	P	S ₂
Outdoor Entertainment	--	--	--	--	--	--	--	--	--	--	--	S ₂	S ₂	--	S ₂	--	--	--
Outdoor Sports and Recreation	S ₂	S ₂	S ₂	S ₂	S ₂	S ₂	S ₂	S ₂	S ₂	P	P	P	P	S ₂	P	--	P	S ₂
Outdoor Sports Club	S ₂	--	--	--	--	--	--	--	--	--	--	S ₂	--	S ₂	P	--	S ₂	S ₂
Unlimited Gaming Facilities	--	--	--	--	--	--	--	--	--	--	--	S ₂	--	--	--	--	--	--
Communication Facilities																		
Commercial Antennas	S ₂	S ₂	S ₂	--	--	--	--	--	--	S ₂	S ₂	--	S ₂	S ₂	--	--	S ₂	--
Satellite Dish Antennas	See Article 324																	
Wireless Communication Facilities	See Article 324																	
Construction Sales and Services	--	--	--	--	--	--	--	--	--	S ₂	--	--	A	--	--	--	--	--
Continuum of Care Facilities, Seniors	--	--	--	--	S ₂	--	--	--	--	--	--	--						
Convention and Meeting Facilities	--	--	--	--	--	--	--	--	--	P	P	P	--	P	S ₂	--	--	--
Data Center	--	--	--	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	S ₂	--	--	S ₂	--
Eating and Drinking Establishments																		
Convenience	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	A	A	P	--	--	--	--	--
Full Service	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	A	A	P	--	--	--	--	--
Financial Services	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	A	A	P	--	--	--	--	--
Funeral and Internment Services																		
Cemeteries	P	P	P	--	--	--	--	--	--	S ₂	--	--	--	A	--	--	P	S ₂
Undertaking	--	--	--	--	--	--	--	--	--	A	A	--	--	--	--	--	--	--
Gasoline Sales and Service Stations	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	A	A	A	--	--	--	S ₂	--
Helicopter Services																		
Heliport	--	--	--	--	--	--	--	--	--	S ₂	--	--	S ₂	S ₂	--	--	S ₂	--
Helistop	S ₂	--	--	--	--	--	--	--	--	S ₂	--	--	S ₂	--				
Liquor Manufacturing	--	--	--	--	--	--	P	P	P	A	P	A	A	--	--	--	--	--
Liquor Sales																		
Off-Premises	--	--	--	--	--	--	P	P	P	A	A	A	P	--	--	--	--	--
On-Premises	--	--	--	--	--	--	P	P	P	A	P	A	P	--	--	--	--	--

Lodging Services																			
Bed and Breakfast Inns	S ₂	--	P	--	--	--	--	S ₂	S ₂										
Condominium Hotel	--	--	--	--	--	--	--	--	--	A	S ₂	A	--	--	--	--	--	--	
Hostels	--	--	--	--	--	--	--	--	--	--	--	P	--	--	P	--	--	--	
Hotels and Motels	--	--	--	--	--	--	--	--	--	A	S ₂	A	--	--	--	--	--	--	
Vacation Time Shares	--	--	--	--	--	--	--	--	--	--	--	P	--	--	--	--	--	--	

Table 110.302.05.3 (continued)

Commercial Use Types (Section 110.304.25)	LDR	MDR	HDR	LDS/ LDS 2	MDS/ MDS 4	HDS	LDU	MDU	HDU	GC	NC	TC	I	PSP	PR	OS	GR	GRA
Marijuana Establishments																		
-Marijuana -Cultivation Facility	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--
-Marijuana Product -Manufacturing Facility	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--
-Marijuana Testing -Facility	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--
-Retail Marijuana Store/ -Medical Dispensary	--	--	--	--	--	--	--	--	--	A	A	A	A	--	--	--	--	--
-Marijuana Distributor	--	--	--	--	--	--	--	--	--	A	--	--	A	--	--	--	--	--
Medical Services	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	A	--	--	A	--	--	--	--
Nursery Sales																		
Retail	--	--	--	--	--	--	--	--	--	A	A	--	A	--	--	--	--	--
Wholesale	S ₂	S ₂	S ₂	--	--	--	--	--	--	A	--	--	A	--	--	--	S ₂	A
Personal Services	--	--	--	--	--	--	P	P	P	A	A	A	--	--	--	--	--	--
Personal Storage	--	--	--	--	--	--	S ₂	S ₂	S ₂	A	S ₂	--	A	--	--	--	--	--
Professional Services	--	--	--	--	--	--	P	P	P	A	A	--	P	--	--	--	--	--
Recycle Center																		
Full Service Recycle Center	--	--	--	--	--	--	--	--	--	S ₂	--	--	A	--	--	--	--	--
Remote Collection Facility	S ₂	P	P	P	P	P	P	A	P	P	--	--	--					
Residential Hazardous Substance Recycle Center	--	--	--	--	--	--	--	--	--	S ₂	--	--	S ₂	--	--	--	--	--
Repair Services, Consumer	--	--	--	--	--	--	--	--	--	A	A	--	A	--	--	--	--	--
Retail Sales																		
Convenience	--	--	--	S ₂	A	A	A	A	--	--	--	--	--					
Specialty Stores	--	--	--	--	--	--	--	--	--	A	P	A	--	--	--	--	--	--
Comparison Shopping Centers	--	--	--	--	--	--	--	--	--	A	--	A	--	--	--	--	--	--
Secondhand Sales	--	--	--	--	--	--	--	--	--	A	--	--	--	--	--	--	--	--
Transportation Services	--	--	--	--	--	--	--	--	--	A	A	A	A	--	--	--	--	--
Winery	A	A	A	P	P	--	--	--	--	--	--	--	--	--	--	--	A	A
Winery with Special Events	P	P	P	--	--	--	--	--	--	--	--	--	--	--	--	--	P	P

Key: -- = Not allowed; A = Allowed; P = Administrative Permit; PR = Park Commission Approval pursuant to Section 110.104.40(c); S₁ = Planning Commission Special Use Permit; S₂ = Board of Adjustment Special Use Permit

Sources: Sedway Cooke Associates and Washoe County Department of Community Development

SECTION 2. Washoe County Code Chapter 110 (Development Code), Article 304 (Use Classification System), Section 110.304.25 (Commercial Use Types), is hereby amended as follows:

Section 110.304.25 Commercial Use Types. Commercial use types include the distribution and sale or rental of goods, and the provision of services other than those classified as civic or industrial use types. All permanent commercial uses are required to operate from a commercial structure.

- (a) Administrative Offices. Administrative offices use type refers to offices or private firms or organizations which are primarily used for the provision of executive, management or administrative services. Typical uses include administrative offices and services including travel, secretarial services, telephone answering, photo-copying and reproduction, and business offices of public utilities, organizations and associations, or other use classifications when the service rendered is that customarily associated with administrative office services.
- (b) Adult Characterized Business. Adult characterized business use type refers to uses defined in Washoe County Code, Chapter 25.
- (c) Animal Sales and Services. Animal sales and services use type refers to establishments or places of business primarily engaged in animal-related sales and services. Animals kept as domestic pets or as accessory uses to a residential use are regulated by the accessory use provisions of Article 330, Domestic Pets and Livestock. The following are animal sales and services use types:
 - (1) Commercial Kennels. Commercial kennels refers to kennel services for dogs, cats and similar animals. Typical uses include commercial animal breeding with four (4) or more animals (dogs), boarding kennels, pet motels, or dog training centers. Commercial kennels require a parcel size minimum of two-and-one-half (2.5) acres regardless of the regulatory zone within which it is located.
 - (2) Commercial Stables. Commercial stables refers to boarding or raising of three (3) or more horses, but excludes horses used primarily for agricultural operations which are classified under animal production. Typical uses include commercial stables, riding clubs and riding instruction facilities.
 - (3) Grooming and Pet Stores. Grooming and pet stores refers to grooming or selling of dogs, cats and similar small animals. Typical uses include dog bathing and clipping salons, pet grooming shops, or pet stores and shops.
 - (4) Pet Cemeteries. Pet cemeteries refers to services involving the preparation of dead animals for burial and the keeping of animal bodies on cemetery grounds as well as cremation of dead animals. Regardless of the regulatory zone in which it is located, a pet cemetery must be located on a parcel at least two-and-one-half (2.5) acres in size. Cremation of dead animals shall take place in an area designated only for the cremation of pets and which complies with any applicable federal or state statute or regulation or local ordinance.
 - (5) Veterinary Services, Agricultural. Veterinary services, agricultural refers to veterinary services specializing in the care and treatment of large animals.

Veterinary services for small animals including pet clinics, dog and cat hospitals, or animal hospitals may be included to provide full veterinary services. Veterinary services, agriculture requires a parcel size minimum of two-and-one-half (2.5) acres regardless of the regulatory zone within which it is located. Typical uses include veterinary offices for livestock.

- (6) Veterinary Services, Pets. Veterinary services, pets refers to veterinary services for small animals. Typical uses include pet clinics, dog and cat hospitals, or animal hospitals.
 - (7) Dog Training Services. Dog training services use type means the training of dogs with their owners or owners' designee, where both owner and dog participate in dog training classes.
- (d) Automotive and Equipment. Automotive and equipment use type refers to establishments or places of business primarily engaged in automotive-related or heavy equipment sales or services. The following are automotive and equipment use types:
- (1) Automotive Repair. Automotive repair refers to repair of automobiles and the sale, installation and servicing of automobile equipment and parts. Typical uses include muffler shops, automobile repair garages or automobile glass shops.
 - (2) Automotive Sales and Rentals. Automotive sales and rentals refers to on-site sales and/or rentals of automobiles, non-commercial trucks, motorcycles, motor homes and trailers together with incidental maintenance. Typical uses include automobile dealers, car rental agencies, or recreational vehicle sales and rental agencies.
 - (3) Cleaning. Cleaning refers to washing and polishing of automobiles. Typical uses include automobile laundries or car washes.
 - (4) Commercial Parking. Commercial parking refers to parking of operable motor vehicles on a temporary basis within a privately owned off-street parking area with or without a fee. Commercial parking is that which is not designated for any identified use. Typical uses include commercial parking lots or garages.
 - (5) Equipment Repair and Sales. Equipment repair and sales refers to repair of motor vehicles such as aircraft, boats, recreational vehicles, trucks, etc.; the sale, installation and servicing of automobile equipment and parts; and body repair, painting and steam cleaning. Typical uses include truck transmission shops, body shops, storage of manufactured homes, motor freight maintenance groups or agricultural equipment sales.
 - (6) Fabricated Housing Sales. Fabricated housing sales refers to the sales of new and used modular housing, manufactured homes and/or mobile homes; and ancillary minor repair of modular housing, manufactured homes and/or mobile homes sold from the same location as the new or used units. Typical uses include mobile homes sales lots and minor repairs of units sold on site that do not include changes in walls and do not include changes in undercarriage plumbing or support systems.
 - (7) Storage of Operable Vehicles. Storage of operable vehicles refers to storage of operable vehicles, recreational vehicles and boat trailers. Typical uses include

storage areas within personal storage facilities and storage yards for commercial vehicles.

- (8) Truck Stops. Truck stops refers to businesses engaged in the sale of fuel and lubricants primarily for trucks, routine repair and maintenance of trucks, and associated uses such as selling food and truck accessories.
- (e) Building Maintenance Services. Building maintenance services use type refers to establishments primarily engaged in the provision of maintenance and custodial services to firms rather than individuals. Typical uses include janitorial, landscape maintenance or window cleaning services.
- (f) Marijuana Cannabis Establishments. A marijuana **cannabis** establishment, as defined and authorized by NRS 453A and NRS 453D **Chapter 678A**, refers to commercial establishments, facilities, or places of business primarily engaged in the cultivation, production, acquisition, testing, supply, sale, or distribution, **or consumption** of marijuana **cannabis** products and related supplies and services, either for medical or adult recreational use. All marijuana **cannabis** establishments must be licensed by the Department of Taxation (“Department”) **Cannabis Compliance Board (CCB)**. A business may be licensed with the Department **Board** to act as more than one of the marijuana **cannabis** establishment use types listed below in subsections one (1) through five (5) **nine (9)**. The following are marijuana **cannabis** establishment use types:
- (1) Marijuana Cannabis Cultivation Facility. A marijuana **cannabis** cultivation facility, as defined by NRS 453A and NRS 453D **Chapter 678A**, refers to a business licensed as either a medical marijuana **cannabis** cultivation facility or as an marijuana **adult use cannabis** cultivation facility, or both, which is authorized to cultivate, process, and package marijuana **cannabis**, to have marijuana **cannabis** tested by a marijuana **cannabis** testing facility **laboratory**, and to sell marijuana **cannabis** to retail marijuana **cannabis** stores, to marijuana **cannabis** production manufacturing facilities, and to other marijuana **cannabis** cultivation facilities, but not to consumers.
- (2) Marijuana Cannabis Production Manufacturing Facility. A marijuana **cannabis** production manufacturing facility, as defined by NRS 453A and NRS 453D **Chapter 678A**, refers to a business licensed as a facility for the production of edible marijuana **cannabis** products or marijuana **cannabis**-infused products, and/or as a marijuana **cannabis** production manufacturing facility, which is authorized to purchase marijuana **cannabis**, manufacture, process, and package marijuana **cannabis** and marijuana **cannabis** products, and sell marijuana **cannabis** and marijuana **cannabis** products to other marijuana **cannabis** production manufacturing facilities and to retail marijuana **cannabis** stores, but not to consumers.
- (3) Marijuana Testing Facility Cannabis Independent Testing Laboratory. A marijuana testing facility **cannabis independent testing laboratory**, as defined by NRS 453A and NRS 453D **Chapter 678A**, refers to a business licensed as a medical marijuana **cannabis** independent testing laboratory and/or as an marijuana **adult use** cannabis testing facility, which is authorized to test marijuana **cannabis** and marijuana **cannabis** products, including for potency and contaminants.
- (4) Marijuana Adult Use Cannabis Retail Store/Medical Dispensary. An retail marijuana **adult use cannabis retail** store/medical dispensary, as defined by

NRS 453A and NRS 453D **Chapter 678A**, refers to a business licensed as either a medical marijuana **cannabis** dispensary or as an **adult use cannabis** retail marijuana store, or both, which is authorized to purchase marijuana **cannabis** from marijuana **cannabis** cultivation facilities, to purchase marijuana **cannabis** and marijuana **cannabis** products from marijuana **cannabis** production manufacturing facilities and **adult use cannabis** retail marijuana stores, and to sell marijuana **cannabis** and marijuana **cannabis** products to consumers. In order to operate as an **adult use cannabis** retail marijuana store/medical dispensary for adult recreational **cannabis** use, the business must retain state licensure as a medical marijuana **cannabis** dispensary to continue business operations in the unincorporated County.

(5) **Marijuana Adult Use Cannabis Distributor.** An **adult use cannabis** distributor, as defined by NRS 453D **Chapter 678A** and WCC **Chapter 25.708(2)**, refers to a business licensed to transport marijuana **cannabis** from a marijuana **cannabis** establishment to another marijuana **cannabis** establishment. An **adult use cannabis** distributor license provides for the transport of both medical and recreational (adult use) **adult use cannabis**, marijuana **cannabis** products and/or marijuana **cannabis** paraphernalia to marijuana **cannabis** establishments located within the unincorporated County.

(a) An **adult use cannabis** retail marijuana store/medical dispensary is not required to obtain a marijuana **adult use cannabis** distributor license to transport marijuana **cannabis** or marijuana **cannabis** products directly to consumers.

(b) Marijuana **Adult use cannabis** distributors will only transport marijuana **cannabis**, marijuana **cannabis** products, and/or marijuana **cannabis** paraphernalia following the provisions of NRS Chapter **678B**, 453D and NAC Chapter 453D.

(c) Wholesale intoxicating liquor dealers licensed pursuant to NRS Chapter 369 applying for an **adult use cannabis** distributor license must possess a valid and current County Importer / Wholesaler intoxicating liquor license.

(d) An **adult use cannabis** distributor business is not allowed as a home-based business.

(6) **Retail Cannabis Consumption Lounge.** A retail cannabis consumption lounge, as defined by NRS 678A.237, means a business that:

(a) Is licensed by the Cannabis Compliance Board pursuant to NRS 678B.250;

(b) Is attached or immediately adjacent to an adult-use cannabis retail store; and

(c) Allows single-use cannabis products or ready-to-consume cannabis products to be consumed on the premises of the business by persons 21 years of age or older.

(7) **Retail Cannabis Consumption Lounge with Outdoor Area.** A retail cannabis consumption lounge with outdoor area means a business that meets the

same requirements of sub-section (6) above, but also has an approved outdoor consumption area meeting the requirements of the Washoe County Health District and WCC Chapter 25.

(8) Independent Cannabis Consumption Lounge. An independent cannabis consumption lounge, as defined by NRS 678A.157, means a business that:

(a) Is licensed by the Cannabis Compliance Board pursuant to NRS 678B.250;

(b) Is not attached or immediately adjacent to an adult-use cannabis retail store; and

(c) Allows single-use cannabis products or ready-to-consume cannabis products to be consumed on the premises of the business by persons 21 years of age or older.

(9) Independent Cannabis Consumption Lounge with Outdoor Area. An independent cannabis consumption lounge with outdoor area means a business that meets the same requirements of sub-section (8) above, but also has an approved outdoor consumption area meeting the requirements of the Washoe County Health District and WCC Chapter 25.

(f)(g) Commercial Centers. Commercial centers use type refers to a group of unified commercial establishments built on a site which is planned, developed, owned and managed as an operating unit. The following are commercial center use types:

(1) Neighborhood Centers. Neighborhood centers refers to sales of convenience goods (foods, drugs and sundries) and personal services, those which meet the daily needs of an immediate neighborhood trade area. A neighborhood center typically includes convenience retail and services a population of 2,500 to 40,000 people, typically has a service area radius of one-half to one-and-one-half miles, and has a typical range of 15,000 to 50,000 square feet of gross leasable area.

(2) Community Centers. Community centers refers to shopping establishments containing some services of the neighborhood center plus other services providing a greater depth and range of merchandise than contained in the neighborhood center. A community center may be built around a department store or a variety store as the major tenant. A community center generally serves a trade area population of 40,000 to 50,000 people, typically has a service area radius of one to three miles, and has a typical range of 50,000 to 150,000 square feet of gross leasable area.

(3) Regional Centers. Regional centers refers to centers that provide shopping goods, general merchandise, apparel, furniture and home furnishings in full depth and variety. They usually are built around more than one department store. Typical design uses the pedestrian mall, either open or enclosed, as a connector between major anchor stores. A regional center serves as a major commercial center for the entire region and typically has more than 150,000 square feet of gross leasable area.

(g)(h) Commercial Educational Services. Commercial educational services use type refers to educational services provided by private institutions or individuals with the primary

purpose of preparing students for jobs in trade or profession. Typical uses include business and vocational schools, music schools and hair styling schools.

~~(h)~~(i) Commercial Recreation. Commercial recreation use type refers to commercial establishments or places of business primarily engaged in the provision of sports, entertainment or recreation for participants or spectators. The following are commercial recreation use types:

- (1) Commercial Campground Facilities/RV Park. Commercial campground facilities/RV park refers to areas and services for two (2) or more campsites, accommodating camping vehicles and tents, which are used by the general public as temporary living quarters for recreational purposes. Typical uses include recreational vehicle campgrounds.
- (2) Destination Resorts. Destination resorts refers to commercial enterprises for recreation that can include lodging. Typical uses include ski resorts, dude ranches, and hunting and fishing lodges.
- (3) Indoor Entertainment. Indoor entertainment refers to predominantly spectator uses conducted within an enclosed building. Typical uses include motion picture theaters, meeting halls and dance halls.
- (4) Indoor Sports and Recreation. Indoor sports and recreation refers to predominantly participant sports conducted within an enclosed building. Typical uses include bowling alleys, billiard parlors, ice and roller skating rinks, indoor racquetball courts and athletic clubs.
- (5) Limited Gaming Facilities. Limited gaming facilities refers to establishments which contains no more than fifteen (15) slot machines (and no other game or gaming device) where the operation of the slot machine is incidental to the primary business of the establishment.
- (6) Marinas. Marinas refers to docking, storage, rental and minor repair of recreational and fishing boats. Typical uses include recreational boat marinas and boat rental establishments.
- (7) Outdoor Entertainment. Outdoor entertainment refers to predominantly spectator-type uses conducted in open or partially enclosed or screened facilities. Typical uses include sports arenas, racing facilities and amusement parks.
- (8) Outdoor Sports and Recreation. Outdoor sports and recreation refers to predominantly participant sports conducted in open or partially enclosed or screened facilities. Typical uses include driving ranges, miniature golf courses, golf courses, swimming pools and tennis courts.
- (9) Outdoor Sports Club. Outdoor sports club refers to sports clubs using agricultural land or open space for hunting, shooting or fishing purposes. Typical uses include duck clubs, hunting clubs, skeet clubs and rifle ranges.
- (10) Unlimited Gaming Facilities. Unlimited gaming facilities refers to an establishment which contains fifteen (15) or more electronic gaming devices or operation of other gaming devices as authorized by the State of Nevada.

- ~~(j)~~**(i)** Communication Facilities. Communication facilities use type refers to establishments primarily engaged in the transmission and/or receiving of electromagnetic waves. Typical uses include television stations, radio stations, satellite dishes, antennas and wireless communication facilities. Refer to Article 324, Communication Facilities, for subcategories of communication facilities.
- ~~(j)~~**(k)** Construction Sales and Services. Construction sales and services use type refers to establishments or places of business primarily engaged in construction activities and incidental storage, as well as the retail or wholesale sale from the premises, of materials used in the construction of buildings or other structures. This use type does not include retail sales of paint, fixtures and hardware, or those uses classified as one of the automotive and equipment use types. This use type does not refer to actual construction sites. Typical uses include tool and equipment rental, or sales and building material stores.
- ~~(k)~~**(l)** Continuum of Care Facilities, Seniors. Continuum of care facilities for seniors use type refers to commercial establishments that provide housing, activities and twenty-four-hour skilled nursing or medical care to allow for adults to age in place. The number of continuum of care units and parking standards shall be determined through the special use permit process. All other development standards shall apply. Facilities may include independent living, assisted living, nursing care, hospice care, accessory housing for staff, and medical facilities and services for residents.
- ~~(l)~~**(m)** Convention and Meeting Facilities. Convention and meeting facilities use type refers to establishments which primarily provide convention and meeting facilities. Typical uses include convention facilities and wedding chapels.
- ~~(m)~~**(n)** Data Center. Data Center use type refers to establishments or places of business primarily engaged in the storage/housing of equipment, such as computers, servers, switches, routers, data storage devices, and related equipment for the purpose of storing, managing, processing, and exchanging of digital data and information.
- ~~(n)~~**(o)** Eating and Drinking Establishments. Eating and drinking establishments use type refers to establishments or places of business primarily engaged in the sale of prepared food and beverages for on-premises consumption, but excludes those uses classified under the liquor sales use type. The following are eating and drinking establishments use types:
- (1) Convenience. Convenience refers to establishments or places of business primarily engaged in the preparation and retail sale of food and beverages, have a short customer turnover rate (typically less than one hour), and may include sales of alcoholic beverages. Typical uses include drive-in and fast-food restaurants, ice cream parlors, sandwich shops and delicatessens.
 - (2) Full Service. Full service refers to establishments or places of business primarily engaged in the sale of prepared food and beverages on the premises, which generally have a customer turnover rate of one hour or longer, and which include sales of alcoholic beverages at the table or at a bar as an accessory or secondary service. Typical uses include full-service restaurants.
- ~~(o)~~**(p)** Financial Services. Financial services use type refers to establishments primarily engaged in the provision of financial and banking services. Typical uses include banks, savings and loan institutions, loan and lending activities, and check cashing facilities.

- ~~(p)~~**(q)** Funeral and Interment Services. Funeral and interment services use type refers to provision of services involving the care, preparation or disposition of human dead. The following are funeral and interment services use types:
- (1) Cemeteries. Cemeteries refers to undertaking services and services involving the keeping of bodies provided on cemetery grounds. Typical uses include crematoriums, mausoleums and columbariums.
 - (2) Undertaking. Undertaking refers to services involving the preparation of the dead for burial and arranging and managing funerals. Typical uses include funeral homes or mortuaries.
- ~~(q)~~**(r)** Gasoline Sales and Service Stations. Gasoline sales and service stations use type refers to retail sales of petroleum products from the premises of the establishment and incidental sale of tires, batteries, replacement items, lubricating services and minor repair services. Typical uses include automobile service stations.
- ~~(r)~~**(s)** Helicopter Services. Helicopter services use type refers to areas used by helicopter or steep-gradient aircraft. The following are helicopter services use types:
- (1) Heliport. Heliport refers to areas used by helicopters or by other steep-gradient aircraft, which includes passenger and cargo facilities, maintenance and overhaul, fueling service, storage space, tie-down space, hangers and other accessory buildings, and open space.
 - (2) Helistop. Helistop refers to areas on a roof or on the ground used by helicopters or steep-gradient aircraft for the purpose of picking up or discharging passengers or cargo, but not including fueling service, maintenance or overhaul.
- ~~(s)~~**(t)** Liquor Manufacturing. Liquor manufacturing refers to the brewing, distillation, making, and/or manufacture of intoxicating liquors on the premises of the establishment. The resulting liquor products may be sold at retail to the public for on-site consumption and/or for off-site consumption. The liquor products may also be sold to licensed importer and/or wholesaler liquor dealers, with or without sales to the public. Liquor manufacturing may be in conjunction with another commercial use type, such as a full service eating and drinking establishment. Typical uses include brew pubs, breweries, craft distilleries, and wine makers.
- ~~(t)~~**(u)** Liquor Sales. Liquor sales use type refers to retail sales of alcoholic beverages, as defined in Chapter 30 of County Code (Intoxicating Liquor and Gaming Licenses and Regulations), to the public. The following are liquor sales use types:
- (1) Off-Premises. Off-premises refers to the retail sale of alcoholic beverages to the public for off-site consumption, but excludes uses classified under the retail sales use type. Typical uses include stores that sell packaged liquor.
 - (2) On-Premises. On-premises refers to the retail sale of alcoholic beverages to the public for on-site consumption, but excludes uses classified under the eating and drinking establishments use type. Typical uses include bars, taverns, cabarets, and casino service bars.
- ~~(u)~~**(v)** Lodging Services. Lodging services use type refers to establishments primarily engaged in the provision of lodging on a less-than-weekly basis with incidental food, drink, and other sales or services intended for the convenience of guests, including common facilities, but excludes those

establishments classified under residential group home, short-term rental and commercial recreation. The following are lodging services use types:

- (1) Bed and Breakfast Inns. Bed and breakfast inns refers to single family dwellings with guest rooms (no cooking facilities in guest rooms) where, for compensation, meals and lodging are provided.
 - (2) Condominium Hotel. Condominium hotel refers to temporary residences for transient guests, primarily persons who have residence elsewhere, with access to each room through an interior hall and lobby or outside porch or landing, and when the hotel rooms are owned as separate real estate; and the remainder of the property including amenities, open space, etc. is either owned in common by the hotel room owners and managed by an association, or owned by a separate entity in which a fee for use of the amenities, open space, etc. may or may not be charged the hotel room owners.
 - (3) Hostels. Hostels refers to supervised transient facilities offering dormitory type lodging, usually with a minimum of facilities.
 - (4) Hotels and Motels. Hotels and motels refers to temporary residences for transient guests, primarily persons who have residence elsewhere, with access to each room through an interior hall and lobby or outside porch or landing.
 - (5) Vacation Time Shares. Vacation time shares refers to real properties that are subject to a time share program.
- (v) ~~Marijuana Establishments. A marijuana establishment, as defined and authorized by NRS 453A and NRS 453D, refers to commercial establishments, facilities, or places of business primarily engaged in the cultivation, production, acquisition, testing, supply, sale or distribution of marijuana products and related supplies and services, either for medical or adult recreational use. All marijuana establishments must be licensed by the Department of Taxation ("Department"). A business may be licensed with the Department to act as more than one of the marijuana establishment use types listed below in subsections one (1) through five (5). The following are marijuana establishment use types:~~
- ~~(1) Marijuana Cultivation Facility. A marijuana cultivation facility, as defined by NRS 453A and/or 453D, refers to a business licensed as either a medical marijuana cultivation facility or as a marijuana cultivation facility, or both, which is authorized 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.~~
 - ~~(2) Marijuana Product Manufacturing Facility. A marijuana product manufacturing facility, as defined by NRS 453A and/or 453D, refers to a business licensed as a facility for the production of edible marijuana products or marijuana-infused products, and/or as a marijuana product manufacturing facility, which is authorized 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.~~
 - ~~(3) Marijuana Testing Facility. A marijuana testing facility, as defined by NRS 453A and/or 453D, refers to a business licensed as a medical marijuana independent testing laboratory and/or as a marijuana testing facility, which is authorized to test marijuana and marijuana products, including for potency and contaminants.~~

- ~~(4) Retail Marijuana Store/Medical Dispensary. A retail marijuana store/medical dispensary, as defined by NRS 453A and/or 453D, refers to a business licensed as either a medical marijuana dispensary or as a retail marijuana store, or both, which is authorized 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. In order to operate as a retail marijuana store / medical dispensary for adult recreational use, the business must retain State licensure as a medical marijuana dispensary to continue business operations in the unincorporated County.~~
- ~~(5) Marijuana Distributor. A marijuana distributor, as defined by NRS 453D and WCC 25.708(2), refers to a business licensed to transport marijuana from a marijuana establishment to another marijuana establishment. A marijuana distributor license provides for the transport of both medical and recreational (adult use) marijuana, marijuana products and/or marijuana paraphernalia to marijuana establishments located within the unincorporated County.~~
- ~~(a) A retail marijuana store / medical dispensary is not required to obtain a marijuana distributor license to transport marijuana or marijuana products directly to consumers.~~
- ~~(b) Marijuana distributors will only transport marijuana, marijuana products and/or marijuana paraphernalia following the provisions of NRS Chapter 453D and NAC Chapter 453D.~~
- ~~(c) Wholesale intoxicating liquor dealers licensed pursuant to NRS Chapter 369 applying for a marijuana distributor license must possess a valid and current County Importer / Wholesaler intoxicating liquor license.~~
- ~~(d) A marijuana distributor business is not allowed as a home-based business.~~
- (w) Medical Services. Medical services use type refers to establishments primarily engaged in the provision of personal health services ranging from prevention, diagnosis and treatment, or rehabilitation services provided by physicians, dentists, nurses and other health personnel as well as the provision of medical testing and analysis services, but excludes those classified as any civic use type. Typical uses include medical offices, dental laboratories, health maintenance organizations, immediate care facilities or sports medicine facilities.
- (x) Nursery Sales. Nursery sales use type refers to the sales of plants, flowers and related nursery items. The following are nursery sales use types:
- (1) Retail. Retail refers to retail sale of plants and flowers and related nursery items. Typical uses include retail nurseries and home garden stores.
- (2) Wholesale. Wholesale refers to wholesaling of plants and flowers, with incidental retail sales. Typical uses include wholesale nurseries.
- (y) Personal Services. Personal services use type refers to establishments primarily engaged in the provision of informational, instructional, personal improvement and similar services of a non-professional nature, but excludes services classified as commercial recreation or lodging services. Typical uses include photography studios, driving schools or weight loss centers.

- (z) Personal Storage. Personal storage use type refers to storage services primarily for personal effects and household goods within an enclosed storage area having individual access, but excludes workshops, hobby shops, manufacturing or commercial activity. Typical uses include mini-warehouses.
- (aa) Professional Services. Professional services use type refers to establishments which provide professional services to individuals or businesses, but excludes offices servicing walk-in customers which are classified under the administrative offices use type. Typical uses include law offices, real estate offices, insurance offices and architectural firms.
- (bb) Recycle Center. Recycle center use type refers to facilities for the collection, as a commercial enterprise, of household recyclables such as newspapers, bottles and cans. Recycle centers do not include recycle facilities existing as a part of a refuse pickup service or recycle bins used for donations to non-profit organizations. The following are recycle center use types:
- (1) Full Service Recycle Center. Full service recycle center refers to large, fully attended recycle centers accepting paper, plastic and glass household recyclables and may include processing or sorting of the recyclables.
 - (2) Remote Collection Facility. Remote collection facility refers to a center for the acceptance, by redemption or purchase, of recyclable materials from the public. Such a facility does not process the recyclables on site. Typical uses include reverse vending machines.
 - (3) Residential Hazardous Substance Recycle Center. Residential hazardous substance recycle center refers to specialized recycling centers that receive household hazardous substances such as household paint, household cleaners and automobile engine oil.
- (cc) Repair Services, Consumer. Repair services, consumer use type refers to establishments primarily engaged in the provision of repair services to individuals and households rather than firms, but excludes automotive repair. Typical uses include appliance repair shops, apparel repair firms or instrument repair firms.
- (dd) Retail Sales. Retail sales use type refers to retail sales of commonly used goods and merchandise, either free-standing or within a commercial center, but excludes those uses classified under other use types. The following are retail sales use types:
- (1) Convenience. Convenience refers to establishments which provide a limited number of frequently or recurrently needed personal items or services for residents of an immediate neighborhood. Typical uses include convenience stores, small grocery stores, barber shops, beauty parlors, dry cleaners and self-service laundromats.
 - (2) Specialty Stores. Specialty stores refers to establishments which provide a variety of retail or personal services needs for residents in the larger community area. Typical uses include supermarkets, super drugs stores, clothing boutiques, antiques, bookstores, furniture stores and auto parts.
 - (3) Comparison Shopping Centers. Comparison shopping centers refers to retail establishments that provide a wide variety of retail and personal services that cater to the regional needs. Typical uses include full-line department stores and warehouse-styled retail outlets.

- (ee) Secondhand Sales. Secondhand sales use type refers to establishments primarily engaged in the sale of goods and merchandise which are not being sold for the first time, but excludes those classified as animal sales and services and automotive and equipment. Typical uses include secondhand stores and thrift shops.
- (ff) Transportation Services. Transportation services use type refers to establishments which provide private transportation of persons and goods. Typical uses include taxi services and commercial postal services.
- (gg) Winery. The Winery use type refers to a facility comprising the building(s) or space used to make wine as an alcoholic beverage obtained by the fermentation of the natural content of fruits or other agricultural products containing sugar. A winery includes crushing of fruit, fermenting, bottling, blending, bulk and bottle storage, aging, shipping and receiving of wine making materials, laboratory equipment, associated maintenance equipment, and administrative office functions related to the operation of the winery. A winery may or may not have a vineyard associated with it and may include a public tasting room and the sale of merchandise related directly to the winery. A winery may only sell at retail by the bottle or serve by the glass, on its premises, wine produced, blended, or aged on site by the winery subject to any limitations set forth in NRS 597.240.

A winery may be established as a stand-alone principal use type or in combination with residential or other authorized use types. The growing of grapes for use in a winery use type or in wine making is classified as Crop Production, a separate Agricultural Use Type. Wine making in the urban, commercial or industrial regulatory zones, or in conjunction with the manufacture of other types of intoxicating liquor, is classified as Liquor Manufacturing, a separate Commercial Use Type. Any allowed winery use type requires the issuance of the appropriate Washoe County business and liquor licenses pursuant to Chapters 25 and 30 of this Code. The business license application process for an allowed winery shall include the noticing of all adjacent property owners within 500 feet of the subject parcel, homeowners associations or Architectural Control Committees that are registered with the Building and Safety Division which have an interest in the subject parcel, and any properties that share a privately maintained access road to the subject parcel. Review and approval of a business license application to establish a winery shall include, at a minimum, review by the Washoe County Health District, the fire department of jurisdiction, and any General Improvement District with jurisdiction.

Winery with Special Events. Except in the Suburban Residential regulatory zone, a winery approved through an Administrative Permit may include, as part of the Administrative Permit application, provisions for conducting recurring special events as ancillary uses to the principal Winery use. "Special event" means an assembly of less than 100 persons on any one day of the event. Such recurring special events may include, but are not limited to, weddings, tours, promotional events, entertainment (indoor or outdoor), wine and food pairings, and craft fairs. Recurring special events proposed in conjunction with a Winery use must be included in the Administrative Permit application authorizing the Winery use. New or amended proposals for special events shall require either an amendment to the existing Administrative Permit (i.e. Amendment of Conditions) or a separate application for a Temporary Special Event Business License pursuant to Chapter 25 of this Code through the Business License division.

SECTION 3. Washoe County Code Chapter 110 (Development Code), Article 410 (Parking and Loading), Table 110.410.10.3 is hereby amended to read as follows:

Table 110.410.10.3

OFF-STREET PARKING SPACE REQUIREMENTS (Commercial Use Types)
 (See Section 110.410.10 for explanation)

Commercial Use Types (Section 110.304.25)	Spaces Required		
	Per 1,000 Square Feet Building Space	Per Employee During Peak Employment Shift	Other
Administrative Offices	4	1	
Adult Entertainment	5	1	
Animal Sales and Services			
Commercial Kennels		1	.25 per animal at design capacity
Commercial Stables		1	.25 per horse at design capacity
Grooming and Pet Stores	2.5	1	
Pet Cemeteries		1	
Veterinary Services, Agricultural	2	1	
Veterinary Services, Pets	4	1	
Automotive and Equipment			
Automotive Repair		1	3 per service bay
Automotive Sales and Rentals	.5	1	
Cleaning	2	1	
Commercial Parking		1	
Equipment Repair and Sales	2	1	
Fabricated Housing Sales	.5	1	
Storage of Operable Vehicles		1	
Truck Stops	4	1	
Building Maintenance Services	2		
Marijuana <u>Cannabis</u> Establishments			
Marijuana <u>Cannabis</u> Cultivation Facility		1	
Marijuana <u>Cannabis</u> Production Manufacturing-Facility		1	
Marijuana Testing Facility <u>Cannabis Independent Testing</u> <u>Laboratory</u>		1	
Retail Marijuana <u>Adult Use</u> <u>Cannabis Retail</u> Store/Medical Dispensary	5	1	
<u>Retail Cannabis Consumption</u> <u>Lounge</u>	<u>5</u>	<u>1</u>	<u>Conversion of existing square footage within the associated adult use cannabis retail store is exempt.</u>
<u>Retail Cannabis Consumption</u> <u>Lounge – with Outdoor Area</u>	<u>5</u>	<u>1</u>	<u>Conversion of existing square footage within the associated adult use cannabis retail store is exempt.</u>

<u>Independent Cannabis Consumption Lounge</u>	<u>5</u>	<u>1</u>	
<u>Independent Cannabis Consumption Lounge – with Outdoor Area</u>	<u>5</u>	<u>1</u>	
Continuum of Care Facilities, Seniors		As specified by use permit	As specified by use permit
Commercial Antennas			1 per antenna tower
Commercial Centers (All Types)			Less than 15,000 square feet: 5 spaces per 1,000 square feet; 15,000 to 400,000 square feet: 4 spaces per 1,000 square feet; more than 400,000 square feet: 5 spaces per 1,000 square feet
Commercial Educational Services		1	.5 per student
Commercial Recreation			
Commercial Campground Facilities		1	
Destination Resorts		1	1 per room
Indoor Entertainment		1	1 per 3 seats
Indoor Sports and Recreation	5	1	
Limited Gaming Facilities	4	1	

Table 110.410.10.3 (continued)

Commercial Use Types (Section 110.304.25)	Spaces Required		
	Per 1,000 Square Feet Building Space	Per Employee During Peak Employment Shift	Other
Marinas		As specified by use permit	
Outdoor Entertainment		As specified by use permit	
Outdoor Sports and Recreation		As specified by use permit	
Outdoor Sports Club		As specified by use permit	
Unlimited Gaming Facilities	8	1	
Construction Sales and Services	2 for retail and 1 for storage area		
Convention and Meeting Facilities		1	1 per seat if not associated with lodging facilities; .5 per seat otherwise
Eating and Drinking Establishments			
Convenience	10	1	
Full Service	10	1	
Financial Services	3	1	

Funeral and Internment Services			
Cemeteries		1	
Undertaking		1	1 per 3 seats
Gasoline Sales and Service Stations		1	3 per service bay (service bay not credited as required space)
Helicopter Services			
Heliport		1	5 per helicopter space
Helistop		1	5 per helicopter space
Liquor Manufacturing*			*Or as specified by use permit
Off-Premise Sales/Consumption	3	1	Minimum of 2 spaces
On-Premise Sales/Consumption	5	1	For any public tasting room, a minimum of 5 permanent spaces
Liquor Sales			
Off-Premises	4	1	
On-Premises	10	1	

Table 110.410.10.3 (continued)

Commercial Use Types (Section 110.304.25)	Spaces Required		
	Per 1,000 Square Feet Building Space	Per Employee During Peak Employment Shift	Other
Lodging Services			
Bed and Breakfast Inns		1	1 per room
Hostels		1	.25 per bed
Hotels and Motels		1	1 per room
Vacation Time Shares			1.6 for 1 bedroom units, 2.1 for 2 bedroom and larger units; 1 of which must be in an enclosed garage or carport
Marijuana Establishments			
Marijuana Cultivation Facility		4	
Marijuana Product Manufacturing Facility		4	
Marijuana Testing Facility		4	
Retail Marijuana Store/Medical Dispensary	5	4	
Medical Services	5	1	
Nursery Sales			
Retail	3	1	
Wholesale	3	1	
Personal Services	4		
Personal Storage		1	1 loading space per 2,000 square feet of building footprint
Professional Services	4	1	

Recycle Center			
Full Service Recycle Center	3	1	
Remote Collection Facility			3 spaces per collective device
Residential Hazardous Substance Recycle Center	3	1	
Repair Services, Consumer	2.5	1	
Retail Sales			
Comparison Shopping Centers	3	1	
Convenience	5	1	
Specialty Stores	3	1	
Secondhand Sales	2.5	1	
Transportation Services		1	
Winery	3*	1	*Or as specified by use permit; Minimum of 2 spaces; For any public tasting room, a minimum of 5 permanent spaces
Winery with Special Events			As specified by Use Permit

SECTION 4. General Terms.

1. All actions, proceedings, matters, and things heretofore taken, had and done by the County and its officers not inconsistent with the provisions of this Ordinance are ratified and approved.
2. The Chair of the Board and officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance. The District Attorney is authorized to make non-substantive edits and corrections to this Ordinance.
3. All ordinances, resolutions, bylaws and orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, resolution, bylaw or order, or part thereof, heretofore repealed.
4. Each term and provision of this Ordinance shall be valid and shall be enforced to the extent permitted by law. If any term or provision of this Ordinance or the application thereof shall be deemed by a court of competent jurisdiction to be in violation of law or public policy, then it shall be deemed modified, ipso facto, to bring it within the limits of validity or enforceability, but if it cannot be so modified, then the offending provision or term shall be excised from this Ordinance. In any event, the remainder of this Ordinance, or the application of such term or provision to circumstances other than those to

which it is invalid or unenforceable, shall not be affected.

Passage and Effective Date

Proposed on _____ (month) _____ (day), 2023.

Proposed by Commissioner _____.

Passed on _____ (month) _____ (day), 2023.

Vote:

Ayes:

Nays:

Absent:

Vaughn Hartung, Chair
Washoe County Commission

ATTEST:

Janis Galassini, County Clerk

This ordinance shall be in force and effect from and after the xxth day of the month of February of the year 2023.

STAFF REPORT
BOARD MEETING DATE: September 20, 2022

DATE: August 19, 2022

TO: Board of County Commissioners

FROM: Chad Giesinger, AICP, Planning and Building Division
Community Services Department, 775.328.3626
cgiesinger@washoecounty.gov

THROUGH: Kelly Mullin, AICP, Division Director, Planning & Building
Division, Community Services Department, 328-3619,
kmullin@washoecounty.gov

SUBJECT: Recommendation to provide direction to staff on initiation of regulations to allow for cannabis consumption lounges in unincorporated Washoe County as provided in AB 341 (2021). Discussion and possible direction may include but not be limited to whether the Board wants to allow for cannabis consumption lounges, the process for applications for licensing or permitting, locations where lounges would be allowable, site requirements for lounges, and limitations on approvals of lounges. (All Commission Districts.)

SUMMARY

This is a request for the Board of County Commissioner's (Board) direction to staff regarding the potential adoption of regulations to allow cannabis consumption lounges, as defined by NRS 678A.087 and regulated by the State of Nevada Cannabis Compliance Board, to be established and operated in unincorporated Washoe County. Should the Board provide direction to proceed with such regulations, staff will return to the Board for official initiation of code amendments (per Chapter 2 of WCC), identify the desired public process and amendment options, and seek direction from the Board regarding desired local regulations (if any) not preempted by the State.

Specifically, staff is seeking direction from the Board on the following items:

- 1) Does the Board want to allow cannabis consumption lounges in unincorporated Washoe County?
Note: Currently there is no such use authorized in the Development Code, so consumption lounges are therefore prohibited. The Board is not required by State law to allow consumption lounges.
- 2) If allowed, should consumption lounges only be allowed as attached to, on the same parcel as, or on an abutting parcel to an existing retail dispensary; or,

Does the Board also want to allow independent, stand-alone consumption lounges as authorized by State law?

- 3) If allowed, does the Board want to allow outdoor lounges or only indoor?
- 4) If allowed, does the Board want to limit the number or location of consumption lounges?
Note: Currently there are 5 operating retail dispensaries in unincorporated Washoe County.

Washoe County Strategic Objective supported by this item: Economic Impacts – Meet the needs of our growing community.

PREVIOUS ACTION

No previous action by the Board has occurred regarding cannabis consumption lounges.

However, the Board has taken previous action on Medical and Recreational Marijuana, as follows:

On April 10, 2018, the Board held a second reading and adopted Ordinance #1616 to provide for the operation of marijuana establishments which are licensed by the State of Nevada under NRS Chapters 453A (medical marijuana) and 453D (recreational marijuana).

On March 27, 2018, the Board adopted the Business Impact Statement for the new quarterly marijuana establishment license fee with a finding that the proposed fee does not impose a direct and significant economic burden on a business; nor does the proposed fee directly restrict the formation, operation, or expansion of a business.

On December 19, 2017, the Board initiated an amendment to WCC Chapter 25 (Business Licenses, Permits and Regulations) to provide for the operation of marijuana establishments which are licensed by the State of Nevada under NRS Chapters 453A (medical marijuana) and 453D (recreational marijuana). During the meeting, the Board further directed staff to provide for single licensure for marijuana establishments.

On July 25, 2017, the Board amended WCC Chapter 25 to include new regulations on business licenses for temporary marijuana establishments.

On April 8, 2014, the Board adopted Ordinance #1527 amending WCC Chapters 25, 53 and 110 to provide for limited exemption of certain acts from criminal prosecution and for the licensing and land use authorization required to operate medical marijuana establishments (including dispensaries, cultivation facilities, testing laboratories, and production facilities) which are registered and permitted by the State of Nevada under NRS Chapter 453A.

BACKGROUND

Since passage of State legislation legalizing both medical and recreational use of cannabis, the topic of how cannabis can be consumed has been debated in each subsequent legislative session. Prior to the 2021 legislative session, public consumption of cannabis was

prohibited. Consumption was only allowed in private homes or on private property. This presented a dilemma for out of state visitors or for members of the public who are prohibited from consuming cannabis in their private residence (e.g. restrictive rental/lease agreements).

During the 2021 legislative session, Assembly Bill (AB) 341 was passed and subsequently signed into law. The bill authorized the licensure and regulation of cannabis consumption lounges (BDR 56-583) and directed the Cannabis Compliance Board (“CCB”) to adopt implementing regulations. AB 341 enabled local governments to allow cannabis consumption lounges, subject to the regulations adopted by the CCB, but does not require that local governments allow consumption lounges. After considerable research, outreach to industry representatives and local governments, numerous drafts, and public comment, the CCB approved Nevada Cannabis Compliance Regulation (“NCCR”) 15 on June 28, 2022 at its regularly scheduled and publicly noticed meeting.

The final regulations include requirements for (among other items):

- The location of retail lounges;
- Product procurement and storage methods;
- Employee training and consumer education;
- Product types and serving sizes;
- Indoor air quality, ventilation standards, and consumption visibility;
- Health standards for food preparation and service;
- Incident reporting, impaired driving mitigation, and sanitation;
- The criteria for issuing licenses for independent consumption lounges.

AB 341 provides for two types of lounges – retail and independent. Retail lounges must be affiliated with existing adult-use cannabis retail dispensaries, meaning the existing license holder must apply for and be the consumption lounge licensee. Therefore, the number of retail lounges allowed in a given jurisdiction will automatically be limited to the number of existing licensed adult-use cannabis retail dispensaries. Per adopted regulations, retail lounges must be “attached to or immediately adjacent to the cannabis sales facility,” meaning it must be physically attached to the retail dispensary building, on the same parcel, or on a property sharing a common border.

Independent lounges are standalone facilities in a location not associated with a retail dispensary. Independent lounges are limited to the number equal to the total number of retail lounges in the state; however, only 20 independent lounge licenses will be issued by the State in the first application round (via random number generator). The State will use a complicated ranking and scoring process to determine which applicants will be issued an independent lounge license, including the requirement that at least 50% of the licenses be awarded to “social equity” applicants (basically, historically underprivileged neighborhoods and minority applicants).

The CCB plans to open the first licensing round for consumption lounges in the Fall. Ahead of the 10-day application period, the CCB will give a formal 30-day notice. The State will charge a base application fee of \$10,000. As with all other cannabis business licensing, the State must issue their license prior to local government issuing a license/approval.

FISCAL IMPACT

No fiscal impact.

RECOMMENDATION

It is recommended that the Board provide direction to staff (i.e. yes or no) on the following items:

- 1) Whether to allow cannabis consumption lounges in unincorporated Washoe County.
- 2) If allowed, whether to limit consumption lounges to retail lounges attached to, on the same parcel as, or on an abutting parcel to an existing retail dispensary.
- 3) If allowed, whether to allow independent, stand-alone consumption lounges as authorized by State law.
- 4) If allowed, whether to allow outdoor lounges or only indoor lounges.
- 5) If allowed, whether to limit the number and/or location of consumption lounges (i.e. be more restrictive than State regulations).

Should the Board decide to allow cannabis consumption lounges, it is further recommended that the Board direct staff to return for official initiation of code amendments (per Chapter 2 of WCC), identify the desired public process and amendment options, and seek direction from the Board regarding desired local regulations (if any) not preempted by the State.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

“Move to provide direction to staff on whether the Board wants to allow for cannabis consumption lounges, the process for applications for licensing or permitting, locations where lounges would be allowable, site requirements for lounges, and limitations on approvals of lounges, as specified during this meeting, including specific direction on the following items:

- 1) Whether to allow cannabis consumption lounges in unincorporated Washoe County.
- 2) If allowed, whether to limit consumption lounges to retail lounges attached to, on the same parcel as, or on an abutting parcel to an existing retail dispensary.
- 3) If allowed, whether to allow independent, stand-alone consumption lounges as authorized by State law.
- 4) If allowed, whether to allow outdoor lounges or only indoor lounges.
- 5) If allowed, whether to limit the number and/or location of consumption lounges (i.e. be more restrictive than State regulations).

Should the Board decide to allow cannabis consumption lounges, further move to direct staff to commence drafting amendments to Washoe County Code Chapter 25 (Business

Licensing) and Chapter 110 (Land Use Development Code) for potential adoption by the Board.”

Attachments: A. AB 341
B. Nevada Cannabis Compliance Regulation (“NCCR”) 15

ASSEMBLY BILL NO. 341—ASSEMBLYMAN YEAGER

MARCH 19, 2021

Referred to Committee on Judiciary

SUMMARY—Provides for the licensure and regulation of cannabis consumption lounges. (BDR 56-583)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to cannabis; providing for the licensure and regulation by the Cannabis Compliance Board of cannabis consumption lounges; setting forth certain requirements for the licensure of cannabis consumption lounges; setting forth certain requirements for the operation of retail cannabis consumption lounges and independent cannabis consumption lounges; requiring the Board to adopt regulations establishing certain fees; revising provisions relating to certain cannabis products; revising provisions relating to the consumption of cannabis in a public place; revising provisions relating to the excise tax on retail sales of cannabis and cannabis products; exempting a cannabis consumption lounge from certain provisions prohibiting a person from maintaining a place for the purpose of unlawfully selling, giving away or using any controlled substance; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides for the licensure and regulation of persons and
2 establishments in the cannabis industry in this State by the Cannabis Compliance
3 Board. (Title 56 of NRS) Under existing law, a cannabis establishment is prohibited
4 from allowing a person to consume cannabis on the property or premises of the
5 establishment. (NRS 678B.510) Existing law also makes it a misdemeanor to
6 consume cannabis or a cannabis product in a public place, in an adult-use cannabis
7 retail store or in a vehicle. (NRS 678D.310) This bill provides for the licensure and
8 regulation by the Board of certain businesses at which the consumption of cannabis



9 and cannabis products is allowed. **Section 2** of this bill designates such businesses
10 generally as “cannabis consumption lounges.”

11 **Sections 3 and 5** of this bill designate two types of cannabis consumption
12 lounges. **Section 5** of this bill defines “retail cannabis consumption lounge” to
13 mean a business at which the consumption of cannabis or cannabis products is
14 allowed and which is attached or immediately adjacent to an adult-use cannabis
15 retail store. **Section 3** of this bill defines “independent cannabis consumption
16 lounge” to mean a business at which the consumption of cannabis or cannabis
17 products is allowed and which is not attached or immediately adjacent to an adult-
18 use cannabis retail store.

19 Existing law prohibits a person from engaging in the business of an adult-use
20 cannabis establishment unless the person has been issued an adult-use cannabis
21 establishment license by the Board. Existing law sets forth certain requirements to
22 obtain such a license. (NRS 678B.250) **Section 7** of this bill includes a retail
23 cannabis consumption lounge and an independent cannabis consumption lounge
24 within the definition of “adult-use cannabis establishment” provided under existing
25 law, thereby requiring persons who wish to operate such establishments to obtain
26 an adult-use cannabis establishment license in the manner provided in existing law.
27 (NRS 678A.035)

28 **Section 10** of this bill prohibits the Board from issuing an adult-use cannabis
29 establishment license for a retail cannabis consumption lounge unless: (1) the
30 applicant holds an adult-use cannabis establishment license for an adult-use
31 cannabis retail store; and (2) the location of the proposed retail cannabis
32 consumption lounge is attached or immediately adjacent to the adult-use cannabis
33 retail store. **Sections 10 and 14** of this bill exempt a proposed retail
34 cannabis consumption lounge from certain restrictions relating to the location of an
35 adult-use cannabis establishment under certain circumstances.

36 **Section 11** of this bill requires the Board to adopt regulations establishing
37 criteria to determine whether an applicant for the issuance or renewal of an adult-
38 use cannabis establishment license for a retail cannabis consumption lounge or an
39 independent cannabis consumption lounge qualifies as a social equity applicant,
40 which is defined by **section 9** of this bill generally as an applicant that has been
41 adversely affected by previous laws that criminalized activity relating to cannabis.
42 **Section 12** of this bill requires the Board to adopt regulations establishing criteria
43 of merit and scoring guidelines to be used in evaluating applications for such
44 licenses and requires the Board to give an additional positive weight to social
45 equity applicants. **Section 17** of this bill requires the Board to establish fees for the
46 issuance and renewal of such licenses and authorizes the Board to establish reduced
47 fees for social equity applicants. **Section 16** of this bill makes a conforming change
48 to reflect the addition of the requirements of **section 12**.

49 Existing law prohibits the Board from issuing more than a certain number of
50 adult-use cannabis establishment licenses to any one person, group or entity in
51 certain counties. (NRS 678B.270) **Section 15** of this bill provides that this
52 prohibition does not apply to adult-use cannabis establishment licenses for retail
53 cannabis consumption lounges or independent cannabis consumption lounges.

54 **Sections 22 and 24** of this bill set forth certain requirements and restrictions
55 relating to the operation of a cannabis consumption lounge. **Section 23** of this bill
56 authorizes a cannabis consumption lounge to engage in certain activities. **Section**
57 **20** of this bill requires the Board to adopt certain regulations concerning cannabis
58 consumption lounges.

59 **Section 25** of this bill authorizes a retail cannabis consumption lounge to obtain
60 cannabis or cannabis products from the adult-use cannabis retail store to which the
61 lounge is attached or adjacent and sell such products to customers of the lounge.
62 **Section 25** also authorizes a retail cannabis consumption lounge to prepare and sell
63 ready-to-consume cannabis products.



64 **Section 4** of this bill defines “ready-to-consume cannabis product” to mean an
65 adult-use edible cannabis product that is presented as a foodstuff or beverage and is
66 intended for immediate consumption. **Section 28** of this bill requires the Board to
67 adopt regulations establishing requirements for the preparation and sale of such
68 products. **Sections 19 and 30** of this bill provide that certain requirements for
69 cannabis products established under existing law do not apply to ready-to-consume
70 cannabis products to the extent that such requirements are inconsistent with the
71 regulations adopted by the Board.

72 **Section 26** of this bill requires an independent cannabis consumption lounge to
73 allow cannabis or cannabis products to be delivered to a customer in the lounge.
74 **Section 26** also prohibits, with certain exceptions, an independent cannabis
75 consumption lounge from acquiring or selling cannabis or cannabis products.
76 **Section 27** of this bill authorizes an independent cannabis consumption lounge to
77 submit a request to the Board to sell cannabis or cannabis products to customers of
78 the lounge. If the Board approves such a request, **section 27** authorizes the
79 independent cannabis consumption lounge to: (1) enter into a contract with one or
80 more adult-use cannabis retail stores to obtain cannabis or cannabis products for
81 resale; (2) sell cannabis or cannabis products to customers of the lounge; and (3)
82 prepare and sell ready-to-consume cannabis products to customers of the lounge.

83 Existing law imposes an excise tax on each retail sale of cannabis or cannabis
84 products by an adult-use cannabis retail store. (NRS 372A.290) **Section 34** of this
85 bill applies this excise tax to retail sales of cannabis and cannabis products by a
86 cannabis consumption lounge. **Sections 31 and 33** of this bill make conforming
87 changes to reflect the imposition of the excise tax on such sales.

88 **Sections 18 and 29** of this bill revise provisions of existing law prohibiting the
89 consumption of cannabis and cannabis products in a public place or in a cannabis
90 establishment for the purpose of authorizing a person to engage in such activities in
91 a cannabis consumption lounge. (NRS 678B.510, 678D.310)

92 Existing law prohibits a person from opening or maintaining a place for the
93 purpose of unlawfully selling, giving away or using any controlled substance. (NRS
94 453.316) **Section 36** of this bill exempts a cannabis consumption lounge whose
95 activities are confined to those authorized under the provisions of this bill from the
96 application of this provision.

97 **Sections 2-5 and 9** of this bill define words and terms applicable to the
98 provisions of this bill. **Sections 6 and 32** of this bill make conforming changes to
99 properly place new language in the Nevada Revised Statutes. **Section 35** of this bill
100 makes a conforming change to reflect the addition of the provisions of **section 17**.

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

1 **Section 1.** Chapter 678A of NRS is hereby amended by
2 adding thereto the provisions set forth as sections 2 to 5, inclusive,
3 of this act.

4 **Sec. 2. “Cannabis consumption lounge” means:**

- 5 1. A retail cannabis consumption lounge; or
- 6 2. An independent cannabis consumption lounge.

7 **Sec. 3. “Independent cannabis consumption lounge” means**
8 *a business that:*

- 9 1. Is licensed by the Board pursuant to NRS 678B.250;



1 2. *Is not attached or immediately adjacent to an adult-use*
2 *cannabis retail store; and*

3 3. *Allows cannabis or cannabis products to be consumed on*
4 *the premises of the business by persons 21 years of age or older.*

5 **Sec. 4.** *“Ready-to-consume cannabis product” means an*
6 *adult-use edible cannabis product that is:*

7 1. *Prepared on the premises of a cannabis consumption*
8 *lounge;*

9 2. *Presented in the form of a foodstuff or beverage;*

10 3. *Sold in a heated or unheated state; and*

11 4. *Intended for immediate consumption.*

12 **Sec. 5.** *“Retail cannabis consumption lounge” means a*
13 *business that:*

14 1. *Is licensed by the Board pursuant to NRS 678B.250;*

15 2. *Is attached or immediately adjacent to an adult-use*
16 *cannabis retail store; and*

17 3. *Allows cannabis or cannabis products to be consumed on*
18 *the premises of the business by persons 21 years of age or older.*

19 **Sec. 6.** NRS 678A.010 is hereby amended to read as follows:

20 678A.010 As used in this title, unless the context otherwise
21 requires, the words and terms defined in NRS 678A.020 to
22 678A.240, inclusive, *and sections 2 to 5, inclusive, of this act* have
23 the meanings ascribed to them in those sections.

24 **Sec. 7.** NRS 678A.035 is hereby amended to read as follows:

25 678A.035 “Adult-use cannabis establishment” means:

26 1. An adult-use cannabis independent testing laboratory;

27 2. An adult-use cannabis cultivation facility;

28 3. An adult-use cannabis production facility;

29 4. An adult-use cannabis retail store; ~~[or]~~

30 5. An adult-use cannabis distributor ~~[or]~~;

31 6. *A retail cannabis consumption lounge; or*

32 7. *An independent cannabis consumption lounge.*

33 **Sec. 8.** Chapter 678B of NRS is hereby amended by adding
34 thereto the provisions set forth as sections 9 to 12, inclusive, of this
35 act.

36 **Sec. 9.** *“Social equity applicant” means an applicant for the*
37 *issuance or renewal of an adult-use cannabis establishment*
38 *license for a retail cannabis consumption lounge or an*
39 *independent cannabis consumption lounge who has been*
40 *adversely affected by provisions of previous laws which*
41 *criminalized activity relating to cannabis, including, without*
42 *limitation, adverse effects on an owner, officer or board member*
43 *of the applicant or on the geographic area in which the applicant*
44 *will operate.*



1 **Sec. 10. 1.** *The Board shall not issue an adult-use cannabis*
2 *establishment license for a retail cannabis consumption lounge*
3 *pursuant to NRS 678B.250 unless:*

4 *(a) The applicant holds an adult-use cannabis establishment*
5 *license for an adult-use cannabis retail store; and*

6 *(b) The location of the proposed retail cannabis consumption*
7 *lounge is attached or immediately adjacent to the adult-use*
8 *cannabis retail store for which the applicant holds an adult-use*
9 *cannabis establishment license.*

10 **2.** *The location of a proposed retail cannabis consumption*
11 *lounge is not subject to the restrictions set forth in sub-*
12 *subparagraph (II) of subparagraph (2) of paragraph (a) of*
13 *subsection 3 of NRS 678B.250 so long as the adult-use cannabis*
14 *retail store to which the proposed retail cannabis consumption*
15 *lounge is to be attached or immediately adjacent was in*
16 *compliance with such requirements at the time it was issued an*
17 *adult-use cannabis establishment license.*

18 **Sec. 11.** *The Board shall adopt regulations establishing*
19 *criteria to be used by the Board for determining whether an*
20 *applicant for the issuance or renewal of an adult-use cannabis*
21 *establishment license for a retail cannabis consumption lounge or*
22 *an independent cannabis consumption lounge qualifies as a social*
23 *equity applicant for the purposes of NRS 678B.390 and sections*
24 *12 and 27 of this act.*

25 **Sec. 12. 1.** *The Board shall adopt regulations establishing*
26 *criteria of merit and scoring guidelines to be used by the Board in*
27 *evaluating applications for the issuance of an adult-use cannabis*
28 *establishment license for a retail cannabis consumption lounge or*
29 *an independent cannabis consumption lounge pursuant to*
30 *NRS 678B.250.*

31 **2.** *In determining whether to issue an adult-use cannabis*
32 *establishment license for a retail cannabis consumption lounge or*
33 *an independent cannabis consumption lounge pursuant to NRS*
34 *678B.250, the Board shall, in addition to the factors set forth in*
35 *that section, consider the criteria of merit and scoring guidelines*
36 *established pursuant to subsection 1.*

37 **3.** *The criteria of merit and scoring guidelines established*
38 *pursuant to subsection 1 must, without limitation:*

39 *(a) Establish a minimum required score for the issuance of an*
40 *adult-use cannabis establishment license for a retail cannabis*
41 *consumption lounge or an independent cannabis consumption*
42 *lounge; and*

43 *(b) Provide an additional positive weight to social equity*
44 *applicants.*



1 **Sec. 13.** NRS 678B.020 is hereby amended to read as follows:
2 678B.020 As used in this chapter, unless the context otherwise
3 requires, the words and terms defined in NRS 678B.030 to
4 678B.070, inclusive, *and section 9 of this act* have the meanings
5 ascribed to them in those sections.

6 **Sec. 14.** NRS 678B.250 is hereby amended to read as follows:
7 678B.250 1. A person shall not engage in the business of an
8 adult-use cannabis establishment unless the person holds an adult-
9 use cannabis establishment license issued pursuant to this section.

10 2. A person who wishes to engage in the business of an adult-
11 use cannabis establishment must submit to the Board an application
12 on a form prescribed by the Board.

13 3. Except as otherwise provided in NRS 678B.260, 678B.270
14 and 678B.280, *and sections 10 and 12 of this act*, the Board shall
15 issue an adult-use cannabis establishment license to an applicant if:

16 (a) The person who wishes to operate the proposed adult-use
17 cannabis establishment has submitted to the Board all of the
18 following:

19 (1) The application fee, as set forth in NRS 678B.390;

20 (2) An application, which must include:

21 (I) The legal name of the proposed adult-use cannabis
22 establishment;

23 (II) The physical address where the proposed adult-use
24 cannabis establishment will be located and the physical address of
25 any co-owned additional or otherwise associated adult-use cannabis
26 establishments, the locations of which may not, *except as otherwise*
27 *provided in section 10 of this act*, be within 1,000 feet of a public or
28 private school that provides formal education traditionally
29 associated with preschool or kindergarten through grade 12 and that
30 existed on the date on which the application for the proposed adult-
31 use cannabis establishment was submitted to the Board, within 300
32 feet of a community facility that existed on the date on which the
33 application for the proposed adult-use cannabis establishment was
34 submitted to the Board or, if the proposed adult-use cannabis
35 establishment will be located in a county whose population is
36 100,000 or more, within 1,500 feet of an establishment that holds a
37 nonrestricted gaming license described in subsection 1 or 2 of NRS
38 463.0177 and that existed on the date on which the application for
39 the proposed adult-use cannabis establishment was submitted to the
40 Board;

41 (III) Evidence that the applicant controls liquid assets in
42 an amount determined by the Board to be sufficient to cover the
43 initial expenses of opening the proposed adult-use cannabis
44 establishment and complying with the provisions of this title;



1 (IV) Evidence that the applicant owns the property on
2 which the proposed adult-use cannabis establishment will be located
3 or has the written permission of the property owner to operate the
4 proposed adult-use cannabis establishment on that property;

5 (V) For the applicant and each person who is proposed to
6 be an owner, officer or board member of the proposed adult-use
7 cannabis establishment, a complete set of the person's fingerprints
8 and written permission of the person authorizing the Board to
9 forward the fingerprints to the Central Repository for Nevada
10 Records of Criminal History for submission to the Federal Bureau
11 of Investigation for its report; and

12 (VI) The name, address and date of birth of each person
13 who is proposed to be an owner, officer or board member of the
14 proposed adult-use cannabis establishment;

15 (3) Operating procedures consistent with rules of the Board
16 for oversight of the proposed adult-use cannabis establishment,
17 including, without limitation:

18 (I) Procedures to ensure the use of adequate security
19 measures; and

20 (II) The use of an inventory control system;

21 (4) If the proposed adult-use cannabis establishment will sell
22 or deliver adult-use cannabis products, proposed operating
23 procedures for handling such products which must be preapproved
24 by the Board; and

25 (5) Such other information as the Board may require by
26 regulation;

27 (b) None of the persons who are proposed to be owners, officers
28 or board members of the proposed adult-use cannabis establishment
29 have been convicted of an excluded felony offense;

30 (c) None of the persons who are proposed to be owners, officers
31 or board members of the proposed adult-use cannabis establishment
32 have:

33 (1) Served as an owner, officer or board member for a
34 cannabis establishment that has had its adult-use cannabis
35 establishment license or medical cannabis establishment license
36 revoked;

37 (2) Previously had a cannabis establishment agent
38 registration card revoked; or

39 (3) Previously had a cannabis establishment agent
40 registration card for a cannabis executive revoked; and

41 (d) None of the persons who are proposed to be owners, officers
42 or board members of the proposed adult-use cannabis establishment
43 are under 21 years of age.

44 4. For each person who submits an application pursuant to this
45 section, and each person who is proposed to be an owner, officer or



1 board member of a proposed adult-use cannabis establishment, the
2 Board shall submit the fingerprints of the person to the Central
3 Repository for Nevada Records of Criminal History for submission
4 to the Federal Bureau of Investigation to determine the criminal
5 history of that person.

6 5. Except as otherwise provided in subsection 6, if an applicant
7 for licensure to operate an adult-use cannabis establishment satisfies
8 the requirements of this section, is qualified in the determination of
9 the Board pursuant to NRS 678B.200 and is not disqualified from
10 being licensed pursuant to this section or other applicable law, the
11 Board shall issue to the applicant an adult-use cannabis
12 establishment license. An adult-use cannabis establishment license
13 expires 1 year after the date of issuance and may be renewed upon:

14 (a) Submission of the information required by the Board by
15 regulation; and

16 (b) Payment of the renewal fee set forth in NRS 678B.390.

17 6. In determining whether to issue an adult-use cannabis
18 license pursuant to this section, the Board shall consider the criteria
19 of merit *and scoring guidelines* set forth in NRS 678B.280 ~~§~~ *or*
20 *section 12 of this act, as applicable.*

21 7. For the purposes of sub-subparagraph (II) of subparagraph
22 (2) of paragraph (a) of subsection 3, the distance must be measured
23 from the front door of the proposed adult-use cannabis
24 establishment to the closest point of the property line of a school,
25 community facility or gaming establishment.

26 8. As used in this section, “community facility” means:

27 (a) A facility that provides day care to children.

28 (b) A public park.

29 (c) A playground.

30 (d) A public swimming pool.

31 (e) A center or facility, the primary purpose of which is to
32 provide recreational opportunities or services to children or
33 adolescents.

34 (f) A church, synagogue or other building, structure or place
35 used for religious worship or other religious purpose.

36 **Sec. 15.** NRS 678B.270 is hereby amended to read as follows:

37 678B.270 **1.** Except as otherwise provided in *paragraph (b)*
38 *and* subsection 2, to prevent monopolistic practices, the Board shall
39 ensure, in a county whose population is 100,000 or more, that it
40 does not issue, to any one person, group of persons or entity, the
41 greater of:

42 ~~§~~ (a) One adult-use cannabis establishment license; or

43 ~~§~~ (b) More than 10 percent of the adult-use cannabis
44 establishment licenses otherwise allocable in the county.



1 **2. The provisions of this section do not apply to an adult-use**
2 **cannabis establishment license for a retail cannabis consumption**
3 **lounge or an independent cannabis consumption lounge.**

4 **Sec. 16.** NRS 678B.280 is hereby amended to read as follows:

5 678B.280 1. In determining whether to issue an adult-use
6 cannabis establishment license pursuant to NRS 678B.250, *other*
7 *than an adult-use cannabis establishment license for a retail*
8 *cannabis consumption lounge or an independent cannabis*
9 *consumption lounge*, the Board shall, in addition to the factors set
10 forth in that section, consider criteria of merit established by
11 regulation of the Board. Such criteria must include, without
12 limitation:

13 (a) Whether the applicant controls liquid assets in an amount
14 determined by the Board to be sufficient to cover the initial
15 expenses of opening the proposed adult-use cannabis establishment
16 and complying with the provisions of this title;

17 (b) Whether the owners, officers or board members of the
18 proposed adult-use cannabis establishment have direct experience
19 with the operation of a cannabis establishment in this State and have
20 demonstrated a record of operating such an establishment in
21 compliance with the laws and regulations of this State for an
22 adequate period of time to demonstrate success;

23 (c) The educational and life experience of the persons who are
24 proposed to be owners, officers or board members of the proposed
25 adult-use cannabis establishment;

26 (d) Whether the applicant has an integrated plan for the care,
27 quality and safekeeping of cannabis from seed to sale;

28 (e) The experience of key personnel that the applicant intends to
29 employ in operating the type of adult-use cannabis establishment for
30 which the applicant seeks a license;

31 (f) The diversity on the basis of race, ethnicity or gender of the
32 applicant or the persons who are proposed to be owners, officers or
33 board members of the proposed adult-use cannabis establishment,
34 including, without limitation, the inclusion of persons of
35 backgrounds which are disproportionately underrepresented as
36 owners, officers or board members of adult-use cannabis
37 establishments; and

38 (g) Any other criteria of merit that the Board determines to be
39 relevant.

40 2. The Board shall adopt regulations for determining the
41 relative weight of each criteria of merit established by the Board
42 pursuant to subsection 1.



1 **Sec. 17.** NRS 678B.390 is hereby amended to read as follows:
2 678B.390 1. Except as otherwise provided in subsection ~~2.~~
3 4, the Board shall collect not more than the following maximum
4 fees:

5		
6	For the initial issuance of a medical cannabis	
7	establishment license for a medical cannabis	
8	dispensary.....	\$30,000
9	For the renewal of a medical cannabis	
10	establishment license for a medical cannabis	
11	dispensary.....	5,000
12	For the initial issuance of a medical cannabis	
13	establishment license for a medical cannabis	
14	cultivation facility	3,000
15	For the renewal of a medical cannabis	
16	establishment license for a medical cannabis	
17	cultivation facility	1,000
18	For the initial issuance of a medical cannabis	
19	establishment license for a medical cannabis	
20	production facility	3,000
21	For the renewal of a medical cannabis	
22	establishment license for a medical cannabis	
23	production facility	1,000
24	For the initial issuance of a medical cannabis	
25	establishment license for a medical cannabis	
26	independent testing laboratory	5,000
27	For the renewal of a medical cannabis	
28	establishment license for a medical cannabis	
29	independent testing laboratory	3,000
30	For the initial issuance of an adult-use cannabis	
31	establishment license for an adult-use	
32	cannabis retail store.....	20,000
33	For the renewal of an adult-use cannabis	
34	establishment license for an adult-use	
35	cannabis retail store.....	6,600
36	For the initial issuance of an adult-use cannabis	
37	establishment license for an adult-use	
38	cannabis cultivation facility	30,000
39	For the renewal of an adult-use cannabis	
40	establishment license for an adult-use	
41	cannabis cultivation facility	10,000
42	For the initial issuance of an adult-use cannabis	
43	establishment license for an adult-use	
44	cannabis production facility	10,000



1 For the renewal of an adult-use cannabis
2 establishment license for an adult-use
3 cannabis production facility \$3,300
4 For the initial issuance of an adult-use cannabis
5 establishment license for an adult-use
6 cannabis independent testing laboratory 15,000
7 For the renewal of an adult-use cannabis
8 establishment license for an adult-use
9 cannabis independent testing laboratory 5,000
10 For the initial issuance of an adult-use cannabis
11 establishment license for an adult-use
12 cannabis distributor 15,000
13 For the renewal of an adult-use cannabis
14 establishment license for an adult-use
15 cannabis distributor 5,000
16 For each person identified in an application for
17 the initial issuance of a cannabis
18 establishment agent registration card 150
19 For each person identified in an application for
20 the renewal of a cannabis establishment agent
21 registration card..... 150
22

23 2. *The Board shall by regulation establish fees for the initial*
24 *issuance and renewal of:*

25 (a) *An adult-use cannabis establishment license for a retail*
26 *cannabis consumption lounge; and*

27 (b) *An adult-use cannabis establishment license for an*
28 *independent cannabis consumption lounge.*

29 3. *The Board may by regulation establish reduced fees for an*
30 *applicant for the initial issuance or renewal of a license specified*
31 *in subsection 2 that is a social equity applicant.*

32 4. In addition to the fees described in subsection 1, each
33 applicant for a medical cannabis establishment license or adult-use
34 cannabis establishment license must pay to the Board:

35 (a) A one-time, nonrefundable application fee of \$5,000; and

36 (b) The actual costs incurred by the Board in processing the
37 application, including, without limitation, conducting background
38 checks.

39 ~~3.1~~ 5. Any revenue generated from the fees imposed pursuant
40 to this section:

41 (a) Must be expended first to pay the costs of the Board in
42 carrying out the provisions of this title; and

43 (b) If any excess revenue remains after paying the costs
44 described in paragraph (a), such excess revenue must be paid over to



1 the State Treasurer to be deposited to the credit of the State
2 Education Fund.

3 **Sec. 18.** NRS 678B.510 is hereby amended to read as follows:
4 678B.510 1. The operating documents of a cannabis
5 establishment must include procedures:

- 6 (a) For the oversight of the cannabis establishment; and
- 7 (b) To ensure accurate recordkeeping.

8 2. Except as otherwise provided in this subsection, a cannabis
9 establishment:

10 (a) That is a cannabis sales facility must have a single entrance
11 for patrons, which must be secure, and shall implement strict
12 security measures to deter and prevent the theft of cannabis and
13 unauthorized entrance into areas containing cannabis.

14 (b) That is not a cannabis sales facility must have a single secure
15 entrance and shall implement strict security measures to deter and
16 prevent the theft of cannabis and unauthorized entrance into areas
17 containing cannabis.

18 ↪ The provisions of this subsection do not supersede any state or
19 local requirements relating to minimum numbers of points of entry
20 or exit, or any state or local requirements relating to fire safety.

21 3. Except as otherwise provided in NRS 678D.400, all
22 cultivation or production of cannabis that a cannabis cultivation
23 facility carries out or causes to be carried out must take place in an
24 enclosed, locked facility at the physical address provided to the
25 Board during the licensing process for the cannabis cultivation
26 facility. Such an enclosed, locked facility must be accessible only by
27 cannabis establishment agents who are lawfully associated with the
28 cannabis cultivation facility, except that limited access by persons
29 necessary to perform construction or repairs or provide other labor
30 is permissible if such persons are supervised by a cannabis
31 establishment agent.

32 4. A cannabis establishment *that is not a cannabis*
33 *consumption lounge* shall not allow any person to consume
34 cannabis on the property or premises of the establishment.

35 5. Cannabis establishments are subject to reasonable inspection
36 by the Board at any time, and a person who holds a license must
37 make himself or herself, or a designee thereof, available and present
38 for any inspection by the Board of the cannabis establishment.

39 6. Each cannabis establishment shall install a video monitoring
40 system which must, at a minimum:

41 (a) Allow for the transmission and storage, by digital or analog
42 means, of a video feed which displays the interior and exterior of the
43 cannabis establishment; and

44 (b) Be capable of being accessed remotely by a law enforcement
45 agency in real-time upon request.



1 7. A cannabis establishment shall not dispense or otherwise sell
2 cannabis or cannabis products from a vending machine or allow
3 such a vending machine to be installed at the interior or exterior of
4 the premises of the cannabis establishment. As used in this
5 subsection, "vending machine" has the meaning ascribed to it in
6 NRS 209.229.

7 **Sec. 19.** NRS 678B.520 is hereby amended to read as follows:

8 678B.520 1. Each cannabis establishment shall, in
9 consultation with the Board, cooperate to ensure that all cannabis
10 products offered for sale:

11 (a) Are labeled clearly and unambiguously:

12 (1) As cannabis or medical cannabis with the words "THIS
13 IS A MEDICAL CANNABIS PRODUCT" or "THIS IS A
14 CANNABIS PRODUCT," as applicable, in bold type; and

15 (2) As required by the provisions of this chapter and chapters
16 678C and 678D of NRS.

17 (b) Are not presented in packaging that contains an image of a
18 cartoon character, mascot, action figure, balloon or toy, except that
19 such an item may appear in the logo of the cannabis production
20 facility which produced the product.

21 (c) Are regulated and sold on the basis of the concentration of
22 THC in the products and not by weight.

23 (d) Are packaged and labeled in such a manner as to allow
24 tracking by way of an inventory control system.

25 (e) Are not packaged and labeled in a manner which is modeled
26 after a brand of products primarily consumed by or marketed to
27 children.

28 (f) Are labeled in a manner which indicates the amount of THC
29 in the product, measured in milligrams, and includes a statement
30 that the product contains cannabis and its potency was tested with an
31 allowable variance of the amount determined by the Board by
32 regulation.

33 (g) Are not labeled or marketed as candy.

34 2. A cannabis production facility shall not produce cannabis
35 products in any form that:

36 (a) Is or appears to be a lollipop.

37 (b) Bears the likeness or contains characteristics of a real or
38 fictional person, animal or fruit, including, without limitation, a
39 caricature, cartoon or artistic rendering.

40 (c) Is modeled after a brand of products primarily consumed by
41 or marketed to children.

42 (d) Is made by applying concentrated cannabis, as defined in
43 NRS 453.042, to a commercially available candy or snack food item
44 other than dried fruit, nuts or granola.

45 3. A cannabis production facility shall:



1 (a) Seal any cannabis product that consists of cookies or
2 brownies in a bag or other container which is not transparent.

3 (b) Affix a label to each cannabis product which includes
4 without limitation, in a manner which must not mislead consumers,
5 the following information:

6 (1) The words "Keep out of reach of children";

7 (2) A list of all ingredients used in the cannabis product;

8 (3) A list of all allergens in the cannabis product; and

9 (4) The total content of THC measured in milligrams.

10 (c) Maintain a hand washing area with hot water, soap and
11 disposable towels which is located away from any area in which
12 cannabis products are cooked or otherwise prepared.

13 (d) Require each person who handles cannabis products to
14 restrain his or her hair, wear clean clothing and keep his or her
15 fingernails neatly trimmed.

16 (e) Package all cannabis products produced by the cannabis
17 production facility on the premises of the cannabis production
18 facility.

19 4. A cannabis establishment shall not engage in advertising that
20 in any way makes cannabis or cannabis products appeal to children,
21 including, without limitation, advertising which uses an image of a
22 cartoon character, mascot, action figure, balloon, fruit or toy.

23 5. Each cannabis sales facility shall offer for sale containers for
24 the storage of cannabis and cannabis products which lock and are
25 designed to prohibit children from unlocking and opening the
26 container.

27 6. A cannabis sales facility shall:

28 (a) Include a written notification with each sale of cannabis or
29 cannabis products which advises the purchaser:

30 (1) To keep cannabis and cannabis products out of the reach
31 of children;

32 (2) That cannabis products can cause severe illness in
33 children;

34 (3) That allowing children to ingest cannabis or cannabis
35 products or storing cannabis or cannabis products in a location
36 which is accessible to children may result in an investigation by an
37 agency which provides child welfare services or criminal
38 prosecution for child abuse or neglect;

39 (4) That the intoxicating effects of edible cannabis products
40 may be delayed by 2 hours or more and users of edible cannabis
41 products should initially ingest a small amount of the product, then
42 wait at least 120 minutes before ingesting any additional amount of
43 the product;

44 (5) That pregnant women should consult with a physician
45 before ingesting cannabis or cannabis products;



1 (6) That ingesting cannabis or cannabis products with
2 alcohol or other drugs, including prescription medication, may result
3 in unpredictable levels of impairment and that a person should
4 consult with a physician before doing so;

5 (7) That cannabis or cannabis products can impair
6 concentration, coordination and judgment and a person should not
7 operate a motor vehicle while under the influence of cannabis or
8 cannabis products; and

9 (8) That ingestion of any amount of cannabis or cannabis
10 products before driving may result in criminal prosecution for
11 driving under the influence.

12 (b) Enclose all cannabis and cannabis products in opaque, child-
13 resistant packaging upon sale.

14 7. A cannabis sales facility shall allow any person who is at
15 least 21 years of age to enter the premises of the cannabis sales
16 facility.

17 8. If the health authority, as defined in NRS 446.050, where a
18 cannabis production facility , ~~for~~ cannabis sales facility *or*
19 *cannabis consumption lounge* which sells edible cannabis products
20 is located requires persons who handle food at a food establishment
21 to obtain certification, the cannabis production facility , ~~for~~
22 cannabis sales facility *or cannabis consumption lounge* shall
23 ensure that at least one employee maintains such certification.

24 9. A cannabis production facility may sell a commodity or
25 product made using hemp, as defined in NRS 557.160, or containing
26 cannabidiol to a cannabis sales facility.

27 10. In addition to any other product authorized by the
28 provisions of this title, a cannabis sales facility may sell:

29 (a) Any commodity or product made using hemp, as defined in
30 NRS 557.160;

31 (b) Any commodity or product containing cannabidiol with a
32 THC concentration of not more than 0.3 percent; and

33 (c) Any other product specified by regulation of the Board.

34 11. A cannabis establishment:

35 (a) Shall not engage in advertising which contains any statement
36 or illustration that:

37 (1) Is false or misleading;

38 (2) Promotes overconsumption of cannabis or cannabis
39 products;

40 (3) Depicts the actual consumption of cannabis or cannabis
41 products; or

42 (4) Depicts a child or other person who is less than 21 years
43 of age consuming cannabis or cannabis products or objects
44 suggesting the presence of a child, including, without limitation,
45 toys, characters or cartoons, or contains any other depiction which is



1 designed in any manner to be appealing to or encourage
2 consumption of cannabis or cannabis products by a person who is
3 less than 21 years of age.

4 (b) Shall not advertise in any publication or on radio, television
5 or any other medium if 30 percent or more of the audience of that
6 medium is reasonably expected to be persons who are less than 21
7 years of age.

8 (c) Shall not place an advertisement:

9 (1) Within 1,000 feet of a public or private school,
10 playground, public park or library, but may maintain such an
11 advertisement if it was initially placed before the school,
12 playground, public park or library was located within 1,000 feet of
13 the location of the advertisement;

14 (2) On or inside of a motor vehicle used for public
15 transportation or any shelter for public transportation;

16 (3) At a sports event to which persons who are less than 21
17 years of age are allowed entry; or

18 (4) At an entertainment event if it is reasonably estimated
19 that 30 percent or more of the persons who will attend that event are
20 less than 21 years of age.

21 (d) Shall not advertise or offer any cannabis or cannabis product
22 as "free" or "donated" without a purchase.

23 (e) Shall ensure that all advertising by the cannabis
24 establishment contains such warnings as may be prescribed by the
25 Board, which must include, without limitation, the following words:

26 (1) "Keep out of reach of children"; and

27 (2) "For use only by adults 21 years of age and older."

28 12. Nothing in subsection 11 shall be construed to prohibit a
29 local government, pursuant to chapter 244, 268 or 278 of NRS, from
30 adopting an ordinance for the regulation of advertising relating to
31 cannabis which is more restrictive than the provisions of subsection
32 11 relating to:

33 (a) The number, location and size of signs, including, without
34 limitation, any signs carried or displayed by a natural person;

35 (b) Handbills, pamphlets, cards or other types of advertisements
36 that are distributed, excluding an advertisement placed in a
37 newspaper of general circulation, trade publication or other form of
38 print media;

39 (c) Any stationary or moving display that is located on or near
40 the premises of a cannabis establishment; and

41 (d) The content of any advertisement used by a cannabis
42 establishment if the ordinance sets forth specific prohibited content
43 for such an advertisement.

44 13. If a cannabis establishment engages in advertising for
45 which it is required to determine the percentage of persons who are



1 less than 21 years of age and who may reasonably be expected to
2 view or hear the advertisement, the cannabis establishment shall
3 maintain documentation for not less than 5 years after the date on
4 which the advertisement is first broadcasted, published or otherwise
5 displayed that demonstrates the manner in which the cannabis
6 establishment determined the reasonably expected age of the
7 audience for that advertisement.

8 14. *To the extent that they are inconsistent or otherwise*
9 *conflict with the regulations adopted by the Board pursuant to*
10 *section 28 of this act, the requirements of this section pertaining to*
11 *cannabis products do not apply to ready-to-consume cannabis*
12 *products prepared and sold by a cannabis consumption lounge.*

13 15. In addition to any other penalties provided for by law, the
14 Board may impose a civil penalty upon a cannabis establishment
15 that violates the provisions of subsection 11 or 13 as follows:

16 (a) For the first violation in the immediately preceding 2 years, a
17 civil penalty not to exceed \$1,250.

18 (b) For the second violation in the immediately preceding 2
19 years, a civil penalty not to exceed \$2,500.

20 (c) For the third violation in the immediately preceding 2 years,
21 a civil penalty not to exceed \$5,000.

22 (d) For the fourth violation in the immediately preceding 2
23 years, a civil penalty not to exceed \$10,000.

24 ~~15.~~ 16. As used in this section, “motor vehicle used for
25 public transportation” does not include a taxicab, as defined in
26 NRS 706.124.

27 **Sec. 20.** NRS 678B.650 is hereby amended to read as follows:

28 678B.650 The Board shall adopt such regulations as it
29 determines to be necessary or advisable to carry out the provisions
30 of this chapter. Such regulations are in addition to any requirements
31 set forth in statute and must, without limitation:

32 1. Prescribe the form and any additional required content of
33 applications for licenses or registration cards issued pursuant to this
34 chapter;

35 2. Establish procedures for the suspension or revocation of a
36 license or registration card or other disciplinary action to be taken
37 against a licensee or registrant;

38 3. Set forth rules pertaining to the safe and healthful operation
39 of cannabis establishments, including, without limitation:

40 (a) The manner of protecting against diversion and theft without
41 imposing an undue burden on cannabis establishments or
42 compromising the confidentiality of consumers and holders of
43 registry identification cards and letters of approval, as those terms
44 are defined in NRS 678C.080 and 678C.070, respectively;



1 (b) Minimum requirements for the oversight of cannabis
2 establishments;

3 (c) Minimum requirements for the keeping of records by
4 cannabis establishments;

5 (d) Provisions for the security of cannabis establishments,
6 including without limitation, requirements for the protection by a
7 fully operational security alarm system of each cannabis
8 establishment; and

9 (e) Procedures pursuant to which cannabis establishments must
10 use the services of cannabis independent testing laboratories to
11 ensure that any cannabis or cannabis product or commodity or
12 product made from hemp, as defined in NRS 557.160, sold by a
13 cannabis sales facility to an end user is tested for content, quality
14 and potency in accordance with standards established by the Board;

15 4. Establish circumstances and procedures pursuant to which
16 the maximum fees set forth in NRS 678B.390 may be reduced over
17 time to ensure that the fees imposed pursuant to NRS 678B.390 are,
18 insofar as may be practicable, revenue neutral;

19 5. Establish different categories of cannabis establishment
20 agent registration cards, including, without limitation, criteria for
21 issuance of a cannabis establishment agent registration card for a
22 cannabis executive and criteria for training and certification, for
23 each of the different types of cannabis establishments at which such
24 an agent may be employed or volunteer or provide labor as a
25 cannabis establishment agent;

26 6. As far as possible while maintaining accountability, protect
27 the identity and personal identifying information of each person who
28 receives, facilitates or delivers services in accordance with this
29 chapter;

30 7. Establish procedures and requirements to enable a dual
31 licensee to operate a medical cannabis establishment and an adult-
32 use cannabis establishment at the same location;

33 8. Determine whether any provision of this chapter or chapter
34 678C or 678D of NRS would make the operation of a cannabis
35 establishment by a dual licensee unreasonably impracticable; ~~and~~

36 9. *Set forth rules pertaining to the safe and healthful*
37 *operation of cannabis consumption lounges, including, without*
38 *limitation:*

39 (a) *Standards for the air quality in a cannabis consumption*
40 *lounge;*

41 (b) *Procedures and requirements for the delivery of cannabis*
42 *or a cannabis product to a customer in an independent cannabis*
43 *consumption lounge; and*



1 *(c) Procedures and requirements for the collection and*
2 *disposal of cannabis and cannabis products which are left at a*
3 *cannabis consumption lounge; and*

4 *10. Address such other matters as the Board deems necessary*
5 *to carry out the provisions of this title.*

6 **Sec. 21.** Chapter 678D of NRS is hereby amended by adding
7 thereto the provisions set forth as sections 22 to 28, inclusive, of this
8 act.

9 **Sec. 22. 1. A cannabis consumption lounge shall:**

10 *(a) Require any cannabis or cannabis product brought into the*
11 *cannabis consumption lounge by a customer to be contained in the*
12 *sealed, opaque packaging in which the cannabis or cannabis*
13 *product was originally sold;*

14 *(b) Require a person who wishes to bring cannabis or*
15 *cannabis products into the cannabis consumption lounge to,*
16 *before entry, submit the cannabis and each cannabis product to an*
17 *employee for inspection to ensure that:*

18 *(1) The cannabis or cannabis product satisfies the*
19 *requirements of this subsection; and*

20 *(2) The person is in compliance with the legal limits on the*
21 *possession of cannabis for adult-use purposes as set forth in*
22 *NRS 678D.200;*

23 *(c) Install a ventilation and exhaust system which is capable of*
24 *sufficiently expelling odors generated in the cannabis*
25 *consumption lounge, reducing volatile organic compounds and*
26 *maintaining the standards for air quality in the cannabis*
27 *consumption lounge as set forth by regulation of the Board;*

28 *(d) Train each employee of the cannabis consumption lounge*
29 *concerning paraphernalia, cannabis and cannabis products,*
30 *including, without limitation, the proper use of paraphernalia, the*
31 *potency, absorption time and effects of cannabis and cannabis*
32 *products, the recognition of impairment from and*
33 *overconsumption of cannabis and the safe handling of a customer*
34 *who is impaired;*

35 *(e) Submit a security plan to the Board which, without*
36 *limitation, provides for adequate security and lighting at the*
37 *cannabis consumption lounge and for each entrance and exit of*
38 *the cannabis consumption lounge to be adequately secured, and*
39 *submit to the Board such updates to the plan as the Board may*
40 *require;*

41 *(f) Submit a plan to the Board setting forth protocols and*
42 *procedures to deter customers from driving under the influence of*
43 *cannabis, and submit to the Board such updates to the plan as the*
44 *Board may require;*



1 (g) *Submit a plan to the Board setting forth protocols and*
2 *procedures to ensure that cannabis and cannabis products are not*
3 *sold or otherwise distributed in the cannabis consumption lounge*
4 *other than as authorized in this chapter, and submit to the Board*
5 *such updates to the plan as the Board may require;*

6 (h) *Dispose of cannabis or cannabis products which are left at*
7 *the cannabis consumption lounge in accordance with the*
8 *procedures for disposal set forth by the regulations of the Board;*

9 (i) *Comply with all local ordinances and rules pertaining to*
10 *zoning, land use and signage; and*

11 (j) *Comply with any requirements set forth by regulation of the*
12 *Board.*

13 2. *As used in this section, “volatile organic compound” has*
14 *the meaning ascribed to it in 40 C.F.R. § 51.100(s).*

15 **Sec. 23.** *A cannabis consumption lounge may:*

16 1. *Sell food and beverages to customers of the cannabis*
17 *consumption lounge;*

18 2. *Sell any other item which does not contain cannabis or*
19 *cannabis products and is not intended for use with cannabis or*
20 *cannabis products to customers of the cannabis consumption*
21 *lounge; and*

22 3. *Provide live entertainment at the cannabis consumption*
23 *lounge.*

24 **Sec. 24.** *A cannabis consumption lounge shall not allow:*

25 1. *The consumption of cannabis or cannabis products at any*
26 *place which is within view of a public place; or*

27 2. *The entry of any person who is less than 21 years of age to*
28 *the cannabis consumption lounge.*

29 **Sec. 25.** 1. *A retail cannabis consumption lounge may:*

30 (a) *Obtain cannabis or cannabis products from the adult-use*
31 *cannabis retail store to which the retail cannabis consumption*
32 *lounge is attached or immediately adjacent;*

33 (b) *Sell cannabis or cannabis products obtained pursuant to*
34 *paragraph (a) to customers of the retail cannabis consumption*
35 *lounge; and*

36 (c) *Prepare ready-to-consume cannabis products using*
37 *cannabis obtained pursuant to paragraph (a) and sell such*
38 *products to customers of the cannabis consumption lounge.*

39 2. *A retail cannabis consumption lounge shall ensure that*
40 *only cannabis or cannabis products that were purchased from the*
41 *retail cannabis consumption lounge or the adult-use cannabis*
42 *retail store to which the lounge is attached or immediately*
43 *adjacent are consumed in the lounge.*

44 **Sec. 26.** 1. *An independent cannabis consumption lounge*
45 *shall allow cannabis or cannabis products sold by a cannabis sales*



1 *facility to be delivered to a customer in the independent cannabis*
2 *consumption lounge. Such a delivery must comply with the*
3 *applicable requirements for the delivery of cannabis or cannabis*
4 *products to a consumer set forth in this title and any other*
5 *requirements the Board may establish by regulation.*

6 2. *Except as otherwise provided in section 27 of this act, an*
7 *independent cannabis consumption lounge shall not obtain from*
8 *any source or sell cannabis or cannabis products.*

9 **Sec. 27.** 1. *If an independent cannabis consumption lounge*
10 *wishes to sell cannabis or cannabis products to customers of the*
11 *lounge, the independent cannabis consumption lounge must*
12 *submit a request to the Board. Such a request must include any*
13 *information the Board may by regulation require.*

14 2. *If the Board approves a request submitted pursuant to*
15 *subsection 1, the independent cannabis consumption lounge may:*

16 (a) *Enter into a contract with one or more adult-use cannabis*
17 *retail stores to sell to the independent cannabis consumption*
18 *lounge for the purpose of resale all cannabis and cannabis*
19 *products obtained by the independent cannabis consumption*
20 *lounge;*

21 (b) *Sell cannabis and cannabis products obtained pursuant to*
22 *paragraph (a) to customers of the independent cannabis*
23 *consumption lounge; and*

24 (c) *Prepare ready-to-consume cannabis products using*
25 *cannabis obtained pursuant to paragraph (a) and sell such*
26 *products to customers of the independent cannabis consumption*
27 *lounge.*

28 3. *The Board shall adopt regulations governing the manner*
29 *in which the Board will accept and evaluate requests submitted*
30 *pursuant to subsection 1. The regulations must prescribe, without*
31 *limitation:*

32 (a) *The required contents of such a request;*

33 (b) *Procedures for the submission and evaluation of such a*
34 *request; and*

35 (c) *The criteria by which the Board will evaluate such a*
36 *request, which may include, without limitation:*

37 (1) *Whether the requestor holds an additional adult-use*
38 *cannabis establishment license for another type of cannabis*
39 *establishment;*

40 (2) *Whether the requestor is a social equity applicant; and*

41 (3) *Whether the requestor has previously been subject to*
42 *disciplinary action by the Board.*

43 **Sec. 28.** *The Board shall adopt regulations governing the*
44 *preparation and sale of ready-to-consume cannabis products by a*



1 *cannabis consumption lounge. Such regulations must, without*
2 *limitation:*

3 1. *Establish standards for the content, quality and potency of*
4 *ready-to-consume cannabis products, including, without*
5 *limitation, the maximum THC concentration for such products;*

6 2. *Prescribe procedures and protocols for the preparation of*
7 *ready-to-consume cannabis products to ensure that each such*
8 *prepared product meets the standards established pursuant to*
9 *subsection 1;*

10 3. *Establish requirements relating to the sale of ready-to-*
11 *consume cannabis products, including, without limitation,*
12 *requirements relating to notifications that must be provided to a*
13 *purchaser of such a product at the time of sale; and*

14 4. *Set forth any other requirements concerning the*
15 *preparation and sale of ready-to-consume cannabis products that*
16 *the Board determines are necessary.*

17 **Sec. 29.** NRS 678D.310 is hereby amended to read as follows:

18 678D.310 1. Except as otherwise provided in chapter 678C
19 of NRS, any person shall not:

20 (a) Cultivate cannabis within 25 miles of an adult-use cannabis
21 retail store licensed pursuant to chapter 678B of NRS, unless the
22 person is an adult-use cannabis cultivation facility or is a cannabis
23 establishment agent volunteering at, employed by or providing labor
24 to an adult-use cannabis cultivation facility;

25 (b) Cultivate cannabis plants where they are visible from a
26 public place by normal unaided vision; or

27 (c) Cultivate cannabis on property not in the cultivator's lawful
28 possession or without the consent of the person in lawful physical
29 possession of the property.

30 2. A person who violates the provisions of subsection 1 is
31 guilty of:

32 (a) For a first violation, a misdemeanor punished by a fine of not
33 more than \$600.

34 (b) For a second violation, a misdemeanor punished by a fine of
35 not more than \$1,000.

36 (c) For a third violation, a gross misdemeanor.

37 (d) For a fourth or subsequent violation, a category E felony.

38 3. ~~1A~~ *Except as otherwise provided in subsection 9, a person*
39 *who smokes or otherwise consumes cannabis or a cannabis product*
40 *in a public place, in an adult-use cannabis retail store or in a vehicle*
41 *is guilty of a misdemeanor punished by a fine of not more than*
42 *\$600.*

43 4. A person under 21 years of age who falsely represents
44 himself or herself to be 21 years of age or older to obtain cannabis is
45 guilty of a misdemeanor.



1 5. A person under 21 years of age who knowingly enters,
2 loiters or remains on the premises of an adult-use cannabis
3 establishment shall be punished by a fine of not more than \$500
4 unless the person is authorized to possess cannabis pursuant to
5 chapter 678C of NRS and the adult-use cannabis establishment is a
6 dual licensee.

7 6. A person who manufactures cannabis by chemical extraction
8 or chemical synthesis, unless done pursuant to an adult-use cannabis
9 establishment license for an adult-use cannabis production facility
10 issued by the Board or authorized by this title, is guilty of a category
11 E felony.

12 7. A person who knowingly gives cannabis or a cannabis
13 product to any person under 21 years of age or who knowingly
14 leaves or deposits any cannabis or cannabis product in any place
15 with the intent that it will be procured by any person under 21 years
16 of age is guilty of a misdemeanor.

17 8. A person who knowingly gives cannabis to any person under
18 18 years of age or who knowingly leaves or deposits any cannabis in
19 any place with the intent that it will be procured by any person
20 under 18 years of age is guilty of a gross misdemeanor.

21 ***9. A person may smoke or otherwise consume cannabis or a***
22 ***cannabis product in a cannabis consumption lounge.***

23 **Sec. 30.** NRS 678D.420 is hereby amended to read as follows:

24 678D.420 1. An adult-use edible cannabis product or an
25 adult-use cannabis-infused product must be labeled in a manner
26 which indicates the number of servings of THC in the product,
27 measured in servings of a maximum of 10 milligrams per serving.

28 2. An adult-use cannabis product must be sold in a single
29 package. A single package must not contain:

30 (a) More than 1 ounce of usable cannabis or one-eighth of an
31 ounce of concentrated cannabis.

32 (b) For an adult-use cannabis product sold as a capsule, more
33 than 100 milligrams of THC per capsule or more than 800
34 milligrams of THC per package.

35 (c) For an adult-use cannabis product sold as a tincture, more
36 than 800 milligrams of THC.

37 (d) For an adult-use edible cannabis product, more than 100
38 milligrams of THC.

39 (e) For an adult-use cannabis product sold as a topical product, a
40 concentration of more than 6 percent THC or more than 800
41 milligrams of THC per package.

42 (f) For an adult-use cannabis product sold as a suppository or
43 transdermal patch, more than 100 milligrams of THC per
44 suppository or transdermal patch or more than 800 milligrams of
45 THC per package.



1 (g) For any other adult-use cannabis product, more than 800
2 milligrams of THC.

3 *3. To the extent that they are inconsistent or otherwise*
4 *conflict with the regulations adopted by the Board pursuant to*
5 *section 28 of this act, the requirements of this section do not apply*
6 *to a ready-to-consume cannabis product prepared and sold by a*
7 *cannabis consumption lounge.*

8 **Sec. 31.** Chapter 372A of NRS is hereby amended by adding
9 thereto a new section to read as follows:

10 *“Cannabis consumption lounge” has the meaning ascribed to*
11 *it in section 2 of this act.*

12 **Sec. 32.** NRS 372A.200 is hereby amended to read as follows:
13 372A.200 As used in NRS 372A.200 to 372A.380, inclusive,
14 *and section 31 of this act*, unless the context otherwise requires, the
15 words and terms defined in NRS 372A.205 to 372A.250, inclusive,
16 *and section 31 of this act* have the meanings ascribed to them in
17 those sections.

18 **Sec. 33.** NRS 372A.250 is hereby amended to read as follows:
19 372A.250 “Taxpayer” means a:

- 20 1. Cannabis cultivation facility; ~~for~~
21 2. Adult-use cannabis retail store ~~for~~; *or*
22 *3. Cannabis consumption lounge.*

23 **Sec. 34.** NRS 372A.290 is hereby amended to read as follows:
24 372A.290 1. An excise tax is hereby imposed on each
25 wholesale sale in this State of cannabis by a medical cannabis
26 cultivation facility to another cannabis establishment at the rate of
27 15 percent of the fair market value at wholesale of the cannabis. The
28 excise tax imposed pursuant to this subsection is the obligation of
29 the medical cannabis cultivation facility.

30 2. An excise tax is hereby imposed on each wholesale sale in
31 this State of cannabis by an adult-use cannabis cultivation facility to
32 another cannabis establishment at the rate of 15 percent of the fair
33 market value at wholesale of the cannabis. The excise tax imposed
34 pursuant to this subsection is the obligation of the adult-use
35 cannabis cultivation facility.

36 3. An excise tax is hereby imposed on each retail sale in this
37 State of cannabis or cannabis products by an adult-use cannabis
38 retail store *or cannabis consumption lounge* at the rate of 10
39 percent of the sales price of the cannabis or cannabis products. The
40 excise tax imposed pursuant to this subsection:

41 (a) Is the obligation of the ~~adult-use cannabis retail store.~~ *seller*
42 *of the cannabis or cannabis product;*

43 (b) Is separate from and in addition to any general state and
44 local sales and use taxes that apply to retail sales of tangible
45 personal property.



1 4. The revenues collected from the excise tax imposed pursuant
2 to subsection 1 must be distributed:

3 (a) To the Cannabis Compliance Board and to local
4 governments in an amount determined to be necessary by the Board
5 to pay the costs of the Board and local governments in carrying out
6 the provisions of chapter 678C of NRS; and

7 (b) If any money remains after the revenues are distributed
8 pursuant to paragraph (a), to the State Treasurer to be deposited to
9 the credit of the State Education Fund.

10 5. The revenues collected from the excise tax imposed pursuant
11 to subsection 2 must be distributed:

12 (a) To the Cannabis Compliance Board and to local
13 governments in an amount determined to be necessary by the Board
14 to pay the costs of the Board and local governments in carrying out
15 the provisions of chapter 678D of NRS; and

16 (b) If any money remains after the revenues are distributed
17 pursuant to paragraph (a), to the State Treasurer to be deposited to
18 the credit of the State Education Fund.

19 6. For the purpose of subsections 4 and 5, a total amount of
20 \$5,000,000 of the revenues collected from the excise tax imposed
21 pursuant to subsection 1 and the excise tax imposed pursuant to
22 subsection 2 in each fiscal year shall be deemed sufficient to pay the
23 costs of all local governments to carry out the provisions of chapters
24 678C and 678D of NRS. The Board shall, by regulation, determine
25 the manner in which local governments may be reimbursed for the
26 costs of carrying out the provisions of chapters 678C and 678D of
27 NRS.

28 7. The revenues collected from the excise tax imposed pursuant
29 to subsection 3 must be paid over as collected to the State Treasurer
30 to be deposited to the credit of the State Education Fund.

31 8. As used in this section:

32 (a) "Adult-use cannabis cultivation facility" has the meaning
33 ascribed to it in NRS 678A.025.

34 (b) ~~"Adult use cannabis retail store" has the meaning ascribed~~
35 ~~to it in NRS 678A.065.~~

36 ~~(c)~~ "Cannabis product" has the meaning ascribed to it in
37 NRS 678A120.

38 ~~(d)~~ (c) "Local government" has the meaning ascribed to it in
39 NRS 360.640.

40 ~~(e)~~ (d) "Medical cannabis cultivation facility" has the meaning
41 ascribed to it in NRS 678A.170.

42 ~~(f)~~ (e) "Medical cannabis establishment" has the meaning
43 ascribed to it in NRS 678A.180.



1 **Sec. 35.** NRS 387.1212 is hereby amended to read as follows:
2 387.1212 1. The State Education Fund is hereby created as a
3 special revenue fund to be administered by the Superintendent of
4 Public Instruction for the purpose of supporting the operation of the
5 public schools in this State. The interest and income earned on the
6 money in the Fund, after deducting any applicable charges, must be
7 credited to the Fund.
8 2. Money which must be deposited for credit to the State
9 Education Fund includes, without limitation:
10 (a) All money derived from interest on the State Permanent
11 School Fund, as provided in NRS 387.030;
12 (b) The proceeds of the tax imposed pursuant to NRS 244.33561
13 and any applicable penalty or interest, less any amount retained by
14 the county treasurer for the actual cost of collecting and
15 administering the tax;
16 (c) The proceeds of the tax imposed pursuant to subsection 1 of
17 NRS 387.195;
18 (d) The portion of the money in each special account created
19 pursuant to subsection 1 of NRS 179.1187 which is identified in
20 paragraph (d) of subsection 2 of NRS 179.1187;
21 (e) The money identified in subsection 1 of NRS 328.450;
22 (f) The money identified in subsection 1 of NRS 328.460;
23 (g) The money identified in paragraph (a) of subsection 2 of
24 NRS 360.850;
25 (h) The money identified in paragraph (a) of subsection 2 of
26 NRS 360.855;
27 (i) The money required to be paid over to the State Treasurer for
28 deposit to the credit of the State Education Fund pursuant to
29 subsection 4 of NRS 362.170;
30 (j) The portion of the proceeds of the tax imposed pursuant to
31 subsection 1 of NRS 372A.290 identified in paragraph (b) of
32 subsection 4 of NRS 372A.290;
33 (k) The proceeds of the tax imposed pursuant to subsection 3 of
34 NRS 372A.290;
35 (l) The proceeds of the fees, taxes, interest and penalties
36 imposed pursuant to chapter 374 of NRS, as transferred pursuant to
37 subsection 3 of NRS 374.785;
38 (m) The money identified in paragraph (b) of subsection ~~3~~5 of
39 NRS 678B.390;
40 (n) The portion of the proceeds of the excise tax imposed
41 pursuant to subsection 1 of NRS 463.385 identified in paragraph (c)
42 of subsection 5 of NRS 463.385;
43 (o) The money required to be distributed to the State Education
44 Fund pursuant to subsection 3 of NRS 482.181;



1 (p) The portion of the net profits of the grantee of a franchise,
2 right or privilege identified in NRS 709.110;

3 (q) The portion of the net profits of the grantee of a franchise
4 identified in NRS 709.230;

5 (r) The portion of the net profits of the grantee of a franchise
6 identified in NRS 709.270; and

7 (s) The direct legislative appropriation from the State General
8 Fund required by subsection 3.

9 3. In addition to money from any other source provided by law,
10 support for the State Education Fund must be provided by direct
11 legislative appropriation from the State General Fund in an amount
12 determined by the Legislature to be sufficient to fund the operation
13 of the public schools in this State for kindergarten through grade 12
14 for the next ensuing biennium for the population reasonably
15 estimated for that biennium. Money in the State Education Fund
16 does not revert to the State General Fund at the end of a fiscal year,
17 and the balance in the State Education Fund must be carried forward
18 to the next fiscal year.

19 4. Money in the Fund must be paid out on claims as other
20 claims against the State are paid.

21 5. The Superintendent of Public Instruction may create one or
22 more accounts in the State Education Fund for the purpose of
23 administering any money received from the Federal Government for
24 the support of education and any State money required to be
25 administered separately to satisfy any requirement imposed by the
26 Federal Government. The money in any such account must not be
27 considered when calculating the statewide base per pupil funding
28 amount or appropriating money from the State Education Fund
29 pursuant to NRS 387.1214. The interest and income earned on the
30 money in any such account, after deducting any applicable charges,
31 must be credited to the account.

32 **Sec. 36.** NRS 453.316 is hereby amended to read as follows:

33 453.316 1. A person who opens or maintains any place for
34 the purpose of unlawfully selling, giving away or using any
35 controlled substance is guilty of a category C felony and shall be
36 punished as provided in NRS 193.130.

37 2. If a person convicted of violating this section has previously
38 been convicted of violating this section, or if, in the case of a first
39 conviction of violating this section, the person has been convicted of
40 an offense under the laws of the United States or any state, territory
41 or district which, if committed in this State, would amount to a
42 felony under this section, the person is guilty of a category B felony
43 and shall be punished by imprisonment in the state prison for a
44 minimum term of not less than 1 year and a maximum term of not



1 more than 6 years, and may be further punished by a fine of not
2 more than \$10,000.

3 3. This section does not apply to ~~any~~ :

4 (a) Any rehabilitation clinic established or licensed by the
5 Division of Public and Behavioral Health of the Department.

6 (b) Any cannabis consumption lounge, as defined in section 2
7 of this act, whose activities are confined to those authorized in title
8 56 of NRS.



REGULATION 15

CANNABIS CONSUMPTION LOUNGE

- 15.010 Requirements for operation; posting of hours of operation.
- 15.015 Duties of cannabis establishment agent before sale to consumer.
- 15.020 Valid proof of identification of age of consumer required.
- 15.025 Prohibition on sale that exceeds maximum usable quantity of cannabis.
- 15.030 Products required to be offered for sale; restrictions on sale of other products; restrictions on advertising.
- 15.035 Storage and location of products; disclosure of cannabis independent testing laboratory performing quality assurance tests upon request of consumer; approved sources of products for sale; maintenance and availability of certificate of analysis.
- 15.040 On-site requirements to operate a cannabis consumption lounge.
- 15.045 Employee Training and Consumer Education.
- 15.050 Separate room for cannabis smoking, vaping, and inhalation.
- 15.055 Ventilation of the cannabis consumption lounge.
- 15.060 Notices and additional disclosures.
- 15.065 Alcohol, tobacco and nicotine products.
- 15.070 Reporting of medical incidents.
- 15.075 Leaving with cannabis.
- 15.080 Impaired driving.
- 15.085 Law enforcement temporary closure of licensed operations.
- 15.090 Visibility of consumption.
- 15.095 Water service.
- 15.100 Retail cannabis consumption lounge attached or immediately adjacent to a cannabis sales facility.
- 15.105 Ready-to-consume cannabis products.
- 15.110 Surfaces and devices: Sanitation and cleaning frequency.
- 15.115 Health inspections and permitting.

15.010 Requirements for operation; posting of hours of operation. Each cannabis consumption lounge shall:

1. Ensure that the cannabis consumption lounge is operating and available to sell single-use cannabis products or ready-to-consume cannabis products to consumers during, and only during, the designated hours of operation of the cannabis consumption lounge as provided to the Board by the cannabis consumption lounge and the hours authorized by the local jurisdiction in which the lounge is located;
2. Post, in a place that can be viewed by persons entering the cannabis consumption lounge, the hours of operation during which the lounge will sell single-use cannabis products or ready-to-consume cannabis products; and
3. Not conduct sales one half hour prior to closing unless the cannabis consumption lounge operates 24 hours per day.

15.015 Duties of cannabis establishment agent for a cannabis consumption lounge before sale to consumer. Before a cannabis establishment agent allows access into the facility and prior to selling single-use cannabis products or ready-to-consume cannabis products to a consumer, the cannabis establishment agent shall:

1. Verify the age of the consumer by checking and authenticating a government-issued identification card containing a photograph of the consumer using an identification scanner approved by the appropriate Board Agent to determine the validity and authenticity of any government-issued identification card as well as visually inspect the birthdate on the form of identification presented;
2. Not permit the use or consumption of cannabis by any person displaying any visible signs of overconsumption of any intoxicant;
3. Offer any appropriate consumer education or support materials; and
4. At the time of sale enter the following information into the inventory control system:
 - (a) The amount of single-use cannabis products or ready-to-consume cannabis products sold;
 - (b) The date and time at which the single-use cannabis products or ready-to-consume cannabis products 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 consumption lounge.

15.020 Valid proof of identification of age of consumer required.

1. Except as otherwise provided in this subsection, a cannabis consumption lounge shall not allow entry to and shall refuse to sell single-use cannabis products or ready-to-consume cannabis products to any person unless the person produces a form of valid identification showing that the person is 21 years of age or older.
2. Identification presented to satisfy subsection 1 must contain a photograph and the date of birth of the person.
3. Identification presented to satisfy subsection 1 must be a valid and unexpired:
 - (a) Driver's license or instruction permit issued by this State or any other state or territory of the United States;
 - (b) Identification card issued by this State or any other state or territory of the United States for the purpose of proof of age of the holder of the card;
 - (c) United States military identification card;

- (d) A Merchant Mariner Credential or other similar document issued by the United States Coast Guard;
- (e) A passport issued by, or recognized by, the United States Government or a permanent resident card issued by the United States Citizenship and Immigration Services of the Board of Homeland Security; or
- (f) A tribal identification card issued by a tribal government, as defined in NRS 239C.105, which requires proof of the age of the holder of the card for issuance.

15.025 Prohibition on a single sale that exceeds maximum usable quantity of cannabis.

1. A cannabis consumption lounge shall not sell to any consumer at one time an amount of single-use cannabis products or ready-to-consume cannabis products which exceeds:
 - (a) 3.5 grams of usable cannabis;
 - (1) If the single-use cannabis product contains more than 1 gram of usable cannabis, it must include a written warning: “Caution- This product is very potent and is not recommended for inexperienced users”;
 - (b) 300 milligrams THC for inhalable extracted cannabis products;
 - (1) All single-use cannabis product sold as an inhalable extracted cannabis product must include a warning, “Caution- This product is very potent and is not recommended for inexperienced users”;
 - (c) Topical cannabis products containing not more than 400 milligrams of THC;
 - (d) 100 milligrams of THC for transdermal patches or other adult-use cannabis products not mentioned in this section.
 - (1) If the single-use cannabis product contains more than 10 milligrams of THC, it must include a written warning: “Caution- This product is very potent and is not recommended for inexperienced users”;
 - (e) 10 milligrams of THC for an edible, capsule, or tincture.
2. For the purposes of this section, a single sale occurs when a consumer orders cannabis or cannabis products.
 - (a) If a cannabis consumption lounge allows multiple orders, the lounge may process the orders as a single final transaction.
 - (b) The final transaction must be recorded in a manner which details the date, time, and quantity of cannabis or cannabis products transferred to a consumer in each order.

15.030 Products required to be offered for sale; restrictions on sale of other products; restrictions on advertising.

1. Relative to cannabis, CBD, and cannabis related products, a cannabis consumption lounge shall only offer for sale single-use cannabis products, ready-to-consume cannabis products, cannabis paraphernalia, cannabis-related accessories, products containing CBD, and products containing industrial hemp which are related to cannabis.
 - (a) Hemp and hemp derived products must be accompanied by a certificate of analysis from a cannabis independent testing laboratory or the appropriate Nevada state testing laboratory, and a copy of the hemp grower’s certificate. Such products must be labeled with the amount of THC and state “this product does not contain cannabis” in at least 8-point font.
2. Each cannabis consumption lounge must offer low dose options of cannabis products containing no more than 2mg THC in a cannabis product or 0.5 grams of usable cannabis.

3. Each cannabis consumption lounge shall not allow any single-use cannabis products or ready-to-consume cannabis products to be removed from the lounge and shall inform the consumer that removing such products from the lounge is illegal.
4. A cannabis consumption lounge shall not sell any product that contains tobacco and/or nicotine, or vape liquid that is not produced by a licensed cannabis production facility.
5. A cannabis consumption lounge shall not sell any product that contains alcohol if the product would require the cannabis consumption lounge to hold a license to sell alcohol issued pursuant to chapter 369 of NRS or any local jurisdiction.
6. A cannabis consumption lounge shall not sell single-use cannabis products or ready-to-consume cannabis products without first communicating with the end-use consumer. Employees of the lounge must inquire about and assess a consumer's usage and needs.
7. A cannabis consumption lounge shall not knowingly recommend products to persons who are pregnant or breastfeeding.

15.035 Storage and location of products; disclosure of cannabis independent testing laboratory performing quality assurance tests upon request of consumer; approved sources of products for sale; maintenance and availability of certificate of analysis.

1. A cannabis consumption lounge must store all single-use cannabis products, and ready-to-consume cannabis products behind a counter or other barrier to ensure a consumer does not have direct access to the products. Such products must be stored in a manner that prevents physical, biological, or chemical contamination.
2. Upon the request of a consumer, a cannabis consumption lounge must disclose the name of the cannabis independent testing laboratory which performed the required quality assurance tests and the corresponding certificate of analysis.
3. A cannabis consumption lounge may only sell single-use cannabis products obtained from an adult-use cannabis retail store in this State.
4. A cannabis consumption lounge may procure multi-serving edible cannabis products from adult-use cannabis retail stores in this State and resell individual servings to consumers.
5. A cannabis consumption lounge may only use cannabis, concentrated cannabis, and cannabis products which have been obtained from an adult-use cannabis retail store in this State.
6. A cannabis consumption lounge may not sell a product other than single-use cannabis products or ready-to-consume cannabis products which contain any level of THC or CBD without the approval of the appropriate Board Agent. Each cannabis consumption lounge shall maintain a file which contains a certificate of analysis for any such approved product at the cannabis consumption lounge and shall make the file available for review upon request.

15.040 On-site requirements to operate a cannabis consumption lounge.

1. The cannabis consumption lounge shall comply with any federal, state and local applicable laws or regulations related to on-site food preparation.
2. Required certification of certain employees.
 - (a) If the cannabis consumption lounge serves food, including edible cannabis products, it is required that a Certified Food Protection Manager, as certified by an American National Standards Institute (ANSI) accredited program, be employed by the lounge and be onsite during all hours of operation in which food is being prepared or served;

- (b) If the cannabis consumption lounge serves food, including edible cannabis products, it is required that all employees which handle food must obtain a food handler card from the local health department.
 - (1) If the local health department does not offer this service, employees must obtain a food handler certification from an American National Standards Institute (ANSI) accredited organization.
 - 3. Required logs that must be maintained for a minimum of two years.
 - (a) Consumer illness log for illnesses reported after consumption or overconsumption.
 - (1) Log to include name, date and time of consumption, type of food or cannabis consumed, date and time of illness onset, illness description and contact information.
 - (b) Employee illness log.
 - (1) Log to include, at a minimum, name, dates called out due to illness, symptoms and diagnosis.
- Communicable illnesses must be reported in accordance with NCCR 6.090 and NRS 441A.

15.045 Employee Training and Consumer Education.

- 1. Cannabis consumption lounges shall train their employees about the various products the lounge sells, including the potency of the products, absorption time, and effects of the products, to include at a minimum all of the topics found in NCCR 6.072.
- 2. Cannabis consumption lounges shall create written plans with instructions on how to address the following scenarios:
 - (a) Health policy that must also be posted in a clearly visible location to employees;
 - (b) Overconsumption;
 - (c) Sexual Assault; and
 - (d) Impaired driver risk mitigation plan.
- 3. The employee training program shall include at a minimum of eight hours of compensated instruction time for initial training and four hours of compensated supplemental instruction time each year thereafter.

15.050 Separate room for cannabis smoking, vaping, and inhalation. All indoor cannabis smoking or inhalation must be confined to a designated smoking room.

- 1. The room must be completely separated from the rest of the cannabis consumption lounge by solid partitions or glass without openings other than doors or pass-through service windows.
 - (a) All smoking-room doors and service windows must be self-closing and installed with a gasket to provide a seal where the door meets the stop.
- 2. The cannabis consumption lounge must create and mandate work protocols and indoor or outdoor air quality standards that minimize employees' secondhand smoke exposure, including training to employees on the proper use of Personal Protective Equipment (PPE).
 - (a) Minimize the need for employees to enter the smoking room, while still being able to monitor activities within the smoking room.
 - (b) Provide employees with adequate PPE such as N95/KN95 masks or respirators to minimize secondhand smoke exposure while in the smoking room.

15.055 Ventilation of the cannabis consumption lounge. A ventilation plan must be submitted, approved, with changes as necessary, and fully implemented prior to issuance of a final license. At a minimum, the ventilation plan must include:

1. A separate ventilation system within any designated smoking room capable of 30 complete air changes per hour at a minimum that must be directly exhausted to the outdoors;
2. A separate system within the rest of the cannabis consumption lounge capable of 20 complete air changes per hour at a minimum that must be directly exhausted to the outdoors;
3. The ventilation system within any smoking room must create a negative air pressure within the room;
4. A High-Efficiency Particulate Air (HEPA) filtration system, or equivalent system, capable of handling the entire volume of air within any separate room of the lounge;
5. An odor mitigation plan that identifies, at a minimum, the following:
 - (a) The specific odor control equipment to be installed and operated to mitigate odor emissions prior to leaving the building;
 - (b) An engineering assessment approved by a certified professional engineer ensuring the odor control equipment installed and operated will mitigate odor emissions prior to leaving the building; and
 - (c) An operation and maintenance plan showing the monitoring frequency for preventative maintenance, the timely responses to equipment malfunctions and the record keeping and employee training in place to ensure the odor control equipment to be installed and operating is maintained per manufacturer's specifications.
 - (d) Any deviations from the odor mitigation plan or malfunction of equipment must be documented on a log that shall be provided to the Board upon request.
6. If the cannabis consumption lounge plans to use has an outdoor smoking area, the applicant must submit a request to the local jurisdiction and comply with any requirements the local jurisdiction may have regarding an outdoor smoking area.
7. Atmospheric monitoring of the non-smoking room of the cannabis consumption lounge focusing, at a minimum on an 8-hr average and 15 min peak CO₂ and PM 2.5 concentrations which must include an audible and visual notification system, alerting the facility to any failures.
8. Any local jurisdiction requirements. Local jurisdiction requirements can be more restrictive than the NCCRs.

15.060 Notices and additional disclosures.

1. The following notices that must be posted within the cannabis consumption lounge in a conspicuous location.
 - (a) "HEALTH WARNING: Pregnant or breastfeeding people should not use cannabis or cannabis products. Using cannabis during pregnancy or while breastfeeding may be harmful to your baby's development."
 - (1) This health warning must be conspicuously posted in a minimum of 40-point font at the entrance and in every restroom of a cannabis consumption lounge.
 - (b) "HEALTH WARNING: This is a smoking lounge. Occupants will be exposed to secondhand smoke. Secondhand smoke is hazardous to your health."
 - (1) This health warning must be conspicuously posted in a minimum of 72-point font at the consumer entry point to a cannabis consumption lounge and separate smoking room within a cannabis consumption lounge if smoking of cannabis is permitted.

(c) “Consumption Area – No One Under 21 Years of Age Allowed.”

(1) This notice must be conspicuously posted in a minimum of 40-point font on every entry point to a cannabis consumption lounge.

(d) Cannabis consumption lounges must post, at all times and in a prominent place inside the consumption lounge, a warning that is at a minimum of 40-point font that reads as follows:

(1) “Must be 21 or older to enter”;

(2) “Cannabis may only be consumed in designated areas out of public view”;

(3) “No consumption of alcohol, tobacco and/or nicotine products on site”;

(4) “We reserve the right to refuse entry or service for any reason including visible intoxication”;

(5) “It is against the law to drive while impaired by cannabis” and

(6) “Firearms are prohibited”.

(e) A cannabis consumption lounge shall post one or more signs outside of the licensed premises that indicate loitering is prohibited and consumption of cannabis is only permitted in designated areas out of public view.

15.065 Alcohol, tobacco and nicotine products. All alcohol, tobacco and nicotine products are not permitted for use or sale in a cannabis consumption lounge.

15.070 Reporting of medical incidents. Each cannabis consumption lounge shall, within 24 hours of becoming aware, report to the CCB any medical incident stemming from a consumer’s consumption of cannabis or food that necessitated medical treatment.

15.075 Leaving with cannabis.

1. A cannabis consumption lounge shall not allow a consumer to leave the licensed premises with any unconsumed cannabis in accordance with the requirements of Nevada law.

2. All sold and unconsumed cannabis and cannabis products must be destroyed in accordance with NCCR 10.080(3).

3. Retail cannabis consumption lounges shall create and submit a written plan to the Board for approval that either prohibits or provides a way to store and return any cannabis or cannabis products purchased by a consumer from the adult-use cannabis retail store while the consumer is in the retail cannabis consumption lounge.

15.080 Impaired driving. Each cannabis consumption lounge shall develop a plan to mitigate the risk of impaired driving, to include making information readily available to the consumer about transportation options. As part of this plan, each cannabis consumption lounge shall adopt practices that discourage impaired driving, with consideration of examples, including but not limited to as a 24 hour no tow policy and/or a potential partnership with ride share to offer discounted rides both to and from the premises to consumers. If the Board learns of an increase in impaired driving stemming from the location of a particular licensee, the Board shall require the licensee to update the cannabis consumption lounge’s impaired driver risk mitigation plan.

15.085 Law enforcement temporary closure of licensed operations. The Board or the head of the local law enforcement agency with jurisdiction over the licensee (or authorized designee) in an emergency, for cause, or upon code violation of a specific act which endangers the public welfare; and finding that such closure is necessary for the immediate preservation of the public peace, health, safety,

morals, good order or public welfare, may temporarily close any cannabis consumption lounge for a period not to exceed seventy-two consecutive hours.

15.090 Visibility of consumption.

1. A cannabis consumption lounge shall ensure that the display and consumption of any cannabis is not visible from outside of its premises.
2. A cannabis consumption lounge may have a consumption area outdoors under the following conditions:
 - (a) The cannabis consumption lounge shall ensure that all cannabis is kept out of plain sight and is not visible from a public place without the use of optical aids, such as telescopes or binoculars, or aircraft; and
 - (1) The cannabis consumption lounge shall ensure that the consumption area is surrounded by a sight-obscuring wall, fence, or other opaque or translucent barrier that also prevents cannabis products from being transferred to anyone outside the consumption area; or
 - (2) The height of the consumption area is higher than the surrounding area and obscures view of consumption.

15.095 Water service. Water shall be provided without request and free of charge to all consumers.

15.100 Retail cannabis consumption lounge attached or immediately adjacent to a cannabis sales facility.

1. Any cannabis sales facility that is awarded a retail cannabis consumption lounge license from the Board has no right to transfer said lounge license without also simultaneously transferring the license for the cannabis sales facility. The awarded retail cannabis consumption lounge license will be permanently paired with the cannabis sales facility license upon issuance.
2. The physical premises of the retail cannabis consumption lounge must be attached or immediately adjacent to the cannabis sales facility. Cannabis sales facilities must create a standard operating procedure to transfer cannabis to or from a retail cannabis consumption lounge. For purposes of this section the following definitions apply:
 - (a) “attached” means that the physical premises of the retail cannabis consumption lounge cannot be removed from the cannabis sales facility without substantial damage to either premise.
 - (b) “Immediately adjacent” means having a common border with another property, including the intersection of property lines at property corners, with no street, building, or other property between and approved by the local jurisdiction. The Board retains the authority to require a distributor license to transfer cannabis from the cannabis sales facility to the retail consumption lounge if the Board deems it necessary.

15.105 Ready-to-consume cannabis products.

1. Preparation of all ready-to-consume cannabis products must comply with FDA food code and any other local health code as enforced by locality; with the exception that cannabis is not considered an adulterant.
2. All ready-to-consume cannabis products, the ingredients, and the procedures to prepare such products must be approved by the appropriate Board Agent prior to preparation and sale to a consumer.
3. All ready-to-consume cannabis products must be individually dosed to ensure accuracy and homogeneity; infusion of bulk ingredients for multiple servings is prohibited.

4. Cannabis consumption lounges:
 - a. May separate premeasured single-dose concentrated cannabis procured from a cannabis sales facility for the purpose of individually dosing each ready-to-consume cannabis product in its final state.
 - b. Shall clearly mark ready-to-consume cannabis products with the cannabis dose in the dish when being served to consumers.
 - c. Shall notify the consumer as to which part of the dish is infused.
 - d. Shall include allergen information on the menu.
 - e. Shall not encourage sharing of ready-to-consume cannabis products.

15.110 Surfaces and devices: Sanitation and cleaning frequency. Each cannabis consumption lounges shall ensure that:

1. The surfaces, utensils, and reusable devices that have direct contact with cannabis products are adequately washed, rinsed and sanitized.
2. After being cleaned, surfaces of equipment, utensils, and reusable devices that have direct contact with cannabis products are sanitized in:
 - (a) Hot water manual operations by immersion for at least 30 seconds with a temperature of 170°F (77°C) or above;
 - (b) Hot water mechanical operations by being cycled through equipment that is set up and achieving a utensil surface temperature of 160°F (71°C) as measured by an irreversible registering temperature indicator; or
 - (c) Chemical manual or mechanical operations, including, without limitation, the application of sanitizing chemicals by immersion, manual swabbing, brushing or pressure spraying methods using a solution as specified on the manufacturer's label use instructions that are approved by the Environmental Protection Agency, by providing an exposure time of at least 30 seconds unless the manufacturer's label use instructions provide otherwise.
3. If the surfaces of utensils or equipment come into contact with potentially hazardous cannabis products and ingredients, the surfaces and utensils are cleaned throughout the day at least once every 4 hours.
4. The surfaces of utensils and equipment that have direct contact with cannabis products and ingredients that are not potentially hazardous are cleaned:
 - (a) At any time when contamination may have occurred; and
 - (b) In equipment, including, without limitation, ice bins and beverage dispensing nozzles, and enclosed components of equipment, such as ice makers, cooking oil storage tanks and distribution lines, beverage and syrup dispensing lines or tubes, coffee bean grinders and water vending equipment:
 - (1) At a frequency specified by the manufacturer; or
 - (2) If the manufacturer does not specify a frequency, at a frequency necessary to prevent the accumulation of soil or mold.

15.115 Health inspections and permitting. State and local public health regulatory agencies may require permits and/or conduct inspections related to the services offered at the cannabis consumption lounge.

DRAFT MINUTES

Cannabis consumption Lounges – Community Meeting on Draft Development Code Amendments

November 7, 2022

5:30 p.m. – 7 p.m.

Washoe County Administrative Offices

1001 E 9th Street

Chad Giesinger provided a PowerPoint presentation.

The focus is to solicit public input on draft ordinance language enabling cannabis consumption lounges in unincorporate Washoe County.

Background: Consumption Lounges have been a topic of debate since State legalization of Medical and recreational (adult use) cannabis.

AB 31

- Directed the Cannabis compliance Board to adopt implementing regulations
- The CCB approved NV Cannabis compliance regulations 15 on June 28, 2022
- Local governments are not required to allow consumption lounges – local regulations

First meeting was held on September 20, 2022 BCC meeting, the board directed staff to initiate regulations that would:

- allow cannabis consumption lounges in unincorporated Washoe County
- allow both types of lounges authorized by NRS
- not be more restrictive than NRS regarding the location and number of lounges allowed, and,
- potentially allow outdoor consumption areas

Second meeting was held on October 11, 2022 BCC, the board voted to initiate county code amendments that would:

- Implement the boards 9/20th policy direction regarding lounges
- -amend WC code Chapter 25 (business license, permits, and regulation

As directed, staff has drafted initial code amendment language for WCC chapter 110 (development code)

- Amendments to WCC chapters 25 are still being drafted – requires consultation with affected agencies
- -planning commission reviews development code

AB21/CCB regulations

- The final regulations include requirement for:
- The location of retail lounges;
- Product procurement and storage methods;

- Employee training and consumer education
- product types and serving sizes;
- Indoor air quality, ventilation standards, and consumption visibility;
- Health standards for food preparation and service;
- Incident report, impaired driving mitigation and sanitation
- The criteria for issuing license for independent consumption lounges

Retail consumption lounges

- Must be affiliated with an existing licensed adult use cannabis retail/medical dispensary
- existing license holder must therefore apply for and be the consumption lounge licensee
- per NRS, total # of lounges allowed by jurisdiction is currently limited # of existing retail dispensaries

Location of existing retail dispensaries

Independent consumption lounges

-stand alone facilities in a location not associated with an existing retail dispensary

Limited to the number of equal to the total number of retail lounges in the state and a given jurisdiction

State/CBB licensing parameters

- First round of licensing opened this fall (October 14-27 2022)
- The CBB received a total of 100 applications statewide, most of which were for independent lounges
- Number of applications by jurisdictions is currently unknown
- State license must be issued prior to local government issuing a license

Existing regulations

- WCC chapters 25 (business license) and 100 (development code)
- Chapter 25 contains existing operating and application regulation – will be updated to reflect recent legislative action

Proposed amendments

- Article 302 by adding new uses to table 110.302.05.3 to allow retail and independent cannabis consumption lounges
- Article 304 by adding use definitions for retail and independent cannabis consumption

Proposed amendments/regulations

- Article 302 commercial uses table 110.302.05.3 slide was displayed to show proposed changes to include: retail cannabis consumption lounge, retail cannabis consumption lounge with outdoor area, independent cannabis consumption lounge, independent cannabis consumption lounge with outdoor area

Article 304.25 commercial use type definitions slide was shown to include proposed changes.

Article 410 proposed amendments (parking and loading) commercial uses table 110.410.10.3

Amendment Adoption Timeline

- Planning commission
- BCC first reading of ordinance
- BCC second reading and adoption of ordinance – January 24, 2023, if passed

QUESTIONS AND PUBLIC COMMENTS:

Helen Neff (Incline Village) resident of Incline Village; said I'm against adding cannabis consumption lounges in the unincorporated areas. And a little bit disappointed at how fast this is moving without allowing for public comment. There have been numerous scientific studies indicating Cannabis impairs a person's ability to operate a motor vehicle. Studies have proven that drivers under the influence of cannabis are unable to properly monitor the speedometer. They need increased decision time when passing, when a light changes, they have a hard time responding to sound and they crashed more frequently. And in short, cannabis causes impairment in every performance area that can be conducted with safe driving of a vehicle. The problem is so critical the National Highway Traffic Safety Administration continues to allocate valuable resources to conduct research and have concluded that cannabis users are more likely to be involved in crashes. They have launched a new initiative to address drug impaired driving. And that just means more of our taxes are funding studies because of situations like this where code changes are encouraging irresponsible behavior. And then more public funds are spent to implement programs locally such as Vision Zero, a program that has not achieved its goals in Nevada, to reduce traffic fatalities due to continued increases in crashes caused by impaired and distracted drivers. Show I spoke with the county sheriff, and I spoke with the Highway Patrol, and they told me that unlike alcohol, there's no approved method to administer a roadside test for a driver who is suspected of being impaired as a result of cannabis consumption. Because of this, people are driving when impaired, causing crashes and not being held responsible, and I am a personal victim of this injustice. The driver that crashed into me when I was legally crossing the street on a crosswalk showed numerous signs of impairment, including disorientation, diminished coordination, distorted sensors, delayed reaction time and confusion. They were all confirmed on body cam video she had prior DUIs and was not tested. And I later learned she was a cannabis user. And since she wasn't tested, impairment could not be verified and used in court. And these crashes cost a lot of money. Our roads are not safe now. Please don't even go further with a code change that will endanger you, your family and your loved ones by putting more impaired drivers on our roads. No Resources Revenue rich enough to pay for the cost of the crash. No resource is revenue rich enough to cover the suffering to a victim and their family. Thank you.

Recording secretary noted a public comment letter from Helen Neff was received.

John Eppolito (Incline Village via zoom) said I agree with what Helen. I would very much like to see these lounges kept out of Incline Village.

Christy Evans (Gerlach via zoom) said my question is and I apologize if I didn't understand this clearly. But I understand that what you were saying in the presentation that in some cases, the lounges with the consumption lounges would be required to be sharing a building with a business that sells cannabis. But

it sounds like there's also an option for an independent consumption lounge. And I just want to make sure I understand that correctly. And if it isn't independent, it's not associated with an already operating business. Are there different restrictions about where that can be located? For example, how close to a school or how close to a residential area, that kind of thing. Mr. Giesinger said regarding the independent lounge locations. It is going to be based on the zoning. So basically, the independent consumption lounges is going to be allowed everywhere there's a current retail dispensary and those zoning designations; so general commercial, neighborhoods commercial if it doesn't have an outdoor lounge component. If it does have an outdoor component and it would not be allowed in your neighborhood commercial, tourists commercial and industrial zones. So any property in the unincorporated area that meets that zoning classification could potentially have an independent consumption lounge if they met all of the other criteria from the state and local regulations. They have to meet the same distance requirements, separation requirements, that the that any other retail lounge would have to meet. So, 1000 feet from a school or a church; 300 feet from any community facilities such as playgrounds, recreation centers, swimming pools. Then there's a new regulation adopted in 2021 that has to be 1500 feet from any non-restricted gaming license location. So, you do have those locational parameters that would that was no further restrict where independent lounge can be located. They are prohibited from being affiliate on a retail dispensary is located. There is no regulation that I'm aware of that says the independent Lounge has to be a certain distance from a retail dispensary. So not immediately adjacent to. They can't be on a parcel that's abutting the retail dispensary location, but there's no rule it has to be a mile away or 600 feet or anything like that so far in regulations. But they would be standalone and then they would have to procure their products from your either wholesale or retail dispensary.

Ed Alexander (chambers) wanted to dive in to Chapter 25 and see when you anticipated the public comment or interactive portion of crafting the business license portion of this because I know we're trying to move things ahead early in January. But I just want to make sure that there's enough time given so that there can be open exchanges as it relates to that business licensing portion. Mr. Giesinger said thanks for the question. So because there is this expedited timeline, there probably isn't going to be a public workshop for the 25 amendments, it gets pretty technical in any event, but we will be working with industry folks such as yourself on drafting those and running those past you as much as we can. I am meeting with the health director soon to nail down exactly how health enforcement is going to occur at present, they do have an agreement with the CCB that health or any CCB will do most of the health enforcement. But we're a little bit unclear about the outdoor component right now. I'll be drafting that way probably within the next two to three weeks and we're getting ready to write the staff report for the board meeting, which is usually 30 days prior and a minimum of 20 because it has to be posted. So it's going to be a fairly tight timeline. But we'll make every effort to include you on that. I got some feedback from you on the side. I know what some of your concerns are and what you'd like to see. And we're actually brainstorming and how we can address some of those things. Just for the public out there, it's been asked if there could be a food component. So for example, I'm not sure exactly what was meant by that, like a full scale restaurant with a smoking lounge, kind of like you'd have tobacco and anywhere where that served can't have smoking so would have to be separated with a separate smoking area. You know what the scale of that would be? I'm not sure. Right now, you can do eating and drinking establishments and all those commercial zones, you could probably have two main uses. We could go that route, but we're not entirely sure yet. We have to go through that and think it over. The

other thing was entertainment in conjunction with consumption lounges. Right now, the only uses for outdoor entertainment that are regulated in the development code are basically for huge outdoor concert arenas. So you have that level. And then and that's basically it and you can get a cabaret license. If you have a bar, you can get a cabaret license, which is basically a liquor license for live entertainment in conjunction with a bar. So, to me a consumption Lounge is very similar to a bar use. It's just that we don't have a cabaret license for consumption, not just because I don't exist. So that's one of the things we're looking at is maybe we can develop a cabaret license component that can go in association with the consumption lounge license. That regulation is in chapter 30. We didn't open up chapter 30 when we initiated amendments, we didn't anticipate that there might be a way to address that anyways, in chapter 25. We're not sure. so hope that answers your question.

Ed Alexander said he appreciates the time he is spending on this. He said the biggest thing I want to bring to your attention and the public attention because we don't know what this looks like in its entirety yet. I think we perhaps should wait to get overly granular until we see what this potentially develops. Because a lot of the things that you and I are discussing, or I'm discussing with staff, trying to seem to be secondary to trying to get the lounge licenses issued. And if, for example, a lounge license is issued. But that operator is not allowed to have outdoor entertainment per the existing use code, we're kind of opening a business to not allow the business to launch. The food component is concerning to me because I don't want to see operations like Bully's feel ostracized based on the fact that they can't have smoking and food in the same establishment. So, I think that there's a level of granularity that needs to be explored with this, because there's a lot of crossovers that I don't know has been thought about currently. I appreciate everything you guys are doing, I would just ask for a very open line of communication, because this thing is going to happen very quickly. And it's tough to unwind the clock once it's once it's round and development code is put in place. Thank you.

Greg Coppola (Spanish Spring via zoom) said I think you've pretty much answered what I was going to ask about the health component with the food and whether it was going to be considered the same as smoking or a separate thing? It sounds like that's probably not going to be state level and not this level and the OSHA component, of course, going in all that, too. Mr. Giesinger my only response for that is Yeah, I mean, the existing state laws regarding indoor smoking, which would need to be addressed, obviously, with any smoking cannabis as well, I'm assuming. But I do need to have a more detailed meeting with health to go over that. And also, the outdoor component. That I gather, my assumption is from the state level that it's not specifically mentioned in the MCCR our regulations, it just says implement all existing health regulations that are specific to that that section of NRS. So, I'm assuming all the regulations would be implemented by the state and then to what degree the county could be more restrictive is where we would have to look at whether we wanted to go down that route, whether it was necessary or not. But yeah, the state is going to be the hierarchy at first and then going down from there. And of course, all the OSHA requirements would also apply.

Helen Neff (incline Village via Zoom) said it just seems to me that staff is working very closely with current industry in developing this code. And as a citizen who is concerned about road safety, is there any opportunity for staff to work with citizens as they meet with the sheriff and I'm assuming the Highway Patrol because they have roads in these unincorporated areas to discuss the impaired driving

mitigation. This is going so fast. Is there any opportunity for people that are concerned about road safety to get involved in that area? Thank you.

Mr. Giesinger said this came up at the September 20th meeting; Captain Solferino was there and provided response to this. Basically, the existing approach to impaired driving is what's on the table at the moment. There isn't going to be anything more specific than existing law incorporated into chapter 110 which is all about land use. Driving regulations are in a different section of county code. And there is a fairly detailed section in the state regulations regarding impaired driving plans. And so at the moment, there is no effort on staff's part to really dive into the driving part because there's really no way to address it from my perspective at the moment based on what I've heard so far, but we have provided the draft ordinance language to the sheriff's office and their legislative liaison. And if they have any comments and concerns to provide to us, we will certainly incorporate that. But again, we're not going to really have time to go into a full subcommittee type level public outreach process due to the adoption timeline that we're working here, right now. Ms. Neff said so there is no way to test for THD without taking the person to a hospital and taking a blood test. And even then, you can be impaired with a lower THC level. There just doesn't seem to be a regard for people's safety. It just seems to be let's collect the tax revenue from us. So, it's very disturbing from someone that just wants to be safe and have their family safe.

There were no further requests for public comment and no further discussion. The meeting concluded at 6:09 p.m.

Community Meeting on Cannabis Consumption Lounges in Unincorporated Washoe County
November 7, 2022

Public comment
Helen Neff – Incline Village resident

There are many misconceptions about cannabis use, including statements that cannabis does not impair a person's ability to operate a motor vehicle.

Numerous scientific studies indicate that cannabis impairs a person's ability to operate a motor vehicle.

Research shows that cannabis impairs motor skills and cognitive functions (Robbe et al., 1993; Moskowitz, 1995; Hartman & Huestis, 2013). A 2015 study on driving after smoking cannabis stated that THC in cannabis hurts a driver's ability to multitask, a critical skill needed behind the wheel.

Many studies have proven that drivers under the influence of cannabis are unable to properly monitor the speedometer, require increased decision time when passing, increased time to brake when a light changes, increased time to respond to sudden sounds and they crash more frequently into obstacles.

In short, cannabis causes impairment in every performance area that can be connected with safe driving of a vehicle.

Combining cannabis with alcohol results in impairment even at doses that would be insignificant were they of either drug alone. Using cannabis along with other substances increases the risk of being involved in a major or fatal traffic crash.

The problem is so critical that the National Highway Traffic Safety Administration continues to allocate valuable resources to conduct research and have concluded that cannabis users are more likely to be involved in crashes.

One NHTSA study of seriously or fatally injured road users at five participating trauma centers in 2020 found that almost two-thirds of drivers tested positive for at least one active drug, including cannabis. The proportion of drivers testing positive for cannabis prevalence increased 50% over the prior year.

This prompted the NHTSA to launch a new initiative to address drug-impaired driving.

NHTSA's National Drug-Impaired Driving Initiative brings together experts, including law enforcement officials, prosecutors, substance abuse experts and others, to discuss strategies that can reduce drug-impaired driving.

Yes, taxes funding more studies because of code changes that encourage irresponsible behavior.

From: [Giesinger, Chad](#)
To: [Giesinger, Chad](#)
Subject: RE: Thoughts on consumption lounge ordinance
Date: Tuesday, November 8, 2022 12:40:40 PM

Here's some feedback I received at the NDOT Traffic Safety Summit on consumption lounges today. I wanted to pass on so you can consider as you draft the ordinance...

- Signage that explicitly states that MJ is impairing to driving, walking, riding bikes, etc.
- Parking maximums (maybe just for staff?) so folks don't drive to the lounges
- Education on transit opportunities (like our micro transit program in IVCB) in the business
- Can we work with the health district to do an annual education program to businesses who have these lounges? Probably outside of your wheelhouse but something I'll try to push.

And, then more public funds are spent to implement programs locally such as Vision Zero, a program that has not achieved its goals to reduce traffic fatalities in Nevada due to continued increases in crashes caused by impaired and distracted drivers.

The Washoe County Sheriff Department and the Nevada Highway Patrol told me that, unlike alcohol, there is no approved method to administer a roadside test to a driver who is suspected of being impaired as a result of cannabis consumption.

The issue surrounding cannabis impairment testing is further complicated by the fact that performance deficits are evident long after peak THC levels occur. Thus, testing for THC levels alone is not sufficient.

Because of this, people are driving when impaired, causing crashes and not being held responsible for their actions.

I am a personal victim of this injustice. The driver that crashed into me, when I was legally crossing the street in a crosswalk, showed numerous signs of impairment including disorientation, diminished coordination, distorted senses, delayed reaction time, and confusion. All confirmed on body cam video. She had prior DUI's and was not tested. I later learned that she was a cannabis user. Since she was not tested, impairment could not be verified and used in court.

The costs of that crash to me, my family, and society were immense and that is just one incident. It happens over and over in Washoe County.

Yet, three members of the Washoe County Board of Commissioners have voted to direct staff to draft amendments to County Code to allow for cannabis consumption lounges. This will put more impaired drivers on our roads with no mechanism for law enforcement to administer a roadside test. It puts the safety of all citizens at risk.

Our roads are not safe now. Please do not approve a code change that will endanger you, your family, and your loved ones by putting more impaired drivers on our roads.

No resource is "revenue rich" enough to pay the costs of a crash. But, most important, no resource is "revenue rich" enough to cover the suffering to a victim and their family – who will be paying for the rest of their lives.

Thank you.