



TO: Department of Taxation  
FROM: Riana Durrett, NDA Executive Director  
DATE: August 2, 2017  
SUBJECT: Delivery to Consumers

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The Nevada Dispensary Association (“NDA”) requests that further consideration be given to whether marijuana establishments will be allowed to deliver marijuana and marijuana products to consumers. The NDA recognizes that public safety is the highest priority and, to that end, the NDA recommends that the legal marijuana market, which has proven that delivery can be conducted safely in the medical program, be allowed to compete and eventually supplant the robust illegal delivery network.

### **PUBLIC SAFETY**

While it may seem counterintuitive, allowing legal establishments to deliver actually promotes and protects public safety. At least one law enforcement agency to date has indicated that the illegal market’s strength comes from its illegal delivery network, which can easily be accessed on Craigslist as well as other popular internet destinations that are household names. In addition, popular websites, such as Weedmaps, have previously allowed illegal delivery operations to advertise on their website, which could again occur now that recreational sales are legal. Between Craigslist, Weedmaps, and other popular sites, consumers have easy access to illegal deliveries.

To further compound the problems posed by illegal deliveries being advertised on Craigslist and potentially on Weedmaps, consumers are often confused or misled into believing those delivery operations are legal.

The delivery operations advertised on Craigslist and other popular mediums are often connected to larger crime rings and criminal syndicalism that involves violent crime and more serious street drugs.

In order to effectively allow the legal market to compete with and one day supplant the illegal market, the recreational program must allow for a robust, strictly regulated, delivery system.

## **STRICT REGULATIONS**

The following are suggestions on how the Department could limit delivery and ensure safety while it made this determination:

- Limit delivery vehicles to 10 ounces of marijuana at any given time.
- Continue to require trip plans and trip logs.
- Require the same security and regulatory measures that are currently required in the medical program.
- Limit deliveries to 1 ounce per physical location.
- Require verification of age of any persons present when delivery occurs.
- Require verification of age prior to delivery.
- Only the person who placed the order may accept the delivery and must again provide verification of age, which must be entered into a government-approved scanner for verification.
- Require the person placing the delivery to first register in-person at the dispensary from which the person is ordering.

## **PROPOSED LANGUAGE**

### **Requirements Concerning Operations of Marijuana Transportation**

#### **Sec. ( ) Requirements for an Establishment to be Authorized to Conduct Deliveries.**

Except for delivery made pursuant to NRS 453D.110(3), delivery of marijuana or marijuana products to a consumer by a marijuana establishment or any third party are prohibited unless each of the following requirements is met;

1. The retail store is responsible for the delivery and only retail store agents may conduct the delivery;
2. A retail store may enter into a service agreement with a company that employs retail store agents that may conduct delivery, any such service agreement shall be made public;
3. Every portion of the delivery process, including accepting the order and physical delivery, is conducted by a registered agent that is registered to work in at least one (1) retail store;
4. A retail store may only deliver to persons that have physically entered the retail store and provided verification of their age within the retail store;
5. Registry at a retail store is required only for purposes of delivering retail marijuana and retail marijuana products and requires documentation of a person's name and date of birth and documentation that the retail store agent verified the customer's age by scanning at least one form of identification listed under Sec. ( ) to confirm the person's age;
6. Prior to physically providing the marijuana or marijuana products to a consumer upon delivery, the retail store agent must obtain verification of the

- person's age by scanning at least one form of identification listed under Sec. 0;
7. The scanner used by the retail store and upon delivery must be approved by the Department;
  8. Retail store agents may deliver marijuana and marijuana product from multiple retail stores but cannot transport marijuana with any other product unless that product is merchandise, packaging or promotional items directly related to the marijuana or marijuana product being delivered;
  9. Delivery must only be conducted during the hours the retail store is open for business; .
  10. The retail store agent transporting marijuana and marijuana products must only travel to and from the retail store and delivery destinations and must not make any unnecessary stops that are not disclosed in the trip plan and shipping manifest. The delivery vehicle may make fuel stops as necessary and keep a list of designated fuel stops along the route that can be submitted to the Department upon request;
  11. A retail store may only deliver marijuana and marijuana products within Nevada.

**Sec. ( ) Requirements for When Conducting Delivery to a Consumer.**

1. Before transporting marijuana or marijuana products pursuant to subsection 1 of this chapter, the licensed marijuana distributor agent must:
  - (a) Complete a trip plan that includes, without limitation:
    - (1) The agent name and registration number providing and receiving marijuana;
    - (2) The date and start time of the trip;
    - (3) A description, including the amount, of the marijuana or marijuana products being transported; and
    - (4) The anticipated route of transportation.
  - (b) Provide a copy of the trip plan completed pursuant to paragraph (a) of this section to the marijuana establishment for which he or she is providing the transportation; and
  - (c) Record the trip plan in the inventory control tracking system approved by the Department.
2. During the transportation of marijuana or marijuana products pursuant to subsection 1 of this section, the licensed marijuana distributor agent must:
  - (a) Carry a copy of the trip plan completed pursuant to paragraph (a) of subsection 2 of this section with him or her for the duration of the trip;
  - (b) Have his or her marijuana establishment agent card in his or her

immediate possession;

(c) Use a vehicle without any identification relating to marijuana and which is equipped with a secure lockbox or locking cargo area which must be used for the sanitary and secure transportation of marijuana, or marijuana products;

(d) Have a means of communicating with the marijuana establishment for which he or she is providing the transportation; and

(e) Ensure that all marijuana or marijuana products are not visible.

(1) After transporting marijuana or marijuana products pursuant to subsection 1 of this section, a licensed marijuana distributor agent must enter the end time of the trip and any changes to the trip plan that was completed pursuant to paragraph (a) of subsection 2 of this section.

3. Each licensed retail store agent delivering marijuana or marijuana products must:

(a) Report any vehicle accident that occurs during the transportation to a person designated by the marijuana distributor to receive such reports within 2 hours after the accident occurs; and

(b) Report any loss or theft of marijuana or marijuana products that occurs during the transportation to a person designated by the marijuana distributor to receive such reports immediately after the marijuana establishment agent becomes aware of the loss or theft. A marijuana distributor that receives a report of loss or theft pursuant to this paragraph must immediately report the loss or theft to the appropriate law enforcement agency and to the Department as required by Section ( ) of this chapter.

(c) Report any unauthorized stop that lasts longer than 2 hours to the Department.

4. A retail marijuana store shall:

(a) Maintain the documents required in paragraph (a) of subsection 2 and subsections 1 (a) and (b) of this section; and

(b) Provide a copy of the documents required in paragraph (a) of subsection 2 and subsections 1 (a) and (b) of this section to the Department for review upon request.

5. Each marijuana retail store shall maintain a log of all reports received pursuant to subsection 3 of this section.
6. If the delivery vehicle is stopped at an unlicensed location, is involved in a traffic accident, or the vehicle breaks down and scheduled travel is interrupted for more than 2 hours, the retail store agent must notify the Department of the interruption by means determined by the Department;
7. The retail store shall use the inventory tracking system approved by the Department to create shipping manifest documenting the delivery of marijuana and products. A paper manifest or digital copy is to be kept with product at all times.

#### **Sec. ( ) Retail Store Agents Conducting Deliveries**

1. Any persons conducting delivery must be at least 21 years of age;
2. While engaged in the delivery of marijuana and marijuana products, any person that occupies a transport vehicle when it is loaded with marijuana or marijuana products must have their physical retail establishment agent registration card in their possession;
3. All drivers must carry in the vehicle valid driver's insurance at the limits required by the State of Nevada and the Department. All drivers must be bonded in an amount sufficient to cover any claim that could be brought, or disclose to all parties that their drivers are not bonded;
4. Marijuana establishment agent registration cardholders and the licensed retail marijuana establishment they work for are responsible for the marijuana and marijuana product once they take control of the product and leave the premises of the marijuana establishment.

#### **Sec. ( ) Vehicle Requirements for Delivery**

1. Retail marijuana establishments must obtain approval from the Department for each vehicle it is intending to use for delivery of marijuana and marijuana products to consumers. The Department will issue an identification card containing information as determined by the Department for each vehicle and this card is to be kept in the vehicle at all times. Licensed marijuana distributor's transporting vehicles cannot have any advertising, signage or markings related to marijuana.
2. The Retail marijuana establishment may use any vehicle that meets the requirements set forth in Chapter 484D of NRS.
3. A delivery vehicle contains no more than 10 ounces at any one time;
4. All drivers must carry in the vehicle valid driver's insurance at the limits required by the State of Nevada and the Department. All drivers must be bonded in an amount sufficient to cover any claim that could be brought, or disclose to all parties that their drivers are not bonded.
5. Marijuana establishment agent registration cardholders and the licensed retail marijuana establishment they work for are responsible for the marijuana and marijuana product once they take control of the product and

leave the premises of the marijuana establishment.