Governor Sisolak Signs Bill Creating Cannabis Compliance Board

June 12, 2019

Today, Governor Steve Sisolak signed Assembly Bill 533, which creates the Cannabis Compliance Board, one of the governor’s top priorities for the 2019 legislative session.

“Our marijuana industry is now a key part of our state economy, and to make sure it stays that way, we must hold it to the highest standard while empowering the industry to continue thriving,” Governor Sisolak said. “Nevada’s first-ever Cannabis Compliance Board will ensure this critical part of our state’s economy is positioned to become the gold standard for the nation.”

Earlier this year, Governor Sisolak appointed a seven-member advisory panel on the formation of the Cannabis Compliance Board (CCB), under Executive Order 2019-03. Assembly Bill 533 is a reflection of the advisory panel’s work over the course of the session. The CCB will consist of five members appointed by the governor and will be modeled after the Nevada Gaming Control Board, which oversees Nevada’s highly-respected and well-regulated successful gaming industry. The CCB will be a comprehensive regulatory board that will include expertise in a range of fields, including financial and accounting, law enforcement, medicine, regulatory and legal compliance, and cannabis, generally. In the coming weeks, the governor will begin the appointment process for the five members of the CCB. A prerequisite to appointment to the CCB is that potential members be devoid of financial or other conflicting interests, which may affect the impartiality of an individual’s service as a regulator.

Assembly Bill 533 also establishes a Cannabis Advisory Commission, to which the governor will appoint experts in direct and marijuana-related fields. These individuals will have the freedom to consider a number of outstanding issues regarding cannabis,
including inclusion, addiction prevention, training programs, consumption, dram shop laws, and other important questions. Advisory Commission members, as part of an advisory board, will be able to share their expertise even as members of advocacy groups and companies operating in the cannabis economy. Their recommendations will not bind the CCB, but will inform the CCB and its decision making.

Establishing the CCB is part of Governor Sisolak’s multi-pronged approach to reforming and strengthening Nevada’s legal cannabis industry and ensuring the economic opportunities it creates are available to all Nevadans. This session, Governor Sisolak proposed an amendment to Senate Bill 32, which he signed into law last month, that increases transparency in the marijuana licensing process by subjecting certain information about license applicants, as well as the methods used to issue licenses, to public disclosure. That information is now available to the public on the Department of Taxation’s website.

Governor Sisolak has also signed multiple bills that aim to remove economic barriers to legal cannabis users and individuals with prior cannabis convictions. Assembly Bill 132 makes Nevada the first state to ban employers from refusing to hire job applicants who test positive for marijuana during the hiring process. This bill contains notable common-sense exceptions for certain professions, such as public safety and transportation. Assembly Bill 192 provides for a process by which individuals may petition to have their criminal records sealed if their conviction was for an offense that has later been decriminalized, such as a marijuana conviction.

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