# GOVERNOR’S TASK FORCE ON THE IMPLEMENTATION OF BALLOT QUESTION 2: THE REGULATION AND TAXATION OF MARIJUANA ACT

**TAXATION/ REVENUE/ REGULATORY STRUCTURE WORKING GROUP**

**MEETING MINUTES**

Nevada Department of Taxation Large Conference Room 1550 College Parkway

Carson City, Nevada

Nevada Department of Taxation Training Room

2550 Paseo Verde Parkway, Suite 180 Henderson, Nevada

Thursday, April 6, 2017

10:00 a.m.

Meeting called to Order: 10:03 am

Members Present

Steve Gilbert

Jacqueline Holloway

Dagny Stapleton

Amanda Connor

Joe Pollock - Chair

Neil Krutz

John Ritter

Jennifer Wilcox

David Goldwater

Members Absent

Deonne Contine

Marla McDade-Williams

Kenny Furlong

Karen Aboud

1. Public Comment

Daniel Sparks – Asked if the Department will be seeking their own inventory tracking system.

Joe Pollock – It is unknown at this time.

Kelly Jessee – It is the intention of the Department to utilize a track and trace system

1. Introductions.

The working group members introduced themselves

1. Re-approval of Draft Recommendations Due to Non-compliance with Open Meeting Law 3/23 and 3/30 meeting (for possible action).
   1. Taxation – 15% Excise Tax

Draft recommendation presented by J. Ritter and S. Gilbert

* 1. Taxation – Retail Tax

Draft recommendation presented by D. Goldwater, A. Connor and D. Stapleton

* 1. D. Stapleton and N. Krutz to present information for consideration to the working group regarding the expected fiscal impacts of the legalization of marijuana

Anna Thornley stated there has been an open meeting law violation regarding a name and

phone number being left off of two meeting agendas. Ms. Thornley spoke to the Attorney

General’s office and they stated no corrective action is needed.

1. Review of Draft Recommendations for Taxation/Revenue/Regulatory Structure Presentation to the Task Force (for possible action).
   1. Taxation – 15% Excise Tax

Draft recommendation presentation to the Task Force on March 31, 2017

Approved by the Task Force

1. Review and Consideration of Approval of Draft Recommendations from Taxation/Revenue/Regulatory Structure Working Group (for possible action).
   1. Taxation – Retail Tax 10%

Draft recommendation presented by D. Goldwater, A. Connor and D. Stapleton

David Goldwater reviewed the draft recommendation regarding Taxation – Retail Tax 10%. The working group is in agreement to present this recommendation, as revised at today’s meeting, to the task force at the next scheduled meeting.

Motion made by John Ritter. Second by Amanda Connor. All in favor. Motion carries.

* 1. Regulatory Org Structure – Administrative Functions

Draft recommendation presented by M. McDade-Williams and J. Wilcox

Amanda Connor reviewed the draft recommendation regarding Regulatory Org Structure – Administrative Functions. M. McDade-Williams and J. Wilcox will continue working on the recommendation this week and come back with an update next meeting.

Amanda Connor – Will present and speak for Marla today, she understands that the meetings and talks it has morphed into 1 topic. They do not have a formal recommendation to bring today.

Dagny Stapleton – Jacqueline Holloway has been added to the group.

* 1. Regulatory Responsibility

Draft recommendation presented by J. Ritter, S. Gilbert, N. Krutz, M. McDade- Williams and A. Connor

John Ritter reviewed the draft recommendation regarding Regulatory Responsibility. The group assigned will continue working on it this week and come back with an updated recommendation next meeting.

1. Review of Taxation/Revenue/Regulatory Structure Working

Group Topics (for possible action).

* 1. Tax Clarification
  2. Sales Tax
  3. Wholesale Tax
  4. Business Licensing
  5. Licensing Requirements (Residency, Ownership Interest, Suitability Requirements for Licensees, Responsible Retailers Program)
  6. Single Marijuana Environment
  7. Financial Plan
  8. Operations Fees
  9. Regulatory Organizational Structure
  10. Inspections
  11. Penalties for Noncompliance with Regulations
  12. Local Governments and Financial Benefits
  13. Impacts to Local Government
  14. Data Collection
  15. Revenue for Public Safety
  16. Land Use

1. Review and Consideration for Approval of Agenda Items for Next

Meeting (for possible action).

Items to be presented at the Task Force Meeting:

* Taxation retail tax 10%

Items to be placed on the agenda for the next working group meeting:

* Land Use Approval – (J. Ritter, A. Conner, S. Gilbert, N. Krutz and J. Holloway)
* Regulatory Framework (M. McDade-Williams, J. Ritter, S. Gilbert, N. Krutz, J. Wilcox, A. Connor and J. Holloway)
* Fees – Local Government Share (D. Goldwater and D. Stapleton)

Motion made by Dagny Stapleton. Second by John Ritter. All in favor. Motion carries.

1. Public Comment

Sandra Tiffany – clarification on applying in January. Ms. Tiffany would like to have a facility in Nye County. Ms. Tiffany asked if partial owners are being looked at.

Chad Foster – Temp license and giving preference to a permanent licensing. They already have businesses. The permanent licenses should be given preference.

Jesses McCray – Regarding the application process, No preference should be given for dispensaries.

Frank Hawkins – The local governments will want to decide who and where zoning will be. The minorities will be bypassed. People with more experience should be looked at.

Meeting adjourned at: 11:58 am.