1. Working Group Name:

*Taxation/Revenue/Regulatory Structure Working Group*

1. Individual Sponsor(s):

*Amanda Conner, Attorney at Connor & Connor - Marijuana law*

*Neil Krutz, Assistant City Manager, City of Sparks*

*Jacqueline Holloway, Director of Business License Development, Clark County*

*John Ritter, Nevada Dispensary Association*

*Steve Gilbert, Program Manager, Medical Marijuana Program*

1. Describe the Recommendation:

*The Taxation/Revenue/Regulatory Structure Working Group recommends that the merit based application process used in the 2014 ranking and scoring of medical marijuana establishments be maintained with some minor changes. We feel the process that was used in 2014 provided for a fair and equitable scoring and ranking of medical marijuana establishments but could use some improvements in the section of the application for local justification approval for land use. Because every local jurisdiction may have a different process to approve or deny a proposed retail marijuana location, the application should treat each jurisdiction requirements differently in the application, but will not award more points for one process over another.*

*The Department will know in advance of accepting applications what each jurisdiction will provide a marijuana establishment applicant, and that will be the minimum requirement for that section of the application. Because each applicant will be expected to complete at least the minimum requirements for approval with the respective local jurisdiction, this section of the application will not have a weighted point range, rather just a yes or no point value (example: Yes, met requirements = 10 points / No, did not meet requirements = 0 points).*

1. Which Guiding Principle(s) does this recommendation support?

*Guiding Principle #1: Promote the health, safety, and well-being of Nevada’s communities. Following this application recommendation will ensure the best applicants are awarded a license.*

*Guiding Principle #2: Be responsive to the needs and issues of consumers, non-consumers, local governments and the industry. This recommendation will help streamline the application process and potentially avoid costly lawsuits in the future.*

*Guiding Principle #3: Propose efficient and effective regulation that is clear and reasonable and not unduly burdensome. This recommendation will improve upon the medical marijuana application process that was already successfully used. These minor improvements will make it clearer to the applicant, the Department and remove ambiguity.*

1. What provision(s) of Question 2 does this recommendation apply to?

*Question 2 states the Department of Taxation would be charged with adopting regulations necessary to carry out the provisions of this ballot measure. The regulations must address licensing procedures; licensee qualifications; security of marijuana establishments; testing, labeling, and packaging requirements; reasonable restrictions on advertising; and civil penalties for violating any regulation adopted by the Department.*

1. What issue(s) does the recommendation resolve?

*This recommendation would resolve the unbalance of the application score and ranking when it comes to the local judication approval for marijuana establishments locations. The application process should be un biased and licenses should only be awarded to the applicants that demonstrate a solid regulatory understanding, financial wherewithal and a high level of responsibility for the industry. This type of evaluation of an applicant is best done through a merit based application process.*

1. Was there dissent in the group regarding this recommendation? If yes, please provide a summary of the dissenting opinion regarding the recommendation.

*No dissent*

1. What action(s) will be necessary to adopt the recommendation? Will statute, policy, regulations, etc. need to be addressed?

*A statue change will not be required.*

*Regulation language will need to be drafted and approved. Propose language could be:*

*All the specific local government land use requirements which a proposed marijuana establishment will be located must be completed and included in the application.*

1. Additional information (cost of implementation, priority according to the recommendations, etc).

*None*