1. Working group name:

*Cultivation Working Group*

1. Individual sponsor(s):

*Armen Yemenidjian – Integral Associates, LLC*

*Amanda Connor – Connor & Connor PLLC*

1. Describe the recommendation:

*The Cultivation Working Group recommends that the product acquisition procedures be similar to medical marijuana product acquisition procedures.*

1. Which guiding principle(s) does this recommendation support?

*Guiding Principle 1 – Promote the health, safety, and well-being of Nevada’s communities.*

*Guiding Principle 3 – Ensure that youth are protected from the risks associated with marijuana, including preventing the diversion of marijuana to anyone under the age of 21.*

*Guiding Principle 4 – Propose efficient and effective regulation that is clear and reasonable and not unduly burdensome.*

*Guiding Principle 6 – Establish regulations that are clear and practical, so that interactions between law enforcement (at the local, state and federal levels), consumers, and licensees are predictable and understandable.*

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

*Question 2 allows cultivation and this recommendation addresses how the cultivation facilities will acquire product.*

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

*This recommendation would resolve the method for cultivation facilities to receive product.*

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?

*This change will require the Department of Tax to adopt regulation regarding product acquisition. The following suggested product acquisition requirements should be included to be similar to medical marijuana cultivation:*

*NAC 453A.414  Inventory control system; where establishment may acquire marijuana and related products; perpetual inventory system of manufacturing process; duties of establishment if loss is incurred. (*[NRS 453A.370](https://www.leg.state.nv.us/NRS/NRS-453A.html#NRS453ASec370)***)***

     *1.  Each* ~~medical~~ *marijuana establishment shall designate in writing a* ~~medical~~ *marijuana establishment agent who has oversight of the inventory control system of the medical marijuana establishment.*

     *2.  A* ~~medical~~ *marijuana establishment shall only acquire marijuana, edible marijuana products or marijuana-infused products from:*

*(a) Another medical marijuana establishment, including, without limitation, a cultivation facility and a facility for the production of edible marijuana products or marijuana-infused products,* ~~except that a medical marijuana dispensary may not purchase marijuana from another medical marijuana dispensary; or~~ or a retail marijuana establishment

     (b) ~~A person who holds a valid registry identification card or his or her designated primary caregiver in the manner set forth in subsection 5 of~~ [~~NRS 453A.352~~](https://www.leg.state.nv.us/NRS/NRS-453A.html#NRS453ASec352)~~.~~

 A marijuana establishment may acquire product from a medical marijuana establishment that is licensed under NRS 453A.

 (c) A marijuana cultivation establishment may acquire seeds for the cultivation of marijuana that are legally purchased pursuant to NRS 453D.

     *3.  Each* ~~medical~~ *marijuana establishment shall establish and implement an inventory control system that documents:*

*(a) Each day’s beginning inventory, acquisitions, harvests, sales, disbursements, disposal of unusable marijuana and ending inventory.*

     ~~(b) When acquiring medical marijuana from a person who holds a valid registry identification card or his or her designated primary caregiver:~~

~~(1) A description of the medical marijuana acquired, including the amount and strain as specified by the cardholder or caregiver, if known;~~

~~(2) The name and number of the valid registry identification card of the person who provided the medical marijuana or, if provided by a designated primary caregiver, his or her name;~~

~~(3) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent receiving the medical marijuana on behalf of the medical marijuana dispensary; and~~

~~(4) The date of acquisition.~~

     ~~(c)~~ (b) *When acquiring* ~~medical~~ *marijuana from another* ~~medical~~ *marijuana establishment:*

*(1) A description of the* ~~medical~~ *marijuana acquired, including the amount, strain and batch number;*

*(2) The name and identification number of the* ~~medical~~ *marijuana establishment registration certificate of the* ~~medical~~ *marijuana establishment providing the* ~~medical~~ *marijuana;*

*(3) The name and* ~~medical~~ *marijuana establishment agent registration card number of the* ~~medical~~ *marijuana establishment agent providing the* ~~medical~~ *marijuana;*

*(4) The name and* ~~medical~~ *marijuana establishment agent registration card number of the* ~~medical~~ *marijuana establishment agent receiving the* ~~medical~~ *marijuana on behalf of the* ~~medical~~ *marijuana establishment; and*

*(5) The date of acquisition.*

 *(c) When acquiring marijuana from a medical marijuana establishment licensed pursuant to NRS 453A:*

*(1) A description of the marijuana acquired, including the amount, strain and batch number;*

*(2) The name and identification number of the medical marijuana establishment registration certificate of the medical marijuana establishment providing the medical marijuana;*

*(3) The name and medical marijuana establishment agent registration card number of the medical marijuana establishment agent providing the medical marijuana;*

*(4) The name and marijuana establishment agent registration card number of the marijuana establishment agent receiving the medical marijuana on behalf of the medical marijuana establishment; and*

*(5) The date of acquisition.*

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

*None*