



Executive Order 2017-02

ORDER ESTABLISHING A TASK FORCE ON THE IMPLEMENTATION OF BALLOT QUESTION 2: THE REGULATION AND TAXATION OF MARIJUANA ACT

WHEREAS, on November 8, 2016, the voters of the State of Nevada approved Ballot Question 2: The Regulation and Taxation of Marijuana Act (the "Act"), declaring that "the use of marijuana should be legal for persons 21 years of age or older, and its cultivation and sale should be regulated similar to other legal businesses" and providing for the regulation of marijuana so that:

- a. Marijuana may only be purchased from a business that is licensed by the State of Nevada;
- b. Business owners are subject to a review by the State of Nevada to confirm that the business owners and the business location are suitable to produce or sell marijuana;
- c. Cultivating, manufacturing, testing, transporting, and selling marijuana will be strictly controlled through state licensing and regulation;
- d. Selling or giving marijuana to persons under 21 years of age shall remain illegal;
- e. Individuals must be 21 years of age or older to purchase marijuana;
- f. Driving under the influence of marijuana will remain illegal;
- g. Marijuana sold in the state will be tested and labeled;

WHEREAS, The Act directs the Nevada Department of Taxation to adopt all regulations necessary or convenient to carry out the provisions of the Act, including accepting applications and issuing licenses for marijuana establishments, not later than 12 months after the effective date of the Act;

WHEREAS, The Act took effect on January 1, 2017; and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides that, "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and laws of the State of Nevada, I hereby direct and order as follows:

1. The Task Force on the Implementation of Ballot Question 2: The Regulation and Taxation of Marijuana Act (the "Task Force") is hereby established.

2. Members of the Task Force shall be appointed by and serve at the pleasure of the Governor, and shall be comprised as follows:

- The Executive Director of the Nevada Department of Taxation
- The Director of the Department of Health and Human Services
- One member nominated by the Majority Leader of the Nevada State Senate
- One member nominated by the Minority Leader of the Nevada State Senate
- One member nominated by the Speaker of the Nevada State Assembly
- One member nominated by the Minority Leader of the Nevada State Assembly
- The Director of the Department of Public Safety, or his designee
- The Nevada Chief Medical Officer
- A representative of the Nevada League of Cities & Municipalities
- A representative of the Nevada Association of Counties

- A representative of the Nevada Medical Marijuana Program
 - A member of the general public from a Nevada county with a population of less than 200,000.
 - Two representatives from local law enforcement agencies
 - Two representatives of local social service agencies
 - Two representatives of the medical marijuana industry
3. The Executive Director of the Nevada Department of Taxation is appointed to Chair the Task Force.
4. One of the two representatives from local law enforcement will be appointed Vice Chair of the Task Force.
5. The Chair will have the ability to issue guidelines for operation of the Task Force and amend those guidelines as needed. The Task Force Chair may form and appoint working groups, chaired by one or more members of the Task Force and composed of persons with subject matter expertise, to aid it in its work. The Task Force Chair will identify and approve the scope of work and issues for the Task Force and working groups.
6. The Task Force's mission shall be to identify the legal, policy, and procedural issues that need to be resolved, and to offer suggestions and proposals for legislative, regulatory, and executive actions that need to be taken for the effective and efficient implementation of the Act.
7. The issues that the Task Force shall address include, but are not limited to:
 - A. The need to amend current laws regarding the possession, sale, distribution or transfer of marijuana and marijuana products to conform them to Ballot Question 2: The Regulation and Taxation of Marijuana Act's decriminalization provisions, including, but not limited to, laws related to:
 - i. Possession of drug paraphernalia;
 - ii. Possession of marijuana; and
 - iii. Marijuana cultivation.
 - B. The possible need for new statutes, including, but not limited to, laws related to:
 - i. Marijuana testing facilities;
 - ii. Marijuana product manufacturing facilities;
 - iii. Marijuana retail facilities;
 - iv. Time, place, and manner restrictions for marijuana consumption, including conforming to existing non-smoking laws;
 - v. Possession of marijuana in correctional facilities;
 - vi. Driving while under the influence of and/or impaired by marijuana; and
 - vii. Increased penalties for selling marijuana products outside of the system allowed by Nevada law.
 - C. The need for new regulations, including, but not limited to, those related to:
 - i. Procedures for issuing, renewing, suspending, and revoking a license to operate a marijuana establishment;
 - ii. A schedule of application, licensing, and renewal fees;
 - iii. Qualifications for a license that are related to operating a marijuana establishment;
 - iv. Security requirements for marijuana establishments;
 - v. Labeling requirements;
 - vi. Health and safety standards for the manufacture of marijuana products, including food, and the cultivation of marijuana;
 - vii. Restrictions on advertising and display of marijuana and marijuana products; and
 - viii. Penalties for noncompliance with regulations.
 - D. Education regarding long-term health effects of marijuana use and harmful effects of marijuana use by those under the age of 18.
 - E. Reconciliation of Nevada and Federal laws such that the new laws and regulations do not subject Nevada state and local governments and state and local government employees to prosecution by the federal government.
 - F. The effect of the Act on employers, employees, and the Nevada economy
8. The Task Force shall explore any and all options that address the preceding issues and help clarify and/or better coordinate state and local government implementation of the Act. Such options examined shall include, but are not limited to:
 - A. Memorandums of agreement, intergovernmental agreements, and letters of cooperation and consent between the state and any other jurisdiction;

- B. Changes to existing laws or regulations; and
 - C. New laws and regulations
9. Members of the Task Force shall receive no compensation for their service.
 10. The Task Force shall meet at the discretion and direction of the Chair.
 11. The Department of Taxation shall provide the administrative support for the Task Force.
 12. All meetings of the Task Force and any working groups of the Task Force shall be subject to the Open Meeting Law, as codified in NRS Chapter 241. The Task Force shall endeavor to solicit public comment as part of its consideration of the policy, legal, and procedural issues that need to be resolved to implement the Act. To the extent it deems appropriate, the Task Force shall incorporate the public input it receives into its recommendations and findings.
 13. All records documenting the Task Force's activities shall be retained and transferred to the State Archives for permanent retention in accordance with the State record retention policy.
 14. This Executive Order shall continue in existence until the Task Force reports its recommendations and findings to the Governor, but no later than May 30, 2017, unless it is either terminated earlier or extended beyond that date by further Executive Order.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 3rd day of February, in the year two thousand seventeen.

Governor of the State of Nevada

By the Governor:

Secretary of State

Deputy Secretary of State