Agenda Item No: 12.E



STAFF REPORT

Report To: Board of Supervisors Meeting Date: August 5, 2021

Staff Contact: Nancy Paulson, City Manager

Agenda Title: For Possible Action: Discussion and possible action: (1) regarding a business impact

> statement concerning a proposed ordinance prohibiting curbside pickup of cannabis: and (2) to introduce, on first reading, a proposed ordinance prohibiting curbside pickup of

cannabis. (Nancy Paulson, npaulson@carson.org)

Staff Summary: This item is for the first reading of a proposed ordinance which, if enacted, will prohibit curbside pickup of cannabis. NRS 237,080 requires a business impact statement to be prepared whenever an ordinance by the adoption of which the governing body of a local government exercises legislative powers. The business impact statement finds that the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a

business.

Agenda Action: Ordinance - First Reading Time Requested: 15 minutes

Proposed Motion

I move to approve the business impact statement as presented and introduce, on first reading, Bill No.

Board's Strategic Goal

Efficient Government

Previous Action

Background/Issues & Analysis

Senate Bill (SB) 168 was enacted by the Nevada Legislature during the 81st (2021) Session and signed into law by the Governor on May 27, 2021. SB 168 generally relates to cannabis and establishes, among other things, various provisions governing "curbside pickup," defined by the legislative measure as the delivery of cannabis or cannabis products by a cannabis sales facility to a consumer in a motor vehicle on the premises of the cannabis sales facility. Section 3 of SB 168 requires the Cannabis Compliance Board to adopt agency regulations setting forth procedures and requirements for the conducting of curbside pickup by a cannabis sales facility, but also expressly reserves for local governments the authority to adopt and enforce an ordinance or rule that prohibits a cannabis sales facility from engaging in curbside pickup based on the characteristics of the location of the cannabis sales facility or any other considerations.

This proposed ordinance, if approved by the Board of Supervisors, would prohibit a cannabis sales facility that is located in Carson City from conducting cubside pickup.

As an exercise of legislative powers, the introduction and adoption of an ordinance by the governing body of a local government such as the Board of Supervisors requires the preparation of a business impact statement in accordance with NRS Chapter 237. A completed business impact statement has been prepared and is attached to this agenda item in compliance with the statutory procedural requirement.

attached to this agenda item in compliance with the statutory procedural requirement.
<u>Applicable Statute, Code, Policy, Rule or Regulation</u> NRS Chapter 237; art. 2 of the Carson City Charter; Senate Bill 168 (2021); CCMC Chapter 8.04
Financial Information Is there a fiscal impact? No
If yes, account name/number:
Is it currently budgeted?
Explanation of Fiscal Impact:
Alternatives 1. Do not accept the business impact statement or modify the business impact statement. 2. Do not introduce the ordinance on first reading or modify the ordinance.
Attachments: SB168_EN.pdf
Curbside BIS.pdf
Curbside_Reply_Letter_2021-07-22pdf
Sierra Well_Curbside Letter_2021-07-23 (002).pdf
Ord_2021_Cannabis Curbside Pickup Prohibition_revised.docx
Cannabis Ad backup.pdf

Board Action Taken: Motion:	1)	Aye/Nay
(Vote Recorded By)		

Senate Bill No. 168–Senators Lange, Brooks; D. Harris, Scheible and Spearman

CHAPTER.....

AN ACT relating to cannabis; authorizing the Cannabis Compliance Board to adopt regulations imposing requirements relating to the packaging and labeling of cannabis and cannabis products; authorizing a cannabis sales facility to engage in curbside pickup under certain circumstances; revising certain requirements relating to the labeling of cannabis products; revising requirements relating to information that is required to be provided to purchasers of cannabis or cannabis products; requiring the Board to adopt regulations allowing for certain records of a cannabis establishment to be created and maintained in an electronic format; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of persons and establishments involved in the cannabis industry in this State by the Cannabis Compliance Board. (Title 56 of NRS) Existing law authorizes the Board to adopt regulations imposing reasonable restrictions on signage, marketing, display and advertising of cannabis establishments. (NRS 678A.450) **Section 1** of this bill similarly authorizes the Board to adopt regulations imposing requirements for the packaging and labeling of cannabis and cannabis products.

Section 3 of this bill: (1) authorizes a cannabis sales facility to engage in curbside pickup in accordance with regulations adopted by the Board; and (2) requires the Board to adopt regulations governing curbside pickup conducted by cannabis sales facilities. **Section 3** defines "curbside pickup" to mean the delivery of cannabis or cannabis products by a cannabis sales facility to a consumer in a motor vehicle on the premises of the cannabis sales facility. **Section 3** also provides that nothing in **section 3** prohibits a local government from adopting and enforcing an ordinance or rule prohibiting a cannabis sales facility from engaging in curbside pickup based on the characteristics of the location of the cannabis sales facility or any other considerations.

Existing law requires each cannabis establishment to, in consultation with the Board, cooperate to ensure that all cannabis products offered for sale meet certain requirements, including, without limitation, certain requirements relating to the labeling of such products. Existing law requires a cannabis production facility to affix a label on each cannabis product containing certain specified information. (NRS 678B.520) **Section 5** of this bill removes this requirement and instead requires each cannabis establishment to, in consultation with the Board, cooperate to ensure that all cannabis products offered for sale are labeled with certain specified information and any other information the Board may require by regulation.

Existing law requires a cannabis sales facility to include with each sale of cannabis or cannabis products a written notification containing certain information. (NRS 678B.520) **Section 5** revises this requirement to require a cannabis sales facility to, instead of providing a written notification, convey the information to each purchaser of cannabis or cannabis products in a manner prescribed by the Board.



Existing law requires the Board to adopt regulations concerning the operation of cannabis establishments, including, without limitation, regulations setting forth minimum requirements for the keeping of records by cannabis establishments. (NRS 678B.650) **Section 6** of this bill additionally requires the Board to adopt regulations allowing for any record relating to the delivery of cannabis or cannabis products that is required to be kept by a cannabis establishment to be created and maintained in an electronic format.

EXPLANATION - Matter in **bolded italics** is new; matter between brackets formitted material is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 678A.450 is hereby amended to read as follows:

- 678A.450 1. The Board may adopt regulations necessary or convenient to carry out the provisions of this title. Such regulations may include, without limitation:
 - (a) Financial requirements for licensees.
- (b) Establishing such investigative and enforcement mechanisms as the Board deems necessary to ensure the compliance of a licensee or registrant with the provisions of this title.
- (c) Requirements for licensees or registrants relating to the cultivation, processing, manufacture, transport, distribution, testing, study, advertising and sale of cannabis and cannabis products.
- (d) Policies and procedures to ensure that the cannabis industry in this State is economically competitive, inclusive of racial minorities, women and persons and communities that have been adversely affected by cannabis prohibition and accessible to persons of low-income seeking to start a business.
- (e) Policies and procedures governing the circumstances under which the Board may waive the requirement to obtain a registration card pursuant to this title for any person who holds an ownership interest of less than 5 percent in any one cannabis establishment or an ownership interest in more than one cannabis establishment of the same type that, when added together, is less than 5 percent.
- (f) Reasonable restrictions on the signage, marketing, display and advertising of cannabis establishments. Such a restriction must not require a cannabis establishment to obtain the approval of the Board before using a logo, sign or advertisement.
- (g) Provisions governing the sales of products and commodities made from hemp, as defined in NRS 557.160, or containing cannabidiol by cannabis establishments.



- (h) Requirements relating to the packaging and labeling of cannabis and cannabis products.
- 2. The Board shall adopt regulations providing for the gathering and maintenance of comprehensive demographic information, including, without limitation, information regarding race, ethnicity, age and gender, concerning each:
 - (a) Owner and manager of a cannabis establishment.
 - (b) Holder of a cannabis establishment agent registration card.
- 3. The Board shall transmit the information gathered and maintained pursuant to subsection 2 to the Director of the Legislative Counsel Bureau for transmission to the Legislature on or before January 1 of each odd-numbered year.
- 4. The Board shall, by regulation, establish a pilot program for identifying opportunities for an emerging small cannabis business to participate in the cannabis industry. As used in this subsection, "emerging small cannabis business" means a cannabis-related business that:
 - (a) Is in existence, operational and operated for a profit;
 - (b) Maintains its principal place of business in this State; and
- (c) Satisfies requirements for the number of employees and annual gross revenue established by the Board by regulation.
 - **Sec. 2.** (Deleted by amendment.)
- **Sec. 3.** Chapter 678B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A cannabis sales facility may engage in curbside pickup in accordance with the regulations adopted by the Board pursuant to this section.
- 2. The Board shall adopt regulations setting forth procedures and requirements for the conducting of curbside pickup by a cannabis sales facility and any other regulations governing curbside pickup that the Board determines are necessary.
- 3. Nothing in this section shall be construed as prohibiting a local government from adopting and enforcing an ordinance or rule that prohibits a cannabis sales facility from engaging in curbside pickup based on the characteristics of the location of the cannabis sales facility or any other considerations.
- 4. As used in this section, "curbside pickup" means the delivery of cannabis or cannabis products by a cannabis sales facility to a consumer in a motor vehicle located on the premises of the cannabis sales facility.
 - **Sec. 4.** (Deleted by amendment.)



- **Sec. 5.** NRS 678B.520 is hereby amended to read as follows:
- 678B.520 1. Each cannabis establishment shall, in consultation with the Board, cooperate to ensure that all cannabis products offered for sale:
 - (a) Are labeled clearly and unambiguously:
- (1) As cannabis or medical cannabis with the words "THIS IS A MEDICAL CANNABIS PRODUCT" or "THIS IS A CANNABIS PRODUCT," as applicable, in bold type; and
- (2) As required by the provisions of this chapter and chapters 678C and 678D of NRS.
- (b) Are not presented in packaging that contains an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the cannabis production facility which produced the product.
- (c) Are regulated and sold on the basis of the concentration of THC in the products and not by weight.
- (d) Are packaged and labeled in such a manner as to allow tracking by way of an inventory control system.
- (e) Are not packaged and labeled in a manner which is modeled after a brand of products primarily consumed by or marketed to children.
- (f) Are labeled in a manner which indicates the amount of THC in the product, measured in milligrams, and includes a statement that the product contains cannabis and its potency was tested with an allowable variance of the amount determined by the Board by regulation.
 - (g) Are not labeled or marketed as candy.
 - (h) Are labeled with:
 - (1) The words "Keep out of reach of children";
 - (2) A list of all ingredients used in the cannabis product;
- (3) A list of all major food allergens in the cannabis product; and
- (4) Any other information the Board may require by regulation.
- 2. A cannabis production facility shall not produce cannabis products in any form that:
 - (a) Is or appears to be a lollipop.
- (b) Bears the likeness or contains characteristics of a real or fictional person, animal or fruit, including, without limitation, a caricature, cartoon or artistic rendering.
- (c) Is modeled after a brand of products primarily consumed by or marketed to children.



- (d) Is made by applying concentrated cannabis, as defined in NRS 453.042, to a commercially available candy or snack food item other than dried fruit, nuts or granola.
 - 3. A cannabis production facility shall:
- (a) Seal any cannabis product that consists of cookies or brownies in a bag or other container which is not transparent.
- (b) [Affix a label to each cannabis product which includes, without limitation, in a manner which must not mislead consumers, the following information:
 - (1) The words "Keep out of reach of children";
 - (2) A list of all ingredients used in the cannabis product;
 - (3) A list of all allergens in the cannabis product; and
 - (4) The total content of THC measured in milligrams.
- (e)] Maintain a hand washing area with hot water, soap and disposable towels which is located away from any area in which cannabis products are cooked or otherwise prepared.
- [(d)] (c) Require each person who handles cannabis products to restrain his or her hair, wear clean clothing and keep his or her fingernails neatly trimmed.
- [(e)] (d) Package all cannabis products produced by the cannabis production facility on the premises of the cannabis production facility.
- 4. A cannabis establishment shall not engage in advertising that in any way makes cannabis or cannabis products appeal to children, including, without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.
- 5. Each cannabis sales facility shall offer for sale containers for the storage of cannabis and cannabis products which lock and are designed to prohibit children from unlocking and opening the container.
 - 6. A cannabis sales facility shall:
- (a) [Include a written notification with each sale] Convey to each purchaser of cannabis or cannabis products [which advises the purchaser:] the following information in a manner prescribed by the Board:
- (1) To keep cannabis and cannabis products out of the reach of children;
- (2) That cannabis products can cause severe illness in children;
- (3) That allowing children to ingest cannabis or cannabis products or storing cannabis or cannabis products in a location which is accessible to children may result in an investigation by an



agency which provides child welfare services or criminal prosecution for child abuse or neglect;

- (4) That the intoxicating effects of edible cannabis products may be delayed by 2 hours or more and users of edible cannabis products should initially ingest a small amount of the product, then wait at least 120 minutes before ingesting any additional amount of the product;
- (5) That pregnant women should consult with a physician before ingesting cannabis or cannabis products;
- (6) That ingesting cannabis or cannabis products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;
- (7) That cannabis or cannabis products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of cannabis or cannabis products; and
- (8) That ingestion of any amount of cannabis or cannabis products before driving may result in criminal prosecution for driving under the influence.
- (b) Enclose all cannabis and cannabis products in opaque, child-resistant packaging upon sale.
- 7. A cannabis sales facility shall allow any person who is at least 21 years of age to enter the premises of the cannabis sales facility.
- 8. If the health authority, as defined in NRS 446.050, where a cannabis production facility or cannabis sales facility which sells edible cannabis products is located requires persons who handle food at a food establishment to obtain certification, the cannabis production facility or cannabis sales facility shall ensure that at least one employee maintains such certification.
- 9. A cannabis production facility may sell a commodity or product made using hemp, as defined in NRS 557.160, or containing cannabidiol to a cannabis sales facility.
- 10. In addition to any other product authorized by the provisions of this title, a cannabis sales facility may sell:
- (a) Any commodity or product made using hemp, as defined in NRS 557.160;
- (b) Any commodity or product containing cannabidiol with a THC concentration of not more than 0.3 percent; and
 - (c) Any other product specified by regulation of the Board.
 - 11. A cannabis establishment:



- (a) Shall not engage in advertising which contains any statement or illustration that:
 - (1) Is false or misleading;
- (2) Promotes overconsumption of cannabis or cannabis products;
- (3) Depicts the actual consumption of cannabis or cannabis products; or
- (4) Depicts a child or other person who is less than 21 years of age consuming cannabis or cannabis products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any other depiction which is designed in any manner to be appealing to or encourage consumption of cannabis or cannabis products by a person who is less than 21 years of age.
- (b) Shall not advertise in any publication or on radio, television or any other medium if 30 percent or more of the audience of that medium is reasonably expected to be persons who are less than 21 years of age.
 - (c) Shall not place an advertisement:
- (1) Within 1,000 feet of a public or private school, playground, public park or library, but may maintain such an advertisement if it was initially placed before the school, playground, public park or library was located within 1,000 feet of the location of the advertisement:
- (2) On or inside of a motor vehicle used for public transportation or any shelter for public transportation;
- (3) At a sports event to which persons who are less than 21 years of age are allowed entry; or
- (4) At an entertainment event if it is reasonably estimated that 30 percent or more of the persons who will attend that event are less than 21 years of age.
- (d) Shall not advertise or offer any cannabis or cannabis product as "free" or "donated" without a purchase.
- (e) Shall ensure that all advertising by the cannabis establishment contains such warnings as may be prescribed by the Board, which must include, without limitation, the following words:
 - (1) "Keep out of reach of children"; and
 - (2) "For use only by adults 21 years of age and older."
- 12. Nothing in subsection 11 shall be construed to prohibit a local government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an ordinance for the regulation of advertising relating to cannabis which is more restrictive than the provisions of subsection 11 relating to:



- (a) The number, location and size of signs, including, without limitation, any signs carried or displayed by a natural person;
- (b) Handbills, pamphlets, cards or other types of advertisements that are distributed, excluding an advertisement placed in a newspaper of general circulation, trade publication or other form of print media;
- (c) Any stationary or moving display that is located on or near the premises of a cannabis establishment; and
- (d) The content of any advertisement used by a cannabis establishment if the ordinance sets forth specific prohibited content for such an advertisement.
- 13. If a cannabis establishment engages in advertising for which it is required to determine the percentage of persons who are less than 21 years of age and who may reasonably be expected to view or hear the advertisement, the cannabis establishment shall maintain documentation for not less than 5 years after the date on which the advertisement is first broadcasted, published or otherwise displayed that demonstrates the manner in which the cannabis establishment determined the reasonably expected age of the audience for that advertisement.
- 14. In addition to any other penalties provided for by law, the Board may impose a civil penalty upon a cannabis establishment that violates the provisions of subsection 11 or 13 as follows:
- (a) For the first violation in the immediately preceding 2 years, a civil penalty not to exceed \$1,250.
- (b) For the second violation in the immediately preceding 2 years, a civil penalty not to exceed \$2,500.
- (c) For the third violation in the immediately preceding 2 years, a civil penalty not to exceed \$5,000.
- (d) For the fourth violation in the immediately preceding 2 years, a civil penalty not to exceed \$10,000.
- 15. As used in this section, "motor vehicle used for public transportation" does not include a taxicab, as defined in NRS 706.124.
 - **Sec. 6.** NRS 678B.650 is hereby amended to read as follows:
- 678B.650 The Board shall adopt such regulations as it determines to be necessary or advisable to carry out the provisions of this chapter. Such regulations are in addition to any requirements set forth in statute and must, without limitation:
- 1. Prescribe the form and any additional required content of applications for licenses or registration cards issued pursuant to this chapter;



- 2. Establish procedures for the suspension or revocation of a license or registration card or other disciplinary action to be taken against a licensee or registrant;
- 3. Set forth rules pertaining to the safe and healthful operation of cannabis establishments, including, without limitation:
- (a) The manner of protecting against diversion and theft without imposing an undue burden on cannabis establishments or compromising the confidentiality of consumers and holders of registry identification cards and letters of approval, as those terms are defined in NRS 678C.080 and 678C.070, respectively;
- (b) Minimum requirements for the oversight of cannabis establishments:
- (c) Minimum requirements for the keeping of records by cannabis establishments;
- (d) Provisions for the security of cannabis establishments, including without limitation, requirements for the protection by a fully operational security alarm system of each cannabis establishment; and
- (e) Procedures pursuant to which cannabis establishments must use the services of cannabis independent testing laboratories to ensure that any cannabis or cannabis product or commodity or product made from hemp, as defined in NRS 557.160, sold by a cannabis sales facility to an end user is tested for content, quality and potency in accordance with standards established by the Board;
- 4. Establish circumstances and procedures pursuant to which the maximum fees set forth in NRS 678B.390 may be reduced over time to ensure that the fees imposed pursuant to NRS 678B.390 are, insofar as may be practicable, revenue neutral;
- 5. Establish different categories of cannabis establishment agent registration cards, including, without limitation, criteria for issuance of a cannabis establishment agent registration card for a cannabis executive and criteria for training and certification, for each of the different types of cannabis establishments at which such an agent may be employed or volunteer or provide labor as a cannabis establishment agent;
- 6. As far as possible while maintaining accountability, protect the identity and personal identifying information of each person who receives, facilitates or delivers services in accordance with this chapter;
- 7. Establish procedures and requirements to enable a dual licensee to operate a medical cannabis establishment and an adultuse cannabis establishment at the same location;



- 8. Determine whether any provision of this chapter or chapter 678C or 678D of NRS would make the operation of a cannabis establishment by a dual licensee unreasonably impracticable; [and]
- 9. Allow for any record relating to the delivery of cannabis or cannabis products that is required to be kept by a cannabis establishment to be created and maintained in an electronic format; and
- 10. Address such other matters as the Board deems necessary to carry out the provisions of this title.
 - **Sec. 7.** (Deleted by amendment.)
 - **Sec. 8.** This act becomes effective upon passage and approval.







BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule***, as that term is defined in NRS 237.060, by the Carson City Board of Supervisors.

*** A "rule" may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A "rule" does not include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 278B; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Carson City. A "rule" also does not include: an action taken by the Board that approves, amends or augments the annual budget of Carson City; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 278B or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Carson City; or any rule for which Carson City does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City has entered.

ORDINANCE OR ACTION PROPOSED FOR ADOPTION

The following ordinances and polices are proposed for adoption:

- 1. An ordinance prohibiting curbside pickup of cannabis.
- 1. The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:

a. Notice

In order to meet the requirements of NRS 237.080, on June 30, 2021, direct mailings were sent to the Carson City Area Chamber of Commerce, GTI Nevada, LLC and WSCC Incorporated. GTI Nevada, LLC and WSCC Incorporated are the only two cannabis (marijuana) dispensaries in the city. The mailers included a draft of the proposed ordinance and a copy of Senate Bill No. 168 (SB 168) of the 81st Session of the Nevada Legislature in 2021. It was requested that any data or arguments as to whether the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business be provided to Carson City by July 23, 2021.

A copy of this Business Impact Statement, along with the appeal petition form, is available at the Carson City Community Development Office 108

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East Proctor Street, Carson City, Nevada 89701. A copy of the appeal petition form can also be obtained at the Carson City Clerk/Recorder's office.

b. Summary of comments

In response to the direct mailings, two letters were received. One letter is dated July 22, 2021 and addressed to Mayor Bagwell. The second letter is dated July 23, 2021 and addressed to the Community Development Director. Both letters are from Silver State Government Relations. The letter to the Mayor was on behalf of both dispensary owners, and the letter to the Community Development Director was on behalf of WSCC Incorporated (dba Sierra Wellness).

The letters state that the proposed ordinance will have a direct impact on the business as thirty percent of the business is utilizing curbside pickup. Customers utilizing curbside pickup are doing so due to the convenience of not getting out of their cars, due to mobility issues, and due to anxiety over entering the establishments.

2. The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:

Under AB 533 (2109), which established Nevada's commercial cannabis licensing scheme, curbside pickup of cannabis from dispensaries was not permitted. Per the Governor's Emergency Directive 016 issued on April 29, 2020, curbside pickup was allowed under protocols developed by the Nevada Cannabis Compliance Board ("CCB") beginning Friday, May 1, 2020. In 2021, in AB 168, the Legislature authorized the establishment of curbside pickup, subject to a local government's ability to prohibit curbside pickup.

a. Adverse effects:

This ordinance will prohibit curbside pickup at cannabis dispensaries in Carson City. Cannabis dispensaries will be able to use other approved methods of sale, including in person sales and delivery. Based on the inability to conduct curbside sales, Cannabis dispensaries may experience a decrease in sales and an accompanying loss of revenue, disruption to their current business operations, and customer dissatisfaction due the inability to conduct curbside pickup, which the cannabis dispensaries allege to be popular among customers.

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b. Beneficial effects:

This ordinance will prohibit curbside pickup at cannabis dispensaries in Carson City. The prohibition of curbside pickup may reduce parking lot traffic, reduce vehicular waiting lines outside of the dispensary, decrease the risk of pedestrian/vehicular accidents in parking lots, and increase safety by requiring transactions to be conducted inside or via delivery, rather than outside the dispensary curbside, which provides one fixed point that is easier and more accessible for criminal elements to target.

c. Direct effects:

Cannabis dispensaries will not be able to deliver cannabis to consumers via curbside delivery. Cannabis dispensaries will be able to use other approved methods of sale, including in person sales inside the dispensary building and delivery as authorized by statute and the CCB.

d. Indirect effects:

Some consumers may prefer curbside pickup and may choose to not purchase cannabis at the Carson City dispensaries.

3. The methods considered by the Carson City Board of Supervisors to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used:

At this time the Carson City Board of Supervisors has not considered other methods to reduce the impact of the ordinance. The proposed ordinance regarding curbside sales is specifically authorized by Nevada law. If the Board of Supervisors approves this business impact statement without modification and determines that the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business, the Board of Supervisors will consider methods to reduce the impact of the proposed ordinance on businesses before the ordinance is adopted, as required by NRS 237.080.

4. Estimate of the annual cost to Carson City for enforcement of the proposed ordinance or action:

It is estimated that there will be minimal increases in costs for Carson City to enforce the proposed ordinance. The City already employs enforcement officers who ensure local businesses are operated consistent with local regulations. This will be an additional regulation to enforce.

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5. The total annual amount of money expected to be collected as a result of the new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used:

The ordinance will not generate any funds for Carson City.

- 6. The proposed ordinance or action [X] DOES [] DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.
- 7. The reasons for the conclusions regarding the impact of the proposed ordinance or action:

This ordinance will prohibit curbside pickup at cannabis dispensaries in Carson City as authorized by Nevada law.

8. Based on the information considered, it has been determined that this proposed ordinance or rule:

[X] DOES [] DOES NOT impose a direct and significant economic burden upon a business.

[X] DOES [] DOES NOT directly restrict the formation, operation or expansion of a business.

Pursuant to NRS 237.090(3), this Business Impact Statement was prepared and made available for public inspection by the Carson City Community Development Department at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.

Pursuant to NRS 237.090(2), I, Nancy Paulson, the City Manager of Carson City, hereby certify that to the best of my knowledge and belief the information contained herein was properly prepared and is accurate.

Signature Day News

Postico

7128/200

Date

Silver State Government Relations

Principals
Will Adler – will@ssgr.us
Sarah Adler – sarah@ssgr.us
Ernie Adler – eealaw@pyramid.net

Senior Associate
Alex Tanchek – alex@ssgr.us

July 22, 2021

Mayor Bagwell:

Thank you for working with the cannabis community throughout the trials of the 2020 COVID-19 crisis. The quick response during the early days of the crisis reduced the impacts of the pandemic on the cannabis industry and the retail cannabis stores would like to thank Carson City for its flexibility and foresight.

After receiving your letter, it became clear to both Rise and Sierra Well it was the intention of the Carson City Board of Supervisors to seek an ordinance prohibiting the mechanism known as "curbside delivery." This was received by surprise from both retail cannabis stores as their businesses have grown to incorporate curbside delivery as a major part of their sales.

Curbside delivery has become more than just a safety measure for COVID but a generally accepted, and now expected, part of the cannabis purchasing experience. Through the use of technology, the curbside delivery process is no less safe or less documented than the in-store retail cannabis experience. Before a sale takes place, customer IDs are scanned, ages are verified, and vehicles with under-age passengers are prohibited from purchasing cannabis via curbside delivery. The efficiency of this process has become streamlined as all sales during COVID restrictions were done through this method. Even with the reopening of our in-store floor spaces, around 1/3 of the sales in Carson City still take place through our curbside process. When asked why they were still using curbside delivery, many of our customers have cited the convenience of not getting out of their vehicle either due to mobility issues or continued anxiety over entering establishments.

Many of our older clients and those with disabilities have chosen curbside as the best way for Carson City's dispensaries to service them and their needs. Additionally, the possibility of a resurgence in COVID cases or additional state-mandated social distancing requirements may necessitate a return to curbside delivery. If new restrictions do become necessary Rise and Sierra Well would wish to comply without delay, as they were able to do at the beginning of the 2020 lockdown.

Silver State Government Relations

Rise and Sierra Well are both proud of the curbside delivery experience they've been able to provide the residents of Carson City. Carson's cannabis industry should be applauded for its ability to retrofit its retail establishments as a rapid curbside delivery process was created in response to the need for social distancing. Nevertheless, all things change. Rise and Sierra Well acknowledge the need for vigilance as COVID is coming to an end, but that doesn't mean the precautions have ended for the industry. Our staff are still asked to be gloved and masked by the Nevada Cannabis Compliance Board. As such, we would like to keep a component of curbside delivery available in the Carson City market. It is true that not all sales need to take place in our parking lots as they did in 2020, but with the pandemic still a threat and the access curbside delivery gives our most needy patients we would ask you please allow curbside delivery to continue.

The curbside delivery program kept Carson City's retail cannabis stores open and our employees working during the pandemic. It is understood that certain treatments for pandemic-related hardships must come to an end, but it is the ask of Carson City's retail stores that the current curbside program be allowed to continue, at the very least in a limited capacity, for the foreseeable future. Carson's cannabis business performs every service we can for our customers and with 1/3 of our business coming from curbside delivery it is the belief of Carson's cannabis retail stores that continuing to provide curbside delivery in some way is now one of those services.

Thank you for your consideration and continued support of the Carson City cannabis industry,

Will Adler Executive Director Sierra Cannabis Coalition

Silver State Government Relations

Principals

Will Adler – <u>will@ssgr.us</u>
Sarah Adler – <u>sarah@ssgr.us</u>
Ernie Adler – eealaw@pyramid.net

Senior Associate
Alex Tanchek – alex@ssgr.us



July 23, 2021

Ms. Sullivan,

This letter is in response to your inquiry about a proposed ordinance's impact on Sierra Wellness's businesses, sent June 30, 2021. This letter is to state Sierra Wellness shall have a direct impact from the proposed ordinance relating to the termination of the practice known as "curbside delivery."

The elimination of curbside delivery would directly impact Sierra Well and the current operation of their business. Curbside delivery has become more than just a safety measure for COVID but a generally accepted, and now expected, part of the cannabis purchasing experience. Through the use of technology, the curbside delivery process is no less safe or less documented than the instore retail cannabis experience. Before a sale takes place, customer IDs are scanned and ages are verified. Even with the reopening of our in-store floor space, around 1/3 of the sales in our Carson City location are curbside. When asked why they were still using curbside, many of our customers have cited the convenience of not getting out of their vehicle either due to mobility issues or continued anxiety over entering establishments. Many of our older clients and those with disabilities have chosen curbside as a preferred way to be serviced. Additionally, the possibility of a resurgence in COVID cases or additional state-mandated social distancing requirements may necessitate a return to curbside delivery. If new restrictions do become necessary, Sierra Well would wish to comply without delay, as we were able to do at the beginning of the 2020 lockdown.

The curbside delivery program kept Sierra Well open and our employees working during the pandemic. It is understood that certain treatments for pandemic-related hardships must come to an end, but it is the ask of Sierra Well that the current curbside program be allowed to continue. Sierra Well is in the process of reevaluating our curbside program to accommodate the recent community comments they have received. Sierra Well has been in Carson City since the first days of medical marijuana; since that time, the store has required many adaptations to meet the needs of our customers, patients, and regulators. Sierra Well looks at the current curbside practices as the model most people expect when purchasing from a retail cannabis store in Nevada; as such, we would ask you continue to allow the curbside sales our customers have come to expect similar to our other location in Reno.

Thank you for your consideration,

Will Adler,

On Behalf of Sierra Well

Silver State Government Relations

204 N. Minnesota, Suite J

Creating results for clients throughout the Silver State

Carson City, Nevada 89703

Summary: Prohibits curbside pickup of cannabis.

BILL NO	
ORDINANCE No. 2021 -	

AN ORDINANCE RELATING TO CANNABIS; PROHIBITING CURBSIDE PICKUP OF CANNABIS; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

The Board of Supervisors of Carson City do ordain:

SECTION I:

That Title 4 (Licenses and Business Regulations), Chapter 4.04 (Business Licenses) is hereby amended by adding thereto a new Section 4.04.133 (Curbside pickup of cannabis prohibited) (**bold, underlined** text is added, [stricken] text is deleted) as follows:

4.04.133 – Curbside pickup of cannabis prohibited.

- 1. Pursuant to the authority established by Section 3 of Senate Bill 168 of the 81st (2021) Session of the Nevada Legislature, a cannabis sales facility shall not conduct or facilitate curbside pickup.
 - 2. As used in this section:
- (a) "Cannabis" has the meaning ascribed to in NRS 678A.085 and means marijuana as the term is defined in NRS 453.096 and this chapter.
- (b) "Cannabis product" has the meaning ascribed to it in NRS 678A.120 and means an adult-use cannabis product as the term is defined in NRS 678A.055 and a medical cannabis product as the term is defined in NRS 678A.200.
- (c) "Cannabis sales facility" has the meaning ascribed to it in NRS 678A.130 and means an adult-use cannabis retail store as the term is defined in NRS 678A.065 and a medical cannabis dispensary as the term is defined in NRS 678A.175.
- (d) "Curbside pickup" has the meaning ascribed to it in subsection 4 of Section 3 of Senate Bill 168 of the 81st (2021) Session of the Nevada Legislature and means the delivery of cannabis or cannabis products by a cannabis sales facility.

SECTION II:

That no other provisions of the Carson City Municipal Code are affected by this ordinance.

PROPOSED on			, 2021.
PROPOSE	D by		·
PASSED o	on		, 2021.
VOTE:	AYES:	SUPERVISORS:	
	NAVS:	SUPERVISORS:	
	IVAIS.	SOI ER VISORS.	
			Lori Bagwell
			Mayor
ATTEST:			
Aubrey Rowlatt			
Clerk-Recorder			
This ordina	ance shall be in	force and effect from	the day of the month
of	of the year 2	021.	

Northern California, and the Pacific Northwest afterward. He's happy to be back at it and shake away the pandemic blues.

"This pandemic came along and gave everyone a wakeup call," he new music and put on the best shows they can.

"We really miss playing and sometimes we really just take for granted that these things are going to be there for us," he said. "He's kind of a big deal when it comes to blues," Castro said. "He's worked with almost everybody out there."

Castro said he did a different process for this one and he really and still have the album flow song to song in different style and tempo and groove," he said.

THE PAINKILLERS

Castro has been touring with

play an styles of rock, blues, R&B and soul.

"He's a virtuoso of sorts," Castro said.

So come out Saturday night and let Castro take you away from your troubles, for a night of blues.



