

# **Nevada**

The Nevada Marijuana Legalization Initiative, also known as Question 2, was on the November 8, 2016, ballot in Nevada as an indirect initiated state statute. It was approved.

## **Status of marijuana in Nevada**

Prior to the passage of Question 2, the possession or use of marijuana for recreational purposes was illegal in Nevada. The passage of Question 9 in 2000 legalized medical marijuana. Although the Department of Justice under Obama does not prosecute most individuals and businesses following state and local marijuana laws, both medical and recreational marijuana are illegal under federal law.

Question 2 made some recreational marijuana legal under Nevada state law.

## **Changes to state law**

Question 2 was designed to allow adults aged 21 or older to possess, consume, and cultivate some marijuana for recreational purposes. The initiative created a new 15 percent excise tax, with revenue from the tax being spent on enforcing the measure and schools. It also authorized and regulated marijuana retail stores, cultivation facilities, manufacturing facilities, testing facilities, and distributors.

## **State of ballot measure campaigns**

The “Yes on 2” campaign raised \$4.2 million, according to the most recent campaign finance filing from November 4, 2016. The “No on 2” campaign received \$3.5 million. The largest donor in support of Question 2 was the Marijuana Policy Project, while the largest donor in opposition was casino mogul Sheldon Adelson.

The state's largest newspaper, the Las Vegas Review-Journal, endorsed Question 2 in 2014, but changed positions in June 2016 and opposed the initiative. Polls indicated that support for the measure was around 51 percent prior to the election.

## **Initiative design**

### **Who could use marijuana?**

Question 2 was designed to make lawful the purchase, possession, and consumption of one ounce of less of marijuana or one-eighth of an ounce or less of concentrated marijuana for individuals 21 years of age or older. The measure permitted individual 21 years of age or older to grow up to six marijuana plants for personal use. It required cultivation to take place in an enclosed area with a lock.

### **Who could sell marijuana?**

The measure authorized the operation of marijuana establishments. It authorized the Nevada Department of Taxation to regulate them. The measure mandated that for the first 18 months of licensing, the Department of Taxation would only accept license applications for marijuana stores, production facilities, and cultivation facilities from registered medical marijuana establishments. During the same time period, only registered wholesale liquor dealers would be permitted to apply for marijuana distributor licenses.

Question 2 prohibited marijuana establishments within 1,000 feet of a school or 300 feet of a community facility. Question 2 also set limits on the number of retail marijuana stores permissible in each county depending on the county's population size.

### **How would it be taxed?**

The measure imposed a 15 percent excise tax on marijuana sales by cultivation facilities. It mandated that annual licensing fees range from \$3,300 to \$30,000, depending on the type of license.

Question 2 was designed to allocate revenue from the tax, licensing fees, and penalties first to the Department of Taxation and local governments to cover costs related to the measure, and then all remaining revenue to the State Distributive School Account.

## **What would penalties be?**

Question 2 permitted the government to enforce or implement policies prohibiting driving or operating a vehicle under the influence of marijuana, selling or giving marijuana to someone under 21, possessing or using marijuana on the grounds of schools or the Nevada Department of Corrections, or allowing workplaces to ban marijuana use.

The initiative also established new penalties for cultivating marijuana within public view, smoking in a public place or moving vehicle, and providing marijuana to persons less than 21 years of age.

## **The question on the ballot was as follows:**

Shall the Nevada Revised Statutes be amended to allow a person, 21 years old or older, to purchase, cultivate, possess, or consume a certain amount of marijuana or concentrated marijuana, as well as manufacture, possess, use, transport, purchase, distribute, or sell marijuana paraphernalia; impose a 15 percent excise tax on wholesale sales of marijuana; require the regulation and licensing of marijuana cultivators, testing facilities, distributors, suppliers, and retailers; and provide for certain criminal penalties?

This ballot measure proposes to amend the Nevada

Revised Statutes to make it lawful for a person 21 years of age or older to purchase and consume one ounce or less of marijuana other than concentrated marijuana, or one-eighth of an ounce or less of concentrated marijuana. It would also make it lawful for a person 21 years of age or older to cultivate not more than six marijuana plants for personal use, as well as obtain and use marijuana paraphernalia.

The ballot measure would also allow for the operation of marijuana establishments, which would be regulated by the Department of Taxation. Regulated marijuana establishments would include marijuana cultivation facilities, marijuana testing facilities, marijuana product manufacturing facilities, marijuana distributors, and retail marijuana stores.

For the first 18 months, the Department of Taxation would only accept license applications for retail marijuana stores, marijuana product manufacturing facilities, and marijuana cultivation facilities from persons holding a medical marijuana establishment registration certificate. Similarly, for the first 18 months, the Department of Taxation would only issue marijuana distributors licenses to persons holding a Nevada wholesale liquor dealers.

Nevada's cannabis program for starting a business or becoming a patient is handled by [http://dpbh.nv.gov/Reg/Medical\\_Marijuana/](http://dpbh.nv.gov/Reg/Medical_Marijuana/)

