

S.B. 374 — Nevada's Medical Marijuana Dispensary Law

On June 12, 2013, Gov. Brian Sandoval signed S.B. 374 into law. This new law finally fulfills the state constitution's mandate that the legislature provide for appropriate methods of supply for medical marijuana. The bill was sponsored by Senators Tick Segerblom (D-Las Vegas) and Mark Hutchison (R-Las Vegas).

- There may be a total of up to 66 licensed and regulated dispensaries in the state. Clark County may have up to 40 dispensaries. Washoe County may have 10. Carson City can have two, and each of the other 14 counties can have one.
- Application and annual fees apply for each type of medical marijuana business. The businesses may be for-profit or non-profit and will be selected following a competitive, merit-based application process.
- S.B. 374 increases possession limits for patients from one ounce at any given time to two and a half ounces during a 14-day period.
- The law allows current patients to continue to cultivate until March 31, 2016. In addition, patients may cultivate if they do not live near a dispensary, if they cannot travel to one, or if the dispensaries near them do not have an adequate supply of marijuana or of the strain that works for the patient.
- Medical marijuana sales will be subject to a 2% excise tax at the wholesale level, along with a 2% excise tax at the retail level. Standard sales taxes also apply. Seventy-five percent of the tax revenue will go to education and 25% to regulatory oversight.
- S.B. 374 reduces fees for patients' registry identification cards from \$200 to no more than \$100.
- The law contains reciprocity provisions, which recognize patients from other states so long as the other state programs are substantially similar to the requirements of Nevada law. By April 2016, those states must have a database from which providers can verify enrollment in their home-state programs.
- The Health Division must establish rules by April 1, 2014. The Division will accept applications for no more than 10 business days in each calendar year, and it will then have 90 days to act on each medical marijuana business application.