

ASSEMBLY BILL NO. 294—ASSEMBLYMAN ORENTLICHER

MARCH 14, 2023

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions governing tobacco. (BDR 40-171)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§ 20) (NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to tobacco; prohibiting the sale of certain flavored tobacco products and flavoring agents for tobacco products; prohibiting the sale of cigarettes to certain persons; requiring annual inspections of locations that sell certain tobacco, vapor products and other nicotine products; prohibiting the sale of cigarettes after a certain date; eliminating the tax on cigarettes after that date; requiring certain insurers to cover certain services for ceasing the use of tobacco; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law prohibits a person from selling, distributing or offering to sell
2 cigarettes, cigarette paper, any product containing, made or derived from tobacco,
3 vapor products or any nicotine product to a person under the age of 21 years. (NRS
4 202.24935, 370.521) Sections 5 and 89 of this bill prohibit a person from selling,
5 distributing or offering to sell: (1) cigarettes, cigarette paper or a vapor product that
6 contains a taste or aroma that is distinguishable from the taste or aroma of tobacco;
7 or (2) a product that is designed, manufactured, produced, marketed or sold as an
8 additive to cigarettes, cigarette paper or a vapor product that produces a
9 distinguishable taste or aroma from the taste or aroma of tobacco. Sections 11 and
10 53 of this bill prohibit any person from selling, distributing or offering to sell
11 cigarettes to a person born after December 31, 2002. Section 9 of this bill requires
12 certain notice to be displayed at the point of sale for certain tobacco, vapor and
13 nicotine products stating that the sale of cigarettes to a person born after
14 December 31, 2002, is prohibited. Section 6 of this bill makes a conforming change
15 to indicate the proper placement of section 5 in the Nevada Revised Statutes.



16 **Sections 7 and 13** of this bill provide for the enforcement of the provisions of
17 **section 5** in the same manner as certain other provisions governing tobacco.

18 Existing law requires the Attorney General to conduct triennial inspections at
19 locations where products containing, made or derived from tobacco, vapor
20 products, alternative nicotine products and products containing, made or derived
21 from nicotine are sold, distributed or offered for sale to enforce certain provisions
22 governing the sale of such products. Existing law authorizes the Attorney General
23 to contract for assistance in conducting such inspections with a police department,
24 sheriff's department or any person the Attorney General believes will fairly conduct
25 such inspections. (NRS 202.2496) **Section 13** of this bill: (1) increases the
26 frequency of such inspections to at least once a year; and (2) authorizes the
27 Attorney General to contract with any law enforcement agency or health authority
28 for assistance in conducting such inspections. **Section 1** of this bill requires the
29 Department of Health and Human Services to allocate \$5,000,000 annually from
30 proceeds from certain litigation against manufacturers of tobacco products: (1) first,
31 to the Office of the Attorney General as necessary to conduct such inspections; and
32 (2) second, for certain programs to prevent, reduce or treat the use of tobacco.

33 Existing law authorizes a board of county commissioners to adopt an ordinance
34 to prohibit a child who is under 18 years of age from: (1) purchasing, attempting to
35 purchase, possessing, attempting to possess or using tobacco products; or (2) falsely
36 representing his or her age to purchase, obtain or possess tobacco products. (NRS
37 244.3572) **Section 18** of this bill authorizes a board of county commissioners to
38 adopt such an ordinance concerning a person who is under 21 years of age in
39 accordance with existing state law prohibiting the sale of tobacco products to such a
40 person. (NRS 202.24935, 370.521) **Section 18** also authorizes a board of county
41 commissioners to adopt such an ordinance prohibiting a person born after
42 December 31, 2002, from: (1) purchasing, attempting to purchase, possessing,
43 attempting to possess or smoking cigarettes; or (2) falsely representing his or her
44 age to purchase, obtain or possess cigarettes.

45 Existing law requires a manufacturer of cigarettes, a cigarette vending machine
46 operator or a wholesale or retail dealer of tobacco products to obtain a license from
47 the Department of Taxation. (NRS 370.567) **Section 59** of this bill prohibits the
48 Department from: (1) issuing an initial license as a cigarette vending machine
49 operator on or after January 1, 2024; and (2) renewing a license as a cigarette
50 vending machine operator, manufacturer or wholesale dealer of cigarettes on or
51 after January 1, 2029. **Section 63** of this bill provides that a license as a tobacco
52 retail dealer initially issued on or after January 1, 2024, or renewed on or after
53 January 1, 2029, only authorizes the holder to engage in the retail sale of tobacco
54 products other than cigarettes. **Section 64** of this bill extends this limitation to all
55 retail tobacco licenses beginning on January 1, 2030. **Section 89** of this bill
56 prohibits the sale of cigarettes beginning on January 1, 2030. **Section 92** of this bill
57 eliminates the tax on cigarettes on that date. **Sections 2, 4, 8, 10, 12, 14, 15, 17, 19,**
58 **22, 24-52, 54-58, 60-62, 65-71, 74, 87, 88, 90 and 92** of this bill make various
59 changes to: (1) eliminate provisions that implement that tax and various other
60 provisions referencing or related to the sale of cigarettes; and (2) standardize the
61 defined terms and penalties applicable to provisions governing the licensing of
62 tobacco wholesale dealers and retail dealers and the taxation of tobacco products.

63 On November 23, 1998, leading United States cigarette manufacturers entered
64 into a settlement agreement, entitled the "Master Settlement Agreement," with this
65 State. The Master Settlement Agreement obligates these manufacturers, in return
66 for a release of past, present and certain future claims against them as described in
67 the Master Settlement Agreement, to pay substantial sums to the State, to fund a
68 national foundation devoted to the interests of public health and to make substantial
69 changes in their advertising and marketing practices and corporate culture, with the
70 intention of reducing underage smoking. To prevent cigarette manufacturers who



71 were determined not to enter into such a settlement from using a resulting cost
72 advantage to derive large, short-term profits in the years before liability may arise
73 without ensuring that the State would have an eventual source of recovery from
74 those manufacturers if they are proven to have acted culpably, the Nevada
75 Legislature, in 1999, enacted provisions requiring all manufacturers of cigarettes
76 sold in this State to participate in the Master Settlement Agreement or to place
77 money into an escrow account. (Chapter 370A of NRS) Those provisions of
78 existing law provide that all money placed in escrow by a cigarette manufacturer
79 must be released from escrow and revert to the manufacturer 25 years after the date
80 on which they were deposited. (NRS 370A.150) **Section 93** of this bill repeals
81 those provisions on January 1, 2055, which is 25 years after the date on which
82 **section 89** prohibits the sale of cigarettes in this State. **Section 3** of this bill makes a
83 conforming change to eliminate references to repealed sections.

84 Existing law requires public and private policies of insurance regulated under
85 Nevada law to include certain coverage. (NRS 287.010, 287.04335, 422.2717-
86 422.27241, 689A.04033-689A.0465, 689B.0303-689B.0379, 689C.1655-689C.169,
87 689C.194-689C.195, 695A.184-695A.1875, 695B.1901-695B.1948, 695C.1691-
88 695C.176, 695G.162-695G.177) Existing law requires employers to provide certain
89 benefits to employees, including the coverage required of health insurers, if the
90 employer provides health benefits for its employees. (NRS 608.1555) **Sections 20,**
91 **21, 72, 73, 76, 78-84 and 86** of this bill require public and private health plans,
92 including Medicaid and health plans for state and local government employees, to
93 provide coverage for services for ceasing the use of tobacco. **Sections 20, 21, 72,**
94 **75, 76, 78-84 and 86** of this bill prohibit such a health plan from requiring prior
95 authorization for such services. **Sections 16, 77 and 80** of this bill make
96 conforming changes to indicate the proper placement of **sections 72, 76 and 79** in
97 the Nevada Revised Statutes. **Section 85** of this bill authorizes the Commissioner of
98 Insurance to suspend or revoke the certificate of a health maintenance organization
99 that fails to comply with the requirements of **section 83**. The Commissioner would
100 also be authorized to take such action against other health insurers who fail to
101 comply with the requirements of **sections 76, 78-82, 84 and 86**. (NRS 680A.200)

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

1 **Section 1.** NRS 439.630 is hereby amended to read as follows:
2 439.630 1. The Department shall:

3 (a) Conduct, or require the Grants Management Advisory
4 Committee created by NRS 232.383 to conduct, public hearings to
5 accept public testimony from a wide variety of sources and
6 perspectives regarding existing or proposed programs that:

7 (1) Promote public health;

8 (2) Improve health services for children, senior citizens and
9 persons with disabilities;

10 (3) Reduce or prevent alcohol and other substance use
11 disorders; and

12 (4) Offer other general or specific information on health care
13 in this State.

14 (b) Establish a process to evaluate the health and health needs of
15 the residents of this State and a system to rank the health problems



1 of the residents of this State, including, without limitation, the
2 specific health problems that are endemic to urban and rural
3 communities, and report the results of the evaluation to the Joint
4 Interim Standing Committee on Health and Human Services on an
5 annual basis.

6 (c) Subject to legislative authorization, allocate money for direct
7 expenditure by the Department to pay for prescription drugs,
8 pharmaceutical services and, to the extent money is available, other
9 benefits, including, without limitation, dental and vision benefits
10 and hearing aids or other devices that enhance the ability to hear, for
11 senior citizens and persons with disabilities pursuant to NRS
12 439.635 to 439.690, inclusive. From the money allocated pursuant
13 to this paragraph, the Department may subsidize any portion of the
14 cost of providing prescription drugs, pharmaceutical services and, to
15 the extent money is available, other benefits, including, without
16 limitation, dental and vision benefits and hearing aids or other
17 devices that enhance the ability to hear, to senior citizens and
18 persons with disabilities pursuant to NRS 439.635 to 439.690,
19 inclusive. The Department shall consider recommendations from the
20 Grants Management Advisory Committee in carrying out the
21 provisions of NRS 439.635 to 439.690, inclusive. The Department
22 shall submit a quarterly report to the Governor, the Interim Finance
23 Committee, the Joint Interim Standing Committee on Health and
24 Human Services and any other committees or commissions the
25 Director deems appropriate regarding the general manner in which
26 expenditures have been made pursuant to this paragraph.

27 (d) Subject to legislative authorization, allocate, by contract or
28 grant, money for expenditure by the Aging and Disability Services
29 Division of the Department in the form of grants for existing or new
30 programs that assist senior citizens and other specified persons with
31 independent living, including, without limitation, programs that
32 provide:

33 (1) Respite care or relief of informal caretakers, including,
34 without limitation, informal caretakers of any person with
35 Alzheimer's disease or other related dementia regardless of the age
36 of the person;

37 (2) Transportation to new or existing services to assist senior
38 citizens in living independently; and

39 (3) Care in the home which allows senior citizens to remain
40 at home instead of in institutional care.

41 ➤ The Aging and Disability Services Division of the Department
42 shall consider recommendations from the Grants Management
43 Advisory Committee concerning the independent living needs of
44 senior citizens.



(e) Allocate \$200,000 of all revenues deposited in the Fund for a Healthy Nevada each year for direct expenditure by the Director to award competitive grants to finance the establishment or expansion of assisted living facilities that provide services pursuant to the provisions of the home and community-based services waiver which are amended pursuant to NRS 422.3962. The Director shall develop policies and procedures for awarding grants pursuant to this paragraph. If any money allocated pursuant to this paragraph remains after awarding grants to all eligible applicants, the Director must reallocate such money to the Aging and Disability Services Division of the Department to be used for the purposes described in paragraph (d).

(f) Subject to legislative authorization, allocate *\$5,000,000 each year from the revenues deposited in the Fund for a Healthy Nevada in the following order of priority:*

(1) First, to the Office of the Attorney General as necessary to conduct the inspections required by NRS 202.2496; and

*(2) Second, any money remaining after the allocation described in subparagraph (1) to the Division ~~{money}~~ for programs that are consistent with the guidelines established by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services relating to evidence-based best practices to prevent, reduce or treat the use of tobacco and the consequences of the use of tobacco. In making allocations pursuant to this ~~{paragraph,}~~ *subparagraph*, the Division shall allocate the money, by contract or grant:*

~~{(1)}~~ *(I) To the district board of health in each county whose population is 100,000 or more for expenditure for such programs in the respective county;*

~~{(2)}~~ *(II) For such programs in counties whose population is less than 100,000; and*

~~{(3)}~~ *(III) For statewide programs for tobacco cessation and other statewide services for tobacco cessation and for statewide evaluations of programs which receive an allocation of money pursuant to this ~~{paragraph,}~~ *subparagraph*, as determined necessary by the Division and the district boards of health.*

(g) Subject to legislative authorization, allocate, by contract or grant, money for expenditure for programs that improve the health and well-being of residents of this State, including, without limitation, programs that improve health services for children.

(h) Subject to legislative authorization, allocate, by contract or grant, money for expenditure for programs that improve the health and well-being of persons with disabilities. In making allocations pursuant to this paragraph, the Department shall, to the extent



1 practicable, allocate the money evenly among the following three
2 types of programs:

3 (1) Programs that provide respite care or relief of informal
4 caretakers for persons with disabilities;

5 (2) Programs that provide positive behavioral supports to
6 persons with disabilities; and

7 (3) Programs that assist persons with disabilities to live
8 safely and independently in their communities outside of an
9 institutional setting.

10 (i) Maximize expenditures through local, federal and private
11 matching contributions.

12 (j) Ensure that any money expended from the Fund will not be
13 used to supplant existing methods of funding that are available to
14 public agencies.

15 (k) Develop policies and procedures for the administration and
16 distribution of contracts, grants and other expenditures to state
17 agencies, political subdivisions of this State, nonprofit
18 organizations, universities, state colleges and community colleges.
19 A condition of any such contract or grant must be that not more than
20 8 percent of the contract or grant may be used for administrative
21 expenses or other indirect costs. The procedures must require at
22 least one competitive round of requests for proposals per biennium.

23 (l) To make the allocations required by *subparagraph 2 of*
24 *paragraph (f) and* paragraphs ~~(f), (g)~~ (g) and (h):

25 (1) Prioritize and quantify the needs for these programs;

26 (2) Develop, solicit and accept applications for allocations;

27 (3) Review and consider the recommendations of the Grants
28 Management Advisory Committee submitted pursuant to
29 NRS 232.385;

30 (4) Conduct annual evaluations of programs to which
31 allocations have been awarded; and

32 (5) Submit annual reports concerning the programs to the
33 Governor, the Interim Finance Committee, the Joint Interim
34 Standing Committee on Health and Human Services and any other
35 committees or commissions the Director deems appropriate.

36 (m) Transmit a report of all findings, recommendations and
37 expenditures to the Governor, each regular session of the
38 Legislature, the Joint Interim Standing Committee on Health and
39 Human Services and any other committees or commissions the
40 Director deems appropriate.

41 (n) After considering the recommendations submitted to the
42 Director pursuant to subsection 6, develop a plan each biennium to
43 determine the percentage of available money in the Fund for a
44 Healthy Nevada to be allocated from the Fund for the purposes
45 described in paragraphs (c), (d), ~~(f), (g)~~ (g) and (h). The plan must be



1 submitted as part of the proposed budget submitted to the Chief of
2 the Budget Division of the Office of Finance pursuant to
3 NRS 353.210.

4 (o) On or before September 30 of each even-numbered year,
5 submit to the Grants Management Advisory Committee, the Nevada
6 Commission on Aging created by NRS 427A.032 and the Nevada
7 Commission on Services for Persons with Disabilities created by
8 NRS 427A.1211 a report on the funding plan submitted to the Chief
9 of the Budget Division of the Office of Finance pursuant to
10 paragraph (n).

11 2. The Department may take such other actions as are
12 necessary to carry out its duties.

13 3. To make the allocations required by paragraph (d) of
14 subsection 1, the Aging and Disability Services Division of the
15 Department shall:

16 (a) Prioritize and quantify the needs of senior citizens and other
17 specified persons for these programs;

18 (b) Develop, solicit and accept grant applications for allocations;

19 (c) As appropriate, expand or augment existing state programs
20 for senior citizens and other specified persons upon approval of the
21 Interim Finance Committee;

22 (d) Award grants, contracts or other allocations;

23 (e) Conduct annual evaluations of programs to which grants or
24 other allocations have been awarded; and

25 (f) Submit annual reports concerning the allocations made by
26 the Aging and Disability Services Division pursuant to paragraph
27 (d) of subsection 1 to the Governor, the Interim Finance Committee,
28 the Joint Interim Standing Committee on Health and Human
29 Services and any other committees or commissions the Director
30 deems appropriate.

31 4. The Aging and Disability Services Division of the
32 Department shall submit each proposed grant or contract which
33 would be used to expand or augment an existing state program to
34 the Interim Finance Committee for approval before the grant or
35 contract is awarded. The request for approval must include a
36 description of the proposed use of the money and the person or
37 entity that would be authorized to expend the money. The Aging
38 and Disability Services Division of the Department shall not expend
39 or transfer any money allocated to the Aging and Disability Services
40 Division pursuant to this section to subsidize any portion of the cost
41 of providing prescription drugs, pharmaceutical services and other
42 benefits, including, without limitation, dental and vision benefits
43 and hearing aids or other devices that enhance the ability to hear, to
44 senior citizens or persons with disabilities pursuant to NRS 439.635
45 to 439.690, inclusive.



1 5. A veteran may receive benefits or other services which are
2 available from the money allocated pursuant to this section for
3 senior citizens or persons with disabilities to the extent that the
4 veteran does not receive other benefits or services provided to
5 veterans for the same purpose if the veteran qualifies for the benefits
6 or services as a senior citizen or a person with a disability, or both.

7 6. On or before June 30 of each even-numbered year, the
8 Grants Management Advisory Committee, the Nevada Commission
9 on Aging and the Nevada Commission on Services for Persons with
10 Disabilities each shall submit to the Director a report that includes,
11 without limitation, recommendations regarding community needs
12 and priorities that are determined by each such entity after any
13 public hearings held by the entity.

14 **Sec. 2.** NRS 445B.834 is hereby amended to read as follows:

15 445B.834 1. The board of county commissioners of a county
16 whose population is 100,000 or more may by ordinance impose an
17 additional fee for each form certifying emission control compliance.

18 2. If a board of county commissioners imposes an additional
19 fee pursuant to subsection 1, the board of county commissioners
20 shall notify the Department of Motor Vehicles for the purposes of
21 collecting and distributing the additional fee pursuant to subsection
22 7 of NRS 445B.830.

23 3. If a board of county commissioners imposes an additional
24 fee pursuant to subsection 1, the board shall:

25 (a) Subject to the provisions of paragraph (b), use any money
26 received from the additional fee to support the programs of local air
27 pollution control agencies to reduce emissions from a motor vehicle;
28 and

29 (b) Allocate at least 50 percent of any money received from the
30 additional fee to support the programs of local air pollution control
31 agencies to reduce emissions from a motor vehicle for the benefit of
32 historically underserved communities.

33 4. As used in this section:

34 (a) "Additional fee" does not include any fee that is imposed
35 pursuant to paragraph (a), (b) or (c) of subsection 1 of
36 NRS 445B.830.

37 (b) "Block" means the smallest geographical unit whose
38 boundaries were designated by the Bureau of the Census of the
39 United States Department of Commerce in its topographically
40 integrated geographic encoding and referencing system.

41 (c) "Block group" means a combination of blocks whose
42 numbers begin with the same digit.

43 (d) "Census tract" means a combination of block groups.

44 (e) "Historically underserved community" means:

45 (1) A census tract:



1 (I) Designated as a qualified census tract by the United
2 States Secretary of Housing and Urban Development pursuant to 26
3 U.S.C. § 42(d)(5)(B)(ii); or

4 (II) In which, in the immediately preceding census, at
5 least 20 percent of households were not proficient in the English
6 language;

7 (2) A community in this State with at least one public school:

8 (I) In which 75 percent or more of the enrolled pupils in
9 the school are eligible for free or reduced-price lunches pursuant to
10 42 U.S.C. §§ 1751 et seq.; or

11 (II) That participates in universal meal service in high
12 poverty areas pursuant to Section 104 of the Healthy, Hunger-Free
13 Kids Act of 2010, Public Law 111-296; or

14 (3) A community in this State located on qualified tribal land
15 ~~. [as defined in NRS 370.0325.]~~

16 (f) *“Qualified tribal land” means any real property:*

17 (1) *For which legal title is vested in, or held in trust for the*
18 *benefit of, an Indian tribe or an individual Native American, and*
19 *which is subject to restrictions against alienation pursuant to*
20 *federal law; and*

21 (2) *Over which an Indian tribe exercises governmental*
22 *power.*

23 **Sec. 3.** NRS 20.035 is hereby amended to read as follows:

24 20.035 1. Except as otherwise provided in subsection 2, if an
25 appeal is taken of a judgment in a civil action involving a signatory,
26 or a successor in interest or affiliate of a signatory, of the Master
27 Settlement Agreement in which an appellant is required to give a
28 bond in order to secure a stay of execution of the judgment during
29 the pendency of any or all such appeals, the total cumulative sum of
30 all the bonds required from all the appellants involved in the civil
31 action must not exceed \$50,000,000.

32 2. If the plaintiff proves by a preponderance of evidence that an
33 appellant who posted a bond pursuant to subsection 1 is
34 purposefully dissipating or diverting assets outside of the ordinary
35 course of its business to evade the ultimate payment of the
36 judgment, the court may, if it determines that such an order is
37 necessary to prevent such dissipation or diversion, require the
38 appellant to post a bond in an amount that does not exceed the full
39 amount of the judgment.

40 3. The provisions of this section do not limit the discretion of a
41 court, for good cause shown, to set the bond on appeal in an amount
42 less than the amount otherwise required by law.

43 4. For the purposes of this section:

44 (a) ~~“Affiliate” [has the meaning ascribed to it in NRS~~
45 ~~370A.030.]~~ *means a person who directly or indirectly owns or*



1 *controls, is owned or controlled by, or is under common ownership*
2 *or control with, another person. Solely for the purposes of this*
3 *definition, the terms “owns,” “is owned” and “ownership” mean*
4 *ownership of an equity interest or the equivalent thereof, of ten*
5 *percent or more, and the term “person” means an individual,*
6 *partnership, committee, association, corporation or any other*
7 *organization or group of persons.*

8 (b) “Master Settlement Agreement” ~~[has the meaning ascribed~~
9 ~~to it in NRS 370A.070.]~~ *means the settlement agreement, and*
10 *related documents, entered into on November 23, 1998, by this*
11 *State and leading United States manufacturers of tobacco*
12 *products.*

13 **Sec. 4.** NRS 76.100 is hereby amended to read as follows:

14 76.100 1. A person shall not conduct a business in this State
15 unless and until the person obtains a state business license issued by
16 the Secretary of State. If the person is:

17 (a) An entity required to file an initial or annual list with the
18 Secretary of State pursuant to this title, the person must obtain the
19 state business license at the time of filing the initial or annual list.

20 (b) Not an entity required to file an initial or annual list with the
21 Secretary of State pursuant to this title, the person must obtain the
22 state business license before conducting a business in this State.

23 2. An application for a state business license must:

24 (a) Be made upon a form prescribed by the Secretary of State;

25 (b) Set forth the name under which the applicant transacts or
26 intends to transact business, or if the applicant is an entity organized
27 pursuant to this title and on file with the Secretary of State, the exact
28 name on file with the Secretary of State, the business identification
29 number as assigned by the Secretary of State pursuant to NRS
30 225.082, and the location in this State of the place or places of
31 business;

32 (c) Be accompanied by a fee in the amount of \$200, except that
33 if the applicant is a corporation organized pursuant to chapter 78,
34 78A or 78B of NRS, or a foreign corporation required to file an
35 initial or annual list with the Secretary of State pursuant to chapter
36 80 of NRS, the application must be accompanied by a fee of \$500;
37 and

38 (d) Include any other information that the Secretary of State
39 deems necessary.

40 ➔ If the applicant is an entity organized pursuant to this title and on
41 file with the Secretary of State and the applicant has no location in
42 this State of its place of business, the address of its registered agent
43 shall be deemed to be the location in this State of its place of
44 business.

45 3. The application must be signed pursuant to NRS 239.330 by:



- 1 (a) The owner of a business that is owned by a natural person.
- 2 (b) A member or partner of an association or partnership.
- 3 (c) A general partner of a limited partnership.
- 4 (d) A managing partner of a limited-liability partnership.
- 5 (e) A manager or managing member of a limited-liability
- 6 company.
- 7 (f) An officer of a corporation or some other person specifically
- 8 authorized by the corporation to sign the application.

9 4. If the application for a state business license is defective in
10 any respect or the fee required by this section is not paid, the
11 Secretary of State may return the application for correction or
12 payment.

13 5. A state business license issued pursuant to this section must
14 contain the business identification number assigned by the Secretary
15 of State pursuant to NRS 225.082.

16 6. The state business license required to be obtained pursuant
17 to this section is in addition to any license to conduct business that
18 must be obtained from the local jurisdiction in which the business is
19 being conducted.

20 7. For the purposes of this chapter, a person:

21 (a) Shall be deemed to conduct a business in this State if a
22 business for which the person is responsible:

23 (1) Is organized pursuant to this title, other than a business
24 organized pursuant to:

25 (I) Chapter 82 or 84 of NRS; or

26 (II) Chapter 81 of NRS if the business is a nonprofit unit-
27 owners' association or a nonprofit religious, charitable, fraternal or
28 other organization that qualifies as a tax-exempt organization
29 pursuant to 26 U.S.C. § 501(c);

30 (2) Has an office or other base of operations in this State;

31 (3) ~~Except as otherwise provided in NRS 76.103, has~~ Has a
32 registered agent in this State; or

33 (4) Pays wages or other remuneration to a natural person
34 who performs in this State any of the duties for which he or she is
35 paid.

36 (b) Shall be deemed not to conduct a business in this State if:

37 (1) The business for which the person is responsible:

38 (I) Is not organized pursuant to this title;

39 (II) Does not have an office or base of operations in this
40 State;

41 (III) Does not have a registered agent in this State; and

42 (IV) Does not pay wages or other remuneration to a
43 natural person who performs in this State any of the duties for which
44 he or she is paid, other than wages or other remuneration paid to a



1 natural person for performing duties in connection with an activity
2 described in subparagraph (2);

3 (2) The business for which the person is responsible is
4 conducting activity in this State solely to provide vehicles or
5 equipment on a short-term basis in response to a wildland fire, a
6 flood, an earthquake or another emergency; or

7 (3) The Secretary of State determines that the person is not
8 conducting a business in this State.

9 8. As used in this section, "registered agent" has the meaning
10 ascribed to it in NRS 77.230.

11 **Sec. 5.** Chapter 202 of NRS is hereby amended by adding
12 thereto a new section to read as follows:

13 ***1. It is unlawful to sell, distribute or offer to sell:***

14 ***(a) Cigarettes, cigarette paper or a vapor product that contains***
15 ***a distinguishable taste or aroma other than the taste or aroma of***
16 ***tobacco, including, without limitation, vanilla, honey, cocoa,***
17 ***menthol, mint and wintergreen.***

18 ***(b) A product that is designed, manufactured, produced,***
19 ***marketed or sold to be added to cigarettes, cigarette paper or a***
20 ***vapor product that produces a distinguishable taste or aroma other***
21 ***than the taste or aroma of tobacco.***

22 ***2. In addition to or in lieu of any other civil or criminal***
23 ***remedy provided by law, a person who violates this section is***
24 ***subject to:***

25 ***(a) A civil penalty in an amount not more than \$1,000 for each***
26 ***violation; and***

27 ***(b) The suspension or revocation of the license of the person***
28 ***by the Department of Taxation, if the person is licensed pursuant***
29 ***to chapter 370 of NRS.***

30 **Sec. 6.** NRS 202.2485 is hereby amended to read as follows:

31 202.2485 As used in NRS 202.2485 to 202.2497, inclusive ~~§~~,
32 ***and section 5 of this act:***

33 1. "Alternative nicotine product" means any noncombustible
34 product containing nicotine that is intended for human consumption,
35 whether chewed, absorbed, dissolved or ingested by any other
36 means. The term does not include:

37 (a) A vapor product;

38 (b) A product made or derived from tobacco; or

39 (c) Any product regulated by the United States Food and Drug
40 Administration under Subchapter V of the Federal Food, Drug, and
41 Cosmetic Act, 21 U.S.C. §§ 351 et seq.

42 2. "Distribute" includes furnishing, giving away or providing
43 products made or derived from tobacco or samples thereof at no cost
44 to promote the product, whether or not in combination with a sale.



1 3. "Health authority" means the district health officer in a
2 district, or his or her designee, or, if none, the Chief Medical
3 Officer, or his or her designee.

4 4. "Product made or derived from tobacco" does not include
5 any product regulated by the United States Food and Drug
6 Administration pursuant to Subchapter V of the Federal Food, Drug,
7 and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

8 5. "Vapor product":

9 (a) Means any noncombustible product containing nicotine or
10 any other substance that employs a heating element, power source,
11 electronic circuit or other electronic, chemical or mechanical means,
12 regardless of the shape or size thereof, that can be used to produce
13 vapor from nicotine or any other substance in a solution or other
14 form, the use or inhalation of which simulates smoking.

15 (b) Includes, without limitation:

16 (1) An electronic cigarette, cigar, cigarillo, pipe, hookah, or
17 vape pen, or a similar product or device; and

18 (2) The components of such a product or device, whether or
19 not sold separately, including, without limitation, vapor cartridges
20 or other container of nicotine or any other substance in a solution or
21 other form that is intended to be used with or in an electronic
22 cigarette, cigar, cigarillo, pipe, hookah, or vape pen, or a similar
23 product or device, atomizers, cartomizers, digital displays,
24 clearomizers, tank systems, flavors, programmable software or other
25 similar products or devices. As used in this subparagraph,
26 "component" means a product or device intended primarily or
27 exclusively to be used with or in an electronic cigarette, cigar,
28 cigarillo, pipe, hookah, or vape pen, or a similar product or device.

29 (c) Does not include any product regulated by the United States
30 Food and Drug Administration pursuant to Subchapter V of the
31 Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 351 et seq.

32 **Sec. 7.** NRS 202.249 is hereby amended to read as follows:

33 202.249 1. It is the public policy of the State of Nevada and
34 the purpose of NRS 202.2491, 202.24915 and 202.2492 to place
35 restrictions on the smoking of tobacco in public places to protect
36 human health and safety.

37 2. The quality of air is declared to be affected with the public
38 interest and NRS 202.2491, 202.24915 and 202.2492 are enacted in
39 the exercise of the police power of this state to protect the health,
40 peace, safety and general welfare of its people.

41 3. Health authorities, police officers of cities or towns, sheriffs
42 and their deputies and other peace officers of this state shall, within
43 their respective jurisdictions, enforce the provisions of NRS
44 202.2491, 202.24915 and 202.2492. Police officers of cities or
45 towns, sheriffs and their deputies and other peace officers of this



1 state shall, within their respective jurisdictions, enforce the
2 provisions of NRS 202.2493, 202.24935, 202.2494 and 370.521 ~~and~~
3 *and section 5 of this act.*

4 4. Except as otherwise provided in subsection 5, an agency,
5 board, commission or political subdivision of this state, including,
6 without limitation, any agency, board, commission or governing
7 body of a local government, shall not impose more stringent
8 restrictions on the smoking, use, sale, distribution, marketing,
9 display or promotion of tobacco or products made or derived from
10 tobacco than are provided by NRS 202.2491, 202.24915, 202.2492,
11 202.2493, 202.24935, 202.2494 and 370.521 ~~and~~ *and section 5 of*
12 *this act.*

13 5. A school district may, with respect to the property,
14 buildings, facilities and vehicles of the school district, impose more
15 stringent restrictions on the smoking, use, sale, distribution,
16 marketing, display or promotion of tobacco or products made or
17 derived from tobacco than are provided by NRS 202.2491,
18 202.24915, 202.2492, 202.2493, 202.24935, 202.2494 and 370.521
19 ~~and~~ *and section 5 of this act.*

20 **Sec. 8.** NRS 202.249 is hereby amended to read as follows:

21 202.249 1. It is the public policy of the State of Nevada and
22 the purpose of NRS 202.2491, 202.24915 and 202.2492 to place
23 restrictions on the smoking of tobacco in public places to protect
24 human health and safety.

25 2. The quality of air is declared to be affected with the public
26 interest and NRS 202.2491, 202.24915 and 202.2492 are enacted in
27 the exercise of the police power of this state to protect the health,
28 peace, safety and general welfare of its people.

29 3. Health authorities, police officers of cities or towns, sheriffs
30 and their deputies and other peace officers of this state shall, within
31 their respective jurisdictions, enforce the provisions of NRS
32 202.2491, 202.24915 and 202.2492. Police officers of cities or
33 towns, sheriffs and their deputies and other peace officers of this
34 state shall, within their respective jurisdictions, enforce the
35 provisions of NRS 202.2493, 202.24935 ~~and 202.2494~~ and 370.521
36 and section 5 of this act.

37 4. Except as otherwise provided in subsection 5, an agency,
38 board, commission or political subdivision of this state, including,
39 without limitation, any agency, board, commission or governing
40 body of a local government, shall not impose more stringent
41 restrictions on the smoking, use, sale, distribution, marketing,
42 display or promotion of tobacco or products made or derived from
43 tobacco than are provided by NRS 202.2491, 202.24915, 202.2492,
44 202.2493, 202.24935 ~~and 202.2494~~ and 370.521 and section 5 of this
45 act.



1 5. A school district may, with respect to the property,
2 buildings, facilities and vehicles of the school district, impose more
3 stringent restrictions on the smoking, use, sale, distribution,
4 marketing, display or promotion of tobacco or products made or
5 derived from tobacco than are provided by NRS 202.2491,
6 202.24915, 202.2492, 202.2493, 202.24935 ~~[, 202.2494]~~ and
7 370.521 and section 5 of this act.

8 **Sec. 9.** NRS 202.2493 is hereby amended to read as follows:

9 202.2493 1. A person shall not sell, distribute or offer to sell
10 cigarettes, any smokeless product made or derived from tobacco or
11 any alternative nicotine product in any form other than in an
12 unopened package which originated with the manufacturer and
13 bears any health warning required by federal law. A person who
14 violates this subsection shall be punished as provided in chapter 370
15 of NRS. As used in this subsection, "smokeless product made or
16 derived from tobacco" means any product that consists of cut,
17 ground, powdered or leaf tobacco and is intended to be placed in the
18 oral or nasal cavity.

19 2. The owner of a retail establishment shall, whenever any
20 product containing, made or derived from tobacco, vapor product,
21 alternative nicotine product or product containing, made or derived
22 from nicotine is being sold or offered for sale at the establishment,
23 display prominently at the point of sale:

24 (a) A notice indicating that:

25 (1) The sale of ~~[cigarettes,]~~ any product containing, made or
26 derived from tobacco, vapor product, alternative nicotine product or
27 product containing, made or derived from nicotine to persons under
28 21 years of age *or the sale of cigarettes to a person born after*
29 *December 31, 2002*, is prohibited by law; and

30 (2) The retailer may ask for proof of age to comply with this
31 prohibition; and

32 (b) At least one sign that complies with the requirements of
33 NRS 442.340.

34 ➤ A person who violates this subsection shall be punished by a fine
35 of not more than \$100.

36 3. It is unlawful for any retailer to sell cigarettes through the
37 use of any type of display:

38 (a) Which contains cigarettes and is located in any area to which
39 customers are allowed access; and

40 (b) From which cigarettes are readily accessible to a customer
41 without the assistance of the retailer,

42 ➤ except a vending machine used in compliance with NRS
43 202.2494. A person who violates this subsection shall be punished
44 by a fine of not more than \$500.



Sec. 10. NRS 202.2493 is hereby amended to read as follows:

202.2493 1. A person shall not sell, distribute or offer to sell ~~[cigarettes,]~~ any smokeless product made or derived from tobacco or any alternative nicotine product in any form other than in an unopened package which originated with the manufacturer and bears any health warning required by federal law. A person who violates this subsection shall be punished as provided in chapter 370 of NRS. As used in this subsection, "smokeless product made or derived from tobacco" means any product that consists of cut, ground, powdered or leaf tobacco and is intended to be placed in the oral or nasal cavity.

2. The owner of a retail establishment shall, whenever any product containing, made or derived from tobacco, vapor product, alternative nicotine product or product containing, made or derived from nicotine is being sold or offered for sale at the establishment, display prominently at the point of sale ~~[-~~

~~-(a) A] a~~ notice indicating that:

~~[(1)] (a)~~ The sale of any product containing, made or derived from tobacco, vapor product, alternative nicotine product or product containing, made or derived from nicotine to persons under 21 years of age ~~[for the sale of cigarettes to a person born after December 31, 2002,]~~ is prohibited by law; and

~~[(2)] (b)~~ The retailer may ask for proof of age to comply with this prohibition. ~~[-; and~~

~~-(b) at least one sign that complies with the requirements of NRS 442.340.]~~

➔ A person who violates this subsection shall be punished by a fine of not more than \$100.

~~[-3. It is unlawful for any retailer to sell cigarettes through the use of any type of display:~~

~~-(a) Which contains cigarettes and is located in any area to which customers are allowed access; and~~

~~-(b) From which cigarettes are readily accessible to a customer without the assistance of the retailer;~~

➔ ~~except a vending machine used in compliance with NRS 202.2494. A person who violates this subsection shall be punished by a fine of not more than \$500.]~~

Sec. 11. NRS 202.24935 is hereby amended to read as follows:

202.24935 1. It is unlawful for a person to knowingly sell or distribute ~~[cigarettes, cigarette]~~ *through the use of a computer network, telephonic network or other electronic network:*

(a) *Cigarette* paper, products containing, made or derived from tobacco, vapor products, alternative nicotine products or products containing, made or derived from nicotine to a person under the age



1 of 21 years ~~[through the use of a computer network, telephonic~~
2 ~~network or other electronic network.] ; and~~

3 **(b) Cigarettes to a person born after December 31, 2002.**

4 2. Every person who sells or distributes cigarettes, cigarette
5 paper, products containing, made or derived from tobacco, vapor
6 products, alternative nicotine products or products containing, made
7 or derived from nicotine to an ultimate consumer in this State
8 through the use of a computer network, telephonic network or
9 electronic network shall:

10 (a) Ensure that the packaging or wrapping of the items when
11 they are shipped is clearly marked with the word "cigarettes" or, if
12 the items being shipped are not cigarettes, the words "tobacco
13 products," "vapor products" or "nicotine products," as applicable.

14 (b) Obtain the full name, date of birth and residential address of
15 the purchaser and perform an age verification through an
16 independent, third-party age verification service that compares
17 information available from public records to the personal
18 information entered by the person during the ordering process that
19 establishes that the person is over the age of 21 years ~~[]~~ **or born**
20 **after December 31, 2002, as applicable.**

21 3. Every person who makes sales as described in subsection 2
22 must certify annually to the Attorney General that the person uses an
23 independent, third-party age verification service as described in
24 paragraph (b) of subsection 2.

25 4. In addition to or in lieu of any other civil or criminal remedy
26 provided by law, a person who violates this section is subject to:

27 (a) A civil penalty in an amount not more than \$1,000 for each
28 violation; and

29 (b) The suspension or revocation of the license of the person by
30 the Department of Taxation, if the person is licensed pursuant to
31 chapter 370 of NRS.

32 5. Any violation of subsection 2 constitutes a deceptive trade
33 practice for the purpose of NRS 598.0903 to 598.0999, inclusive.

34 6. For the purposes of this section, any sale of cigarettes,
35 cigarette paper, products containing, made or derived from tobacco,
36 vapor products, alternative nicotine products or products containing,
37 made or derived from nicotine to a natural person in this State who
38 does not intend to resell the item constitutes a sale to an ultimate
39 consumer.

40 **Sec. 12.** NRS 202.24935 is hereby amended to read as
41 follows:

42 202.24935 1. It is unlawful for a person to knowingly sell or
43 distribute ~~[through the use of a computer network, telephonic~~
44 ~~network or other electronic network:]~~



1 ~~—(a) Cigarette~~ *cigarette* paper, products containing, made or
2 derived from tobacco, vapor products, alternative nicotine products
3 or products containing, made or derived from nicotine to a person
4 under the age of 21 years ~~;~~ and

5 ~~—(b) Cigarettes to a person born after December 31, 2002.~~
6 *through the use of a computer network, telephonic network or*
7 *other electronic network.*

8 2. Every person who sells or distributes ~~[cigarettes,]~~ cigarette
9 paper, products containing, made or derived from tobacco, vapor
10 products, alternative nicotine products or products containing, made
11 or derived from nicotine to an ultimate consumer in this State
12 through the use of a computer network, telephonic network or
13 electronic network shall:

14 (a) Ensure that the packaging or wrapping of the items when
15 they are shipped is clearly marked with the ~~[word “cigarettes” or, if~~
16 ~~the items being shipped are not cigarettes, the]~~ words “tobacco
17 products,” “vapor products” or “nicotine products,” as applicable.

18 (b) Obtain the full name, date of birth and residential address of
19 the purchaser and perform an age verification through an
20 independent, third-party age verification service that compares
21 information available from public records to the personal
22 information entered by the person during the ordering process that
23 establishes that the person is over the age of 21 years . ~~[or born after~~
24 ~~December 31, 2002, as applicable.]~~

25 3. Every person who makes sales as described in subsection 2
26 must certify annually to the Attorney General that the person uses an
27 independent, third-party age verification service as described in
28 paragraph (b) of subsection 2.

29 4. In addition to or in lieu of any other civil or criminal remedy
30 provided by law, a person who violates this section is subject to:

31 (a) A civil penalty in an amount not more than \$1,000 for each
32 violation; and

33 (b) The suspension or revocation of the license of the person by
34 the Department of Taxation, if the person is licensed pursuant to
35 chapter 370 of NRS.

36 5. Any violation of subsection 2 constitutes a deceptive trade
37 practice for the purpose of NRS 598.0903 to 598.0999, inclusive.

38 6. For the purposes of this section, any sale of ~~[cigarettes,]~~
39 cigarette paper, products containing, made or derived from tobacco,
40 vapor products, alternative nicotine products or products containing,
41 made or derived from nicotine to a natural person in this State who
42 does not intend to resell the item constitutes a sale to an ultimate
43 consumer.



1 **Sec. 13.** NRS 202.2496 is hereby amended to read as follows:

2 202.2496 1. As necessary to comply with any applicable
3 federal law, the Attorney General shall conduct random,
4 unannounced inspections at locations where products containing,
5 made or derived from tobacco, vapor products, alternative nicotine
6 products and products containing, made or derived from nicotine are
7 sold, distributed or offered for sale to inspect for and enforce
8 compliance with NRS 202.2493, 202.2494 and 370.521, *and section*
9 *5 of this act*, as applicable. To the extent possible, an inspection of
10 each location must be conducted pursuant to this section at least
11 once every ~~{3 years.}~~ *year*. For assistance in conducting any such
12 inspection, the Attorney General may contract with:

- 13 (a) Any ~~{sheriff's department;}~~ *law enforcement agency;*
- 14 (b) Any ~~{police department;}~~ *health authority;* or
- 15 (c) Any other person who will, in the opinion of the Attorney
16 General, perform the inspection in a fair and impartial manner.

17 2. If the inspector desires to enlist the assistance of a child
18 under the age of 18 for such an inspection, the inspector shall obtain
19 the written consent of the child's parent for such assistance.

20 3. A person assisting in an inspection pursuant to this section
21 shall, if questioned about his or her age, state his or her true age.

22 4. If a person under 21 years of age is assisting in an inspection
23 pursuant to this section, the person supervising the inspection shall:

24 (a) Refrain from altering or attempting to alter the appearance of
25 the person to make the person appear to be 21 years of age or older.

26 (b) Photograph the person attempting to purchase an item
27 described in subsection 1 immediately before the inspection is to
28 occur and retain any photographs taken of the person pursuant to
29 this paragraph.

30 5. The person supervising an inspection using the assistance of
31 a person under 21 years of age shall, within a reasonable time after
32 the inspection is completed:

33 (a) Inform a representative of the business establishment from
34 which the person attempted to purchase an item described in
35 subsection 1 that an inspection has been performed and the results of
36 that inspection.

37 (b) Prepare a report regarding the inspection. The report must
38 include the following information:

39 (1) The name of the person who supervised the inspection
40 and that person's position;

41 (2) The age and date of birth of the person who assisted in
42 the inspection;

43 (3) The name and position of the person from whom the
44 person who assisted in the inspection attempted to purchase an item
45 described in subsection 1;



1 (4) The name and address of the establishment at which the
2 person attempted to purchase an item described in subsection 1;

3 (5) The date and time of the inspection; and

4 (6) The result of the inspection, including whether the
5 inspection resulted in the sale, distribution or offering for sale of an
6 item described in subsection 1 to the person under 21 years of age.

7 6. No administrative, civil or criminal action based upon an
8 alleged violation of NRS 202.2493, 202.2494 or 370.521 *or section*
9 *5 of this act* may be brought as a result of an inspection for
10 compliance in which the assistance of a person under 21 years of
11 age has been enlisted to attempt to purchase an item described in
12 subsection 1 unless the inspection has been conducted in accordance
13 with the provisions of this section.

14 7. *As used in this section, "law enforcement agency" means*
15 *an agency, office or bureau of this State or a political subdivision*
16 *of this State, the primary duty of which is to enforce the law.*

17 **Sec. 14.** NRS 202.2496 is hereby amended to read as follows:

18 202.2496 1. As necessary to comply with any applicable
19 federal law, the Attorney General shall conduct random,
20 unannounced inspections at locations where products containing,
21 made or derived from tobacco, vapor products, alternative nicotine
22 products and products containing, made or derived from nicotine are
23 sold, distributed or offered for sale to inspect for and enforce
24 compliance with NRS 202.2493 ~~[, 202.2494]~~ and 370.521 and
25 section 5 of this act, as applicable. To the extent possible, an
26 inspection of each location must be conducted pursuant to this
27 section at least once every year. For assistance in conducting any
28 such inspection, the Attorney General may contract with:

29 (a) Any law enforcement agency;

30 (b) Any health authority; or

31 (c) Any other person who will, in the opinion of the Attorney
32 General, perform the inspection in a fair and impartial manner.

33 2. If the inspector desires to enlist the assistance of a child
34 under the age of 18 for such an inspection, the inspector shall obtain
35 the written consent of the child's parent for such assistance.

36 3. A person assisting in an inspection pursuant to this section
37 shall, if questioned about his or her age, state his or her true age.

38 4. If a person under 21 years of age is assisting in an inspection
39 pursuant to this section, the person supervising the inspection shall:

40 (a) Refrain from altering or attempting to alter the appearance of
41 the person to make the person appear to be 21 years of age or older.

42 (b) Photograph the person attempting to purchase an item
43 described in subsection 1 immediately before the inspection is to
44 occur and retain any photographs taken of the person pursuant to
45 this paragraph.



1 5. The person supervising an inspection using the assistance of
2 a person under 21 years of age shall, within a reasonable time after
3 the inspection is completed:

4 (a) Inform a representative of the business establishment from
5 which the person attempted to purchase an item described in
6 subsection 1 that an inspection has been performed and the results of
7 that inspection.

8 (b) Prepare a report regarding the inspection. The report must
9 include the following information:

10 (1) The name of the person who supervised the inspection
11 and that person's position;

12 (2) The age and date of birth of the person who assisted in
13 the inspection;

14 (3) The name and position of the person from whom the
15 person who assisted in the inspection attempted to purchase an item
16 described in subsection 1;

17 (4) The name and address of the establishment at which the
18 person attempted to purchase an item described in subsection 1;

19 (5) The date and time of the inspection; and

20 (6) The result of the inspection, including whether the
21 inspection resulted in the sale, distribution or offering for sale of an
22 item described in subsection 1 to the person under 21 years of age.

23 6. No administrative, civil or criminal action based upon an
24 alleged violation of NRS 202.2493 ~~[, -202.2494]~~ or 370.521 or
25 section 5 of this act may be brought as a result of an inspection for
26 compliance in which the assistance of a person under 21 years of
27 age has been enlisted to attempt to purchase an item described in
28 subsection 1 unless the inspection has been conducted in accordance
29 with the provisions of this section.

30 7. As used in this section, "law enforcement agency" means an
31 agency, office or bureau of this State or a political subdivision of
32 this State, the primary duty of which is to enforce the law.

33 **Sec. 15.** NRS 205.465 is hereby amended to read as follows:

34 205.465 1. It is unlawful for a person to possess, sell or
35 transfer any document or personal identifying information for the
36 purpose of establishing a false status, occupation, membership,
37 license or identity for himself or herself or any other person.

38 2. Except as otherwise provided in subsection 3, a person who:

39 (a) Sells or transfers any such document or personal identifying
40 information in violation of subsection 1; or

41 (b) Possesses any such document or personal identifying
42 information in violation of subsection 1 to commit any of the crimes
43 set forth in NRS 205.085 to 205.217, inclusive, 205.473 to 205.513,
44 inclusive, or 205.610 to 205.810, inclusive,



1 ↳ is guilty of a category C felony and shall be punished as provided
2 in NRS 193.130.

3 3. A person who violates subsection 2 by:

4 (a) Selling or transferring the personal identifying information
5 of an older person or a vulnerable person;

6 (b) Selling or transferring the personal identifying information
7 of five or more persons; or

8 (c) Causing another person to suffer a financial loss or injury of
9 \$3,000 or more as a result of the violation,

10 ↳ is guilty of a category B felony and shall be punished by
11 imprisonment in the state prison for a minimum term of not less
12 than 1 year and a maximum term of not more than 20 years, and
13 may be further punished by a fine of not more than \$100,000.

14 4. Except as otherwise provided in this subsection and
15 subsections 2 and 3, a person who possesses any such document or
16 personal identifying information in violation of subsection 1 is
17 guilty of a category E felony and shall be punished as provided in
18 NRS 193.130. If a person possesses any such document or personal
19 identifying information in violation of subsection 1 for the sole
20 purpose of establishing false proof of age, including, without
21 limitation, establishing false proof of age to game, purchase
22 alcoholic beverages or purchase [~~cigarettes or other~~] tobacco
23 products, the person is guilty of a misdemeanor.

24 5. Subsection 1 does not:

25 (a) Preclude the adoption by a city or county of an ordinance
26 prohibiting the possession of any such document or personal
27 identifying information; or

28 (b) Prohibit the possession or use of any such document or
29 personal identifying information by officers of local police, sheriff
30 and metropolitan police departments and by agents of the
31 Investigation Division of the Department of Public Safety while
32 engaged in undercover investigations related to the lawful discharge
33 of their duties.

34 6. Proof of possession of the personal identifying information
35 of five or more persons in a manner not set forth in NRS 205.4655
36 permits a rebuttable inference that the possessor intended to use
37 such information in violation of this section.

38 **Sec. 16.** NRS 232.320 is hereby amended to read as follows:

39 232.320 1. The Director:

40 (a) Shall appoint, with the consent of the Governor,
41 administrators of the divisions of the Department, who are
42 respectively designated as follows:

43 (1) The Administrator of the Aging and Disability Services
44 Division;



1 (2) The Administrator of the Division of Welfare and
2 Supportive Services;

3 (3) The Administrator of the Division of Child and Family
4 Services;

5 (4) The Administrator of the Division of Health Care
6 Financing and Policy; and

7 (5) The Administrator of the Division of Public and
8 Behavioral Health.

9 (b) Shall administer, through the divisions of the Department,
10 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
11 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
12 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*
13 *section 72 of this act*, 422.580, 432.010 to 432.133, inclusive,
14 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
15 and 445A.010 to 445A.055, inclusive, and all other provisions of
16 law relating to the functions of the divisions of the Department, but
17 is not responsible for the clinical activities of the Division of Public
18 and Behavioral Health or the professional line activities of the other
19 divisions.

20 (c) Shall administer any state program for persons with
21 developmental disabilities established pursuant to the
22 Developmental Disabilities Assistance and Bill of Rights Act of
23 2000, 42 U.S.C. §§ 15001 et seq.

24 (d) Shall, after considering advice from agencies of local
25 governments and nonprofit organizations which provide social
26 services, adopt a master plan for the provision of human services in
27 this State. The Director shall revise the plan biennially and deliver a
28 copy of the plan to the Governor and the Legislature at the
29 beginning of each regular session. The plan must:

30 (1) Identify and assess the plans and programs of the
31 Department for the provision of human services, and any
32 duplication of those services by federal, state and local agencies;

33 (2) Set forth priorities for the provision of those services;

34 (3) Provide for communication and the coordination of those
35 services among nonprofit organizations, agencies of local
36 government, the State and the Federal Government;

37 (4) Identify the sources of funding for services provided by
38 the Department and the allocation of that funding;

39 (5) Set forth sufficient information to assist the Department
40 in providing those services and in the planning and budgeting for the
41 future provision of those services; and

42 (6) Contain any other information necessary for the
43 Department to communicate effectively with the Federal
44 Government concerning demographic trends, formulas for the



1 distribution of federal money and any need for the modification of
2 programs administered by the Department.

3 (e) May, by regulation, require nonprofit organizations and state
4 and local governmental agencies to provide information regarding
5 the programs of those organizations and agencies, excluding
6 detailed information relating to their budgets and payrolls, which the
7 Director deems necessary for the performance of the duties imposed
8 upon him or her pursuant to this section.

9 (f) Has such other powers and duties as are provided by law.

10 2. Notwithstanding any other provision of law, the Director, or
11 the Director's designee, is responsible for appointing and removing
12 subordinate officers and employees of the Department.

13 **Sec. 17.** NRS 239.010 is hereby amended to read as follows:

14 239.010 1. Except as otherwise provided in this section and
15 NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.0397, 41.071, 49.095,
16 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030,
17 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152,
18 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413,
19 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345,
20 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270,
21 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280,
22 119A.280, 119A.653, 119A.677, 119B.370, 119B.382, 120A.640,
23 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730,
24 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312,
25 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.015,
26 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715,
27 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771,
28 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392,
29 209.3923, 209.3925, 209.419, 209.429, 209.521, 211A.140,
30 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464,
31 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240,
32 218G.350, 224.240, 226.300, 228.270, 228.450, 228.495, 228.570,
33 231.069, 231.1473, 232.1369, 233.190, 237.300, 239.0105,
34 239.0113, 239.014, 239B.026, 239B.030, 239B.040, 239B.050,
35 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420,
36 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335,
37 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150,
38 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195,
39 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755,
40 281A.780, 284.4068, 284.4086, 286.110, 286.118, 287.0438,
41 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503,
42 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910,
43 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335,
44 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420,
45 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100,



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2 361.610, 365.138, 366.160, 368A.180, ~~370.257~~, 370.327,
3 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495,
4 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259,
5 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033,
6 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264,
7 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850,
8 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465,
9 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525,
10 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888,
11 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305,
12 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028,
13 432.205, 432B.175, 432B.280, 432B.290, 432B.4018, 432B.407,
14 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534,
15 433A.360, 439.4941, 439.4988, 439.840, 439.914, 439A.116,
16 439A.124, 439B.420, 439B.754, 439B.760, 439B.845, 440.170,
17 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735,
18 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209,
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21 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403,
22 463.3407, 463.790, 467.1005, 480.535, 480.545, 480.935, 480.940,
23 481.063, 481.091, 481.093, 482.170, 482.368, 482.5536, 483.340,
24 483.363, 483.575, 483.659, 483.800, 484A.469, 484B.830,
25 484B.833, 484E.070, 485.316, 501.344, 503.452, 522.040,
26 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098,
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28 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350,
29 618.341, 618.425, 622.238, 622.310, 623.131, 623A.137, 624.110,
30 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230,
31 628B.760, 629.047, 629.069, 630.133, 630.2671, 630.2672,
32 630.2673, 630.30665, 630.336, 630A.327, 630A.555, 631.332,
33 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405, 633.283,
34 633.301, 633.4715, 633.4716, 633.4717, 633.524, 634.055,
35 634.1303, 634.214, 634A.169, 634A.185, 635.111, 635.158,
36 636.262, 636.342, 637.085, 637.145, 637B.192, 637B.288, 638.087,
37 638.089, 639.183, 639.2485, 639.570, 640.075, 640.152, 640A.185,
38 640A.220, 640B.405, 640B.730, 640C.580, 640C.600, 640C.620,
39 640C.745, 640C.760, 640D.135, 640D.190, 640E.225, 640E.340,
40 641.090, 641.221, 641.2215, 641.325, 641A.191, 641A.217,
41 641A.262, 641B.170, 641B.281, 641B.282, 641C.455, 641C.760,
42 641D.260, 641D.320, 642.524, 643.189, 644A.870, 645.180,
43 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220,
44 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 645H.330,
45 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.126,



1 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130,
2 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480,
3 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710,
4 678C.800, 679B.122, 679B.124, 679B.152, 679B.159, 679B.190,
5 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410,
6 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306,
7 687A.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480,
8 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536,
9 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550,
10 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159,
11 711.600, sections 35, 38 and 41 of chapter 478, Statutes of Nevada
12 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and
13 unless otherwise declared by law to be confidential, all public books
14 and public records of a governmental entity must be open at all
15 times during office hours to inspection by any person, and may be
16 fully copied or an abstract or memorandum may be prepared from
17 those public books and public records. Any such copies, abstracts or
18 memoranda may be used to supply the general public with copies,
19 abstracts or memoranda of the records or may be used in any other
20 way to the advantage of the governmental entity or of the general
21 public. This section does not supersede or in any manner affect the
22 federal laws governing copyrights or enlarge, diminish or affect in
23 any other manner the rights of a person in any written book or
24 record which is copyrighted pursuant to federal law.

25 2. A governmental entity may not reject a book or record
26 which is copyrighted solely because it is copyrighted.

27 3. A governmental entity that has legal custody or control of a
28 public book or record shall not deny a request made pursuant to
29 subsection 1 to inspect or copy or receive a copy of a public book or
30 record on the basis that the requested public book or record contains
31 information that is confidential if the governmental entity can
32 redact, delete, conceal or separate, including, without limitation,
33 electronically, the confidential information from the information
34 included in the public book or record that is not otherwise
35 confidential.

36 4. If requested, a governmental entity shall provide a copy of a
37 public record in an electronic format by means of an electronic
38 medium. Nothing in this subsection requires a governmental entity
39 to provide a copy of a public record in an electronic format or by
40 means of an electronic medium if:

- 41 (a) The public record:
42 (1) Was not created or prepared in an electronic format; and
43 (2) Is not available in an electronic format; or
44 (b) Providing the public record in an electronic format or by
45 means of an electronic medium would:



- 1 (1) Give access to proprietary software; or
- 2 (2) Require the production of information that is confidential
- 3 and that cannot be redacted, deleted, concealed or separated from
- 4 information that is not otherwise confidential.

5 5. An officer, employee or agent of a governmental entity who

6 has legal custody or control of a public record:

7 (a) Shall not refuse to provide a copy of that public record in the

8 medium that is requested because the officer, employee or agent has

9 already prepared or would prefer to provide the copy in a different

10 medium.

11 (b) Except as otherwise provided in NRS 239.030, shall, upon

12 request, prepare the copy of the public record and shall not require

13 the person who has requested the copy to prepare the copy himself

14 or herself.

15 **Sec. 18.** NRS 244.3572 is hereby amended to read as follows:

16 244.3572 1. A board of county commissioners may adopt an

17 ordinance to establish an offense related to tobacco that may include

18 provisions which prohibit a ~~child~~ *person* who ~~is~~ :

19 (a) *Is* under the age of ~~18~~ *21* years from:

20 ~~(a)~~ *(1) Purchasing or attempting to purchase tobacco products;*

21 ~~(b)~~ *(2) Possessing or attempting to possess tobacco products;*

22 ~~(c)~~ *(3) Using tobacco products; or*

23 ~~(d)~~ *(4) Falsely representing that he or she is ~~18~~ 21 years of*

24 *age or older to purchase, possess or obtain tobacco products.*

25 (b) *Was born after December 31, 2002, from:*

26 *(1) Purchasing or attempting to purchase cigarettes;*

27 *(2) Possessing or attempting to possess cigarettes;*

28 *(3) Smoking cigarettes; or*

29 *(4) Falsely representing that he or she was born on or*

30 *before December 31, 2002, to purchase, possess or obtain*

31 *cigarettes.*

32 2. An ordinance adopted pursuant to this section must provide

33 that the provisions of the ordinance do not apply to a child who is

34 under the age of ~~18~~ *21* years *or was born after December 31,*

35 *2002, as applicable,* and who is:

36 (a) Assisting in an inspection pursuant to NRS 202.2496;

37 (b) Handling or transporting tobacco products in the course of

38 his or her lawful employment;

39 (c) Handling or transporting tobacco products in the presence of

40 his or her parent, spouse or legal guardian who is ~~18~~ *21* years of

41 age or older ~~is~~ *or was born on or before December 31, 2002, as*

42 *applicable; or*

43 (d) Possessing or using tobacco products for an established

44 religious purpose.



1 3. As used in this section, "tobacco products" means cigarettes,
2 cigarette paper, tobacco of any description or products made or
3 derived from tobacco. As used in this subsection, the term "products
4 made or derived from tobacco" does not include any product
5 regulated by the United States Food and Drug Administration
6 pursuant to Chapter V of the Federal Food, Drug, and Cosmetic Act,
7 21 U.S.C. §§ 351 et seq.

8 **Sec. 19.** NRS 244.3572 is hereby amended to read as follows:

9 244.3572 1. A board of county commissioners may adopt an
10 ordinance to establish an offense related to tobacco that may include
11 provisions which prohibit a person who ~~f~~:

12 ~~—(a) Is} is~~ under the age of 21 years from:

13 ~~{(1)}~~ (a) Purchasing or attempting to purchase tobacco
14 products;

15 ~~{(2)}~~ (b) Possessing or attempting to possess tobacco
16 products;

17 ~~{(3)}~~ (c) Using tobacco products; or

18 ~~{(4)}~~ (d) Falsely representing that he or she is 21 years of
19 age or older to purchase, possess or obtain tobacco products.

20 ~~{(b) Was born after December 31, 2002, from:~~

21 ~~—(1) Purchasing or attempting to purchase cigarettes;~~

22 ~~—(2) Possessing or attempting to possess cigarettes;~~

23 ~~—(3) Smoking cigarettes; or~~

24 ~~—(4) Falsely representing that he or she was born on or before~~
25 ~~December 31, 2002, to purchase, possess or obtain cigarettes.]~~

26 2. An ordinance adopted pursuant to this section must provide
27 that the provisions of the ordinance do not apply to a child who is
28 under the age of 21 years ~~[or was born after December 31, 2002, as~~
29 ~~applicable,]~~ and who is:

30 (a) Assisting in an inspection pursuant to NRS 202.2496;

31 (b) Handling or transporting tobacco products in the course of
32 his or her lawful employment;

33 (c) Handling or transporting tobacco products in the presence of
34 his or her parent, spouse or legal guardian who is 21 years of age or
35 older ; ~~[or was born on or before December 31, 2002, as applicable;]~~
36 or

37 (d) Possessing or using tobacco products for an established
38 religious purpose.

39 3. As used in this section, "tobacco products" means
40 ~~[cigarettes,]~~ cigarette paper, tobacco of any description or products
41 made or derived from tobacco. As used in this subsection, the term
42 "products made or derived from tobacco" does not include any
43 product regulated by the United States Food and Drug
44 Administration pursuant to Chapter V of the Federal Food, Drug,
45 and Cosmetic Act, 21 U.S.C. §§ 351 et seq.



1 **Sec. 20.** NRS 287.010 is hereby amended to read as follows:
2 287.010 1. The governing body of any county, school
3 district, municipal corporation, political subdivision, public
4 corporation or other local governmental agency of the State of
5 Nevada may:

6 (a) Adopt and carry into effect a system of group life, accident
7 or health insurance, or any combination thereof, for the benefit of its
8 officers and employees, and the dependents of officers and
9 employees who elect to accept the insurance and who, where
10 necessary, have authorized the governing body to make deductions
11 from their compensation for the payment of premiums on the
12 insurance.

13 (b) Purchase group policies of life, accident or health insurance,
14 or any combination thereof, for the benefit of such officers and
15 employees, and the dependents of such officers and employees, as
16 have authorized the purchase, from insurance companies authorized
17 to transact the business of such insurance in the State of Nevada,
18 and, where necessary, deduct from the compensation of officers and
19 employees the premiums upon insurance and pay the deductions
20 upon the premiums.

21 (c) Provide group life, accident or health coverage through a
22 self-insurance reserve fund and, where necessary, deduct
23 contributions to the maintenance of the fund from the compensation
24 of officers and employees and pay the deductions into the fund. The
25 money accumulated for this purpose through deductions from
26 the compensation of officers and employees and contributions of the
27 governing body must be maintained as an internal service fund as
28 defined by NRS 354.543. The money must be deposited in a state or
29 national bank or credit union authorized to transact business in the
30 State of Nevada. Any independent administrator of a fund created
31 under this section is subject to the licensing requirements of chapter
32 683A of NRS, and must be a resident of this State. Any contract
33 with an independent administrator must be approved by the
34 Commissioner of Insurance as to the reasonableness of
35 administrative charges in relation to contributions collected and
36 benefits provided. The provisions of NRS 686A.135, 687B.352,
37 687B.408, 687B.723, 687B.725, 689B.030 to 689B.050, inclusive,
38 **and section 78 of this act**, 689B.265, 689B.287 and 689B.500 apply
39 to coverage provided pursuant to this paragraph, except that the
40 provisions of NRS 689B.0378, 689B.03785 and 689B.500 only
41 apply to coverage for active officers and employees of the
42 governing body, or the dependents of such officers and employees.

43 (d) Defray part or all of the cost of maintenance of a self-
44 insurance fund or of the premiums upon insurance. The money for
45 contributions must be budgeted for in accordance with the laws



1 governing the county, school district, municipal corporation,
2 political subdivision, public corporation or other local governmental
3 agency of the State of Nevada.

4 2. If a school district offers group insurance to its officers and
5 employees pursuant to this section, members of the board of trustees
6 of the school district must not be excluded from participating in the
7 group insurance. If the amount of the deductions from compensation
8 required to pay for the group insurance exceeds the compensation to
9 which a trustee is entitled, the difference must be paid by the trustee.

10 3. In any county in which a legal services organization exists,
11 the governing body of the county, or of any school district,
12 municipal corporation, political subdivision, public corporation or
13 other local governmental agency of the State of Nevada in the
14 county, may enter into a contract with the legal services
15 organization pursuant to which the officers and employees of the
16 legal services organization, and the dependents of those officers and
17 employees, are eligible for any life, accident or health insurance
18 provided pursuant to this section to the officers and employees, and
19 the dependents of the officers and employees, of the county, school
20 district, municipal corporation, political subdivision, public
21 corporation or other local governmental agency.

22 4. If a contract is entered into pursuant to subsection 3, the
23 officers and employees of the legal services organization:

24 (a) Shall be deemed, solely for the purposes of this section, to be
25 officers and employees of the county, school district, municipal
26 corporation, political subdivision, public corporation or other local
27 governmental agency with which the legal services organization has
28 contracted; and

29 (b) Must be required by the contract to pay the premiums or
30 contributions for all insurance which they elect to accept or of which
31 they authorize the purchase.

32 5. A contract that is entered into pursuant to subsection 3:

33 (a) Must be submitted to the Commissioner of Insurance for
34 approval not less than 30 days before the date on which the contract
35 is to become effective.

36 (b) Does not become effective unless approved by the
37 Commissioner.

38 (c) Shall be deemed to be approved if not disapproved by the
39 Commissioner within 30 days after its submission.

40 6. As used in this section, "legal services organization" means
41 an organization that operates a program for legal aid and receives
42 money pursuant to NRS 19.031.



1 **Sec. 21.** NRS 287.04335 is hereby amended to read as
2 follows:

3 287.04335 If the Board provides health insurance through a
4 plan of self-insurance, it shall comply with the provisions of NRS
5 686A.135, 687B.352, 687B.409, 687B.723, 687B.725, 689B.0353,
6 689B.255, 695C.1723, 695G.150, 695G.155, 695G.160, 695G.162,
7 695G.1635, 695G.164, 695G.1645, 695G.1665, 695G.167,
8 695G.1675, 695G.170 to 695G.174, inclusive, *and section 86 of*
9 *this act*, 695G.176, 695G.177, 695G.200 to 695G.230, inclusive,
10 695G.241 to 695G.310, inclusive, and 695G.405, in the same
11 manner as an insurer that is licensed pursuant to title 57 of NRS is
12 required to comply with those provisions.

13 **Sec. 22.** NRS 360.255 is hereby amended to read as follows:

14 360.255 1. Except as otherwise provided in this section and
15 NRS 239.0115 and 360.250, the records and files of the Department
16 concerning the administration or collection of any tax, fee,
17 assessment or other amount required by law to be collected or the
18 imposition of disciplinary action are confidential and privileged.
19 The Department, an employee of the Department and any other
20 person engaged in the administration or collection of any tax, fee,
21 assessment or other amount required by law to be collected or the
22 imposition of disciplinary action or charged with the custody of any
23 such records or files:

24 (a) Shall not disclose any information obtained from those
25 records or files; and

26 (b) May not be required to produce any of the records or files for
27 the inspection of any person or governmental entity or for use in any
28 action or proceeding.

29 2. The records and files of the Department concerning the
30 administration and collection of any tax, fee, assessment or other
31 amount required by law to be collected or the imposition of
32 disciplinary action are not confidential and privileged in the
33 following cases:

34 (a) Testimony by a member or employee of the Department and
35 production of records, files and information on behalf of the
36 Department or a person in any action or proceeding before
37 the Nevada Tax Commission, the State Board of Equalization, the
38 Department, a grand jury or any court in this State if that testimony
39 or the records, files or information, or the facts shown thereby, are
40 directly involved in the action or proceeding.

41 (b) Delivery to a person or his or her authorized representative
42 of a copy of any document filed by the person pursuant to the
43 provisions of any law of this State.

44 (c) Publication of statistics so classified as to prevent the
45 identification of a particular business or document.



1 (d) Exchanges of information with the Internal Revenue Service
2 in accordance with compacts made and provided for in such cases,
3 or disclosure to any federal agency, state or local law enforcement
4 agency, including, without limitation, the Cannabis Compliance
5 Board, or local regulatory agency that requests the information for
6 the use of the agency in a federal, state or local prosecution or
7 criminal, civil or regulatory investigation.

8 (e) Disclosure in confidence to:

9 (1) The Governor or his or her agent in the exercise of the
10 Governor's general supervisory powers;

11 (2) The Budget Division of the Office of Finance for use in
12 the projection of revenue;

13 (3) Any person authorized to audit the accounts of the
14 Department in pursuance of an audit;

15 (4) The Attorney General or other legal representative of the
16 State in connection with an action or proceeding relating to a
17 taxpayer or licensee; or

18 (5) Any agency of this or any other state charged with the
19 administration or enforcement of laws relating to workers'
20 compensation, unemployment compensation, public assistance,
21 taxation, labor or gaming.

22 (f) Exchanges of information pursuant to an agreement between
23 the Nevada Tax Commission and any county fair and recreation
24 board or the governing body of any county, city or town.

25 (g) Upon written request made by a public officer of a local
26 government, disclosure of the name and address of a taxpayer or
27 licensee who must file a return with the Department. The request
28 must set forth the social security number of the taxpayer or licensee
29 about which the request is made and contain a statement signed by
30 the proper authority of the local government certifying that the
31 request is made to allow the proper authority to enforce a law to
32 recover a debt or obligation owed to the local government. Except
33 as otherwise provided in NRS 239.0115, the information obtained
34 by the local government is confidential and privileged and may not
35 be used or disclosed for any purpose other than the collection of a
36 debt or obligation owed to that local government. The Executive
37 Director may charge a reasonable fee for the cost of providing the
38 requested information.

39 (h) Disclosure of information as to amounts of any unpaid tax or
40 amounts of tax required to be collected, interest and penalties to
41 successors, receivers, trustees, executors, administrators, assignees
42 and guarantors, if directly interested.

43 (i) Disclosure of relevant information as evidence in an appeal
44 by the taxpayer from a determination of tax due if the Nevada Tax



1 Commission has determined the information is not proprietary or
2 confidential in a hearing conducted pursuant to NRS 360.247.

3 (j) Disclosure of the identity of a person and the amount of tax
4 assessed and penalties imposed against the person at any time after a
5 determination, decision or order of the Executive Director or other
6 officer of the Department imposing upon the person a penalty for
7 fraud or intent to evade a tax imposed by law becomes final or is
8 affirmed by the Nevada Tax Commission.

9 (k) Disclosure of the identity of a licensee against whom
10 disciplinary action has been taken and the type of disciplinary action
11 imposed against the licensee at any time after a determination,
12 decision or order of the Executive Director or other officer of the
13 Department imposing upon the licensee disciplinary action becomes
14 final or is affirmed by the Nevada Tax Commission.

15 (l) ~~Disclosure of information pursuant to subsection 2 of~~
16 ~~NRS 370.257.~~

17 ~~(m)~~ With respect to an application for a registration certificate
18 to operate a medical marijuana establishment pursuant to chapter
19 453A of NRS, as that chapter existed on June 30, 2020, or a license
20 to operate a marijuana establishment pursuant to chapter 453D of
21 NRS, as that chapter existed on June 30, 2020, which was submitted
22 on or after May 1, 2017, and on or before June 30, 2020, and
23 regardless of whether the application was ultimately approved,
24 disclosure of the following information:

25 (1) The identity of an applicant, including, without
26 limitation, any owner, officer or board member of an applicant;

27 (2) The contents of any tool used by the Department to
28 evaluate an applicant;

29 (3) The methodology used by the Department to score and
30 rank applicants and any documentation or other evidence showing
31 how that methodology was applied; and

32 (4) The final ranking and scores of an applicant, including,
33 without limitation, the score assigned to each criterion in the
34 application that composes a part of the total score of an applicant.

35 ~~(n)~~ (m) Disclosure of the name of a licensee and the
36 jurisdiction of that licensee pursuant to chapter 453A or 453D of
37 NRS, as those chapters existed on June 30, 2020, and any
38 regulations adopted pursuant thereto.

39 3. The Executive Director shall periodically, as he or she
40 deems appropriate, but not less often than annually, transmit to the
41 Administrator of the Division of Industrial Relations of the
42 Department of Business and Industry a list of the businesses of
43 which the Executive Director has a record. The list must include the
44 mailing address of the business as reported to the Department.



1 4. The Executive Director may request from any other
2 governmental agency or officer such information as the Executive
3 Director deems necessary to carry out his or her duties with respect
4 to the administration or collection of any tax, fee, assessment or
5 other amount required by law to be collected or the imposition of
6 disciplinary action. If the Executive Director obtains any
7 confidential information pursuant to such a request, he or she shall
8 maintain the confidentiality of that information in the same manner
9 and to the same extent as provided by law for the agency or officer
10 from whom the information was obtained.

11 5. As used in this section:

12 (a) "Applicant" means any person listed on the application for a
13 registration certificate to operate a medical marijuana establishment
14 pursuant to chapter 453A of NRS, as that chapter existed on
15 June 30, 2020, or a license to operate a marijuana establishment
16 pursuant to chapter 453D of NRS, as that chapter existed on
17 June 30, 2020.

18 (b) "Disciplinary action" means any suspension or revocation of
19 a license, registration, permit or certificate issued by the Department
20 pursuant to this title or chapter 453A or 453D of NRS, as those
21 chapters existed on June 30, 2020, or any other disciplinary action
22 against the holder of such a license, registration, permit or
23 certificate.

24 (c) "Licensee" means a person to whom the Department has
25 issued a license, registration, permit or certificate pursuant to this
26 title or chapter 453A or 453D of NRS, as those chapters existed on
27 June 30, 2020. The term includes, without limitation, any owner,
28 officer or board member of an entity to whom the Department has
29 issued a license.

30 (d) "Records" or "files" means any records and files related to
31 an investigation or audit or a disciplinary action, financial
32 information, correspondence, advisory opinions, decisions of a
33 hearing officer in an administrative hearing and any other
34 information specifically related to a taxpayer or licensee.

35 (e) "Taxpayer" means a person who pays any tax, fee,
36 assessment or other amount required by law to the Department.

37 **Sec. 23.** Chapter 370 of NRS is hereby amended by adding
38 thereto the provisions set forth as sections 24 to 27, inclusive, of this
39 act.

40 **Sec. 24.** *"Commission" means the Nevada Tax Commission.*

41 **Sec. 25. 1.** *"Logistics company" means a person who is:*

42 *(a) Not licensed as a wholesale dealer or a tobacco retail*
43 *dealer; and*

44 *(b) Authorized by a manufacturer or a wholesale dealer of*
45 *other tobacco products to temporarily store, fulfill orders for and*



1 *coordinate the transport or delivery of other tobacco products*
2 *from a facility in this State on behalf of and at the direction of the*
3 *manufacturer or wholesale dealer of other tobacco products.*

4 2. *The term does not include a common carrier who*
5 *undertakes for hire, as a regular business, the transportation of*
6 *other tobacco products from place to place, and who offers its*
7 *services to all who choose to employ it and to pay its charges*
8 *therefor.*

9 **Sec. 26.** *“Ultimate consumer” means a person who*
10 *purchases one or more other tobacco products for his or her*
11 *household or personal use and not for resale.*

12 **Sec. 27.** *“Warehouse or distribution center” means a*
13 *building in this State which is owned, leased or rented and*
14 *operated by a manufacturer, wholesale dealer of other tobacco*
15 *products or tobacco retail dealer for the temporary storage of*
16 *other tobacco products.*

17 **Sec. 28.** NRS 370.002 is hereby amended to read as follows:
18 370.002 As used in this chapter, unless the context otherwise
19 requires, the words and terms defined in NRS 370.004 ~~[and~~
20 ~~370.006]~~ *to 370.055, inclusive, and sections 24 to 27, inclusive, of*
21 *this act* have the meanings ascribed to them in those sections.

22 **Sec. 29.** NRS 370.020 is hereby amended to read as follows:
23 370.020 “Consumer” means any person who comes into
24 possession of ~~[cigarettes]~~ *other tobacco products* in this State as a
25 final user for any purpose other than offering them for sale as a
26 wholesale or retail dealer.

27 **Sec. 30.** NRS 370.025 is hereby amended to read as follows:
28 370.025 “Contraband tobacco products” means any:

- 29 1. ~~[Counterfeit cigarettes;~~
30 ~~—2.—Other counterfeit]~~ *Counterfeit* tobacco product;
31 ~~[3.—Cigarettes or “roll your own” tobacco offered for sale in~~
32 ~~this State by a manufacturer, or cigarettes or “roll your own”~~
33 ~~tobacco of a brand family or style, that is not listed in the directory~~
34 ~~created pursuant to NRS 370.675;~~
35 ~~—4.—Cigarettes bearing a tribal stamp issued by the Department~~
36 ~~which are sold or offered for sale at a retail location that is not~~
37 ~~located on qualified tribal land;]~~ or

38 ~~[5.—Cigarettes or other]~~
39 2. *Other* tobacco product:

40 (a) Exported from or imported into this State, or mailed,
41 shipped, delivered, sold, exchanged, transported, distributed or held
42 for distribution within the borders of this State by any person in
43 violation of any of the provisions of this chapter;



1 (b) In any way held in the possession or constructive possession
2 of any person not authorized under this chapter to possess or
3 constructively possess the ~~[eigarettes or]~~ other tobacco product; or

4 (c) Being offered for sale in any form other than in an unopened
5 package in violation of subsection 1 of NRS 202.2493.

6 **Sec. 31.** NRS 370.0285 is hereby amended to read as follows:

7 370.0285 1. "Delivery sale" means any sale of ~~[eigarettes,]~~
8 cigarette paper or other tobacco products, whether the seller is
9 located within or outside of the borders of this State, to a consumer
10 in this State for which:

11 (a) The purchaser submits the order for the sale by means of a
12 telephonic or other method of voice transmission, the mail or any
13 other delivery service, or the Internet or any other on-line service; or

14 (b) The ~~[eigarettes,]~~ cigarette paper or other tobacco products
15 are delivered by mail or the use of another delivery service.

16 2. For the purpose of this section, any sale of ~~[eigarettes,]~~
17 cigarette paper or other tobacco products to a natural person in this
18 State who does not hold a current license as a wholesale or retail
19 dealer constitutes a sale to a consumer.

20 **Sec. 32.** NRS 370.0305 is hereby amended to read as follows:

21 370.0305 "License" means a license issued pursuant to NRS
22 ~~[370.534]~~ 370.567 to 370.597, inclusive, that authorizes the holder
23 to conduct business as a ~~[manufacturer, a]~~ wholesale dealer or a
24 tobacco retail dealer.

25 **Sec. 33.** NRS 370.0315 is hereby amended to read as follows:

26 370.0315 ~~[1]~~ "Manufacturer" means any person who:

27 ~~[(a)]~~ 1. Manufactures, fabricates, assembles, processes or
28 labels ~~[a]~~ finished ~~[eigarette;]~~ *other tobacco products; or*

29 ~~[(b)]~~ 2. Imports, whether directly or indirectly, ~~[a]~~ finished
30 ~~[eigarette]~~ *other tobacco products* into the United States for sale or
31 distribution in this State. ~~;~~ ~~or~~

32 ~~—(c) Owns, maintains, operates or permits any other person to~~
33 ~~operate a cigarette rolling machine for the purpose of producing,~~
34 ~~filling, rolling, dispensing or otherwise manufacturing cigarettes.~~

35 ~~—2. The term does not include a natural person who uses a~~
36 ~~handheld or manually operated machine or device to produce~~
37 ~~cigarettes using "roll your own" tobacco if the cigarettes produced~~
38 ~~are for personal consumption and not for sale, resale or any other~~
39 ~~profit-making endeavor.]~~

40 **Sec. 34.** NRS 370.032 is hereby amended to read as follows:

41 370.032 "Place of business" means, for a person engaged in
42 business as:

43 1. A wholesale dealer, any location from which ~~[eigarettes]~~
44 *other tobacco products* are distributed or where ~~[eigarettes]~~ *other*



1 *tobacco products* are warehoused ~~[;]~~ or stored ; ~~[or affixed with~~
2 ~~stamps;]~~ or

3 2. A retail dealer, any store, stand, outlet or other location
4 through which ~~[cigarettes]~~ *other tobacco products* are distributed or
5 sold to a consumer.

6 **Sec. 35.** NRS 370.033 is hereby amended to read as follows:
7 370.033 “Retail dealer” means any person, whether located
8 within or outside of the borders of this State, who sells or distributes
9 ~~[cigarettes]~~ *other tobacco products* to a consumer within the State.

10 **Sec. 36.** NRS 370.035 is hereby amended to read as follows:
11 370.035 “Sale” or “to sell” includes any of the following,
12 except when performed by a licensed logistics company or by the
13 operator of a licensed warehouse or distribution center:

- 14 1. To exchange, barter, possess or traffic in;
- 15 2. To solicit or receive an order for;
- 16 3. To keep or expose for sale;
- 17 4. To deliver for value;
- 18 5. To peddle;
- 19 6. To possess with intent to sell;
- 20 7. To transfer to anyone for sale or resale;
- 21 8. To possess or transport in contravention of the provisions of
22 ~~[NRS 370.007 to 370.430, inclusive, and 370.531 to 370.597,~~
23 ~~inclusive;]~~ *this chapter*;
- 24 9. To traffic in for any consideration, promised or obtained
25 directly or indirectly; or
- 26 10. To procure or allow to be procured for any reason.

27 **Sec. 37.** NRS 370.055 is hereby amended to read as follows:

28 370.055 “Wholesale dealer” means ~~[;~~
29 ~~—1. Any] any~~ person ~~[located within the borders of this State~~
30 ~~who:~~

31 ~~—(a) Brings or causes to be brought into this State any unstamped~~
32 ~~cigarettes purchased from the manufacturer; or~~

33 ~~—(b) Brings or causes to be brought into this State any stamped~~
34 ~~cigarettes purchased from a licensed wholesale dealer for the~~
35 ~~purpose of resale to anyone other than a consumer.~~

36 ~~—2. Any person who manufactures or produces cigarettes within~~
37 ~~this State and who sells or distributes them within the State.~~

38 ~~—3. Any person located outside of the borders of this State, who~~
39 ~~sells stamped cigarettes to licensed retail dealers or other wholesale~~
40 ~~dealers in this State.] who:~~

41 1. *Maintains a place of business in this State, purchases other*
42 *tobacco products from the manufacturer or a wholesale dealer*
43 *and possesses, receives, sells or otherwise disposes of such other*
44 *tobacco products to wholesale dealers or retail dealers within this*
45 *State;*



1 *2. Does not maintain a place of business in this State and*
2 *sells or otherwise disposes of other tobacco products by any*
3 *means, including, without limitation, through an Internet website,*
4 *to wholesale dealers, retail dealers or ultimate consumers within*
5 *this State; or*

6 *3. Manufactures, produces, fabricates, assembles, processes,*
7 *labels or finishes other tobacco products within this State.*

8 **Sec. 38.** NRS 370.073 is hereby amended to read as follows:

9 370.073 Each ~~[manufacturer,]~~ wholesale dealer and retail
10 dealer shall:

11 1. For the purpose of receiving any notification from the
12 Department pursuant to this chapter, maintain with the Department:

- 13 (a) A permanent mailing address; and
14 (b) An electronic mail address.

15 2. Provide written notice to the Department of any change in
16 the information specified in subsection 1 not later than 10 days after
17 the change.

18 **Sec. 39.** NRS 370.260 is hereby amended to read as follows:

19 370.260 ~~[1.] All [taxes and] license fees imposed by the~~
20 ~~provisions of NRS [370.007 to 370.430, inclusive, and 370.531]~~
21 ~~370.567 to 370.597, inclusive, [less any refunds granted as provided~~
22 ~~by law.] must be paid to the Department in the form of remittances~~
23 ~~payable to the Department.~~

24 ~~[2.—The Department shall:~~

25 ~~—(a) As compensation to the State for the costs of collecting the~~
26 ~~taxes, transmit each month the sum the Legislature specifies from~~
27 ~~the remittances made to it pursuant to subsection 1 during the~~
28 ~~preceding month to the State Treasurer for deposit to the credit of~~
29 ~~the Department. The deposited money must be expended by the~~
30 ~~Department in accordance with its work program:~~

31 ~~—(b) From the remittances of taxes made to it pursuant to~~
32 ~~subsection 1 during the preceding month, less the amount~~
33 ~~transmitted pursuant to paragraph (a), transmit each month the~~
34 ~~portion of the tax which is equivalent to 85 mills per cigarette to the~~
35 ~~State Treasurer for deposit to the credit of the Account for the Tax~~
36 ~~on Cigarettes in the State General Fund.~~

37 ~~—(c) Transmit the balance of the payments of taxes each month to~~
38 ~~the State Treasurer for deposit in the Local Government Tax~~
39 ~~Distribution Account created by NRS 360.660.~~

40 ~~—(d) Report to the State Controller monthly the amount of~~
41 ~~collections of taxes and license fees.~~

42 ~~—3. The money deposited pursuant to paragraph (c) of~~
43 ~~subsection 2 in the Local Government Tax Distribution Account is~~
44 ~~hereby appropriated to Carson City and to each of the counties in~~



~~1 proportion to their respective populations and must be credited to
2 the respective accounts of Carson City and each county.~~

~~3 —4. All license fees remitted to the Department pursuant to
4 subsection 1 must be deposited with the State Treasurer for credit to
5 the Department and used by the Department to administer and
6 enforce the provisions of this chapter.]~~

7 **Sec. 40.** NRS 370.321 is hereby amended to read as follows:

8 370.321 1. A person who accepts an order for a delivery sale
9 shall comply with all of the requirements of this chapter and
10 chapters 202, ~~[370A,]~~ 372 and 374 of NRS, and all other laws of
11 this State generally applicable to sales of ~~[cigarettes,]~~ cigarette paper
12 or other tobacco products that occur entirely within this State.

13 2. In addition to any other penalty authorized by law, the
14 Attorney General may seek civil penalties against any person
15 engaging in delivery sales in violation of this chapter or chapter 202
16 of NRS. Each violation is subject to a civil penalty in an amount not
17 to exceed \$1,000. Any civil penalty recovered pursuant to this
18 section for a violation of NRS 202.24935 must be deposited into a
19 separate account in the State General Fund to be used for the
20 enforcement of this section and NRS 202.2493. ~~[and 202.2494.]~~

21 **Sec. 41.** NRS 370.327 is hereby amended to read as follows:

22 370.327 1. Except as otherwise provided in subsection 3, not
23 later than the 10th day of each calendar month, each person who
24 sells, transfers, ships or otherwise delivers ~~[cigarettes,]~~ roll-your-
25 own tobacco or smokeless tobacco into this State, except a common
26 carrier, shall submit to the Department a report for the immediately
27 preceding calendar month that includes the information required by
28 subsection 2.

29 2. Each report submitted pursuant to subsection 1 must:

30 (a) Be on the form prescribed by the Attorney General;

31 (b) Include a certification by the person who submits the report
32 that the information provided in the report is complete and accurate;

33 (c) Include the total ~~[number of cigarettes or]~~ amount of roll-
34 your-own tobacco or smokeless tobacco sold, transferred, shipped or
35 otherwise delivered by the person in or into this State; and

36 (d) Include for each sale, transfer, shipment or other delivery of
37 ~~[cigarettes,]~~ roll-your-own tobacco or smokeless tobacco the
38 following information:

39 (1) The quantity of ~~[cigarettes,]~~ roll-your-own tobacco or
40 smokeless tobacco sold, transferred, shipped or otherwise delivered,
41 identified by manufacturer and brand family;

42 (2) The invoice date and number;

43 (3) The name and address of the person to whom the
44 ~~[cigarettes,]~~ roll-your-own tobacco or smokeless tobacco were sold,
45 transferred, shipped or otherwise delivered; and



1 (4) The name and address of the person who transferred,
2 shipped or otherwise delivered the ~~[cigarettes,]~~ roll-your-own
3 tobacco or smokeless tobacco.

4 3. Any person who, in the 24 calendar months immediately
5 preceding the date on which a report required by subsection 1 must
6 be submitted, sold, transferred, shipped or otherwise delivered
7 ~~[cigarettes,]~~ roll-your-own tobacco or smokeless tobacco into this
8 State, other than a common carrier, must submit the report even if
9 the person did not sell, transfer, ship or otherwise deliver
10 ~~[cigarettes,]~~ roll-your-own tobacco or smokeless tobacco into this
11 State in the calendar month covered by the report.

12 4. ~~[A manufacturer or importer shall, upon request, provide to~~
13 ~~the Attorney General a copy of each report filed by the manufacturer~~
14 ~~or importer in another state that is similar to the report required by~~
15 ~~subsection 1.~~

16 ~~—5.— Each nonparticipating manufacturer or importer shall:~~

17 ~~—(a) Submit to the Attorney General a copy of the federal tax~~
18 ~~return of the manufacturer or importer and a copy of all monthly~~
19 ~~operational reports on Alcohol and Tobacco Tax and Trade Bureau~~
20 ~~Forms 5210.5, 5220.6 or any subsequent corresponding form, and~~
21 ~~all adjustments, changes and amendments to such reports not later~~
22 ~~than 60 days after the close of the quarter in which the return or~~
23 ~~report is filed; or~~

24 ~~—(b) Submit to the United States Department of the Treasury a~~
25 ~~request or consent pursuant to 26 U.S.C. § 6103(c) authorizing the~~
26 ~~Alcohol and Tobacco Tax and Trade Bureau of the United States~~
27 ~~Department of the Treasury and, in the case of a foreign~~
28 ~~manufacturer or importer, United States Customs and Border~~
29 ~~Protection of the United States Department of Homeland Security,~~
30 ~~to disclose to the Attorney General the federal tax return of the~~
31 ~~manufacturer or importer not later than 60 days after the close of the~~
32 ~~quarter in which the return is filed.~~

33 ~~—6.]~~ Except as otherwise provided in this subsection, any
34 information received by the Attorney General pursuant to this
35 section is confidential. The Attorney General may share any
36 information received pursuant to this section with the Department,
37 the ~~[Nevada Tax]~~ Commission, a taxing authority or law
38 enforcement agency of another state or with any other entity
39 authorized by the Attorney General to aggregate such information.

40 ~~[7.]~~ 5. A copy of each report required by subsection 1 must be
41 retained for not less than 5 years after the date on which the report
42 must be submitted unless the Department, in writing, authorizes the
43 report to be removed or destroyed at an earlier time.



1 **Sec. 42.** NRS 370.380 is hereby amended to read as follows:
2 370.380 1. It is unlawful for a person, with the intent to
3 defraud the State:

4 (a) To alter, forge or counterfeit any license ~~[or stamp]~~ provided
5 for in this chapter; *or*

6 (b) To have in his or her possession any forged, counterfeited,
7 spurious or altered license ~~[or stamp]~~ with the intent to use the same,
8 knowing or having reasonable grounds to believe the same to be
9 such. ~~;~~

10 ~~—(c) To have in his or her possession one or more cigarette~~
11 ~~stamps which he or she knows have been removed from the pieces~~
12 ~~of packages or packages of cigarettes to which they were affixed;~~

13 ~~—(d) To affix to any piece of a package or package of cigarettes a~~
14 ~~stamp which he or she knows has been removed from any other~~
15 ~~piece of a package or package of cigarettes; or~~

16 ~~—(e) To have in his or her possession for the purpose of sale~~
17 ~~cigarettes which do not bear indicia of the State of Nevada excise~~
18 ~~tax stamping. Presence of the cigarettes in a cigarette vending~~
19 ~~machine is prima facie evidence of the purpose to sell.]~~

20 2. A person who violates any of the provisions of subsection 1
21 is guilty of a category C felony and shall be punished as provided in
22 NRS 193.130.

23 **Sec. 43.** NRS 370.382 is hereby amended to read as follows:

24 370.382 1. It is unlawful for a person, with the intent to
25 defraud the State:

26 (a) To fail to keep or make any record, ~~[return,]~~ report or
27 inventory, or keep or make any false or fraudulent record, ~~[return,]~~
28 report or inventory, required pursuant to ~~[NRS 370.090 to 370.327,~~
29 ~~inclusive, or 370.531 to 370.597, inclusive,]~~ *this chapter* or any
30 regulations adopted for the administration or enforcement of those
31 provisions; *or*

32 (b) ~~[To refuse to pay any tax imposed pursuant to NRS 370.090~~
33 ~~to 370.327, inclusive, or attempt in any manner to evade or defeat~~
34 ~~the tax or the payment thereof;~~

35 ~~—(c) To alter, forge or otherwise counterfeit any stamp;~~

36 ~~—(d) To sell or possess for the purpose of sale any counterfeit~~
37 ~~stamp;~~

38 ~~—(e) To have in his or her possession any counterfeit stamp, with~~
39 ~~the intent to use the counterfeit stamp, knowing or having~~
40 ~~reasonable grounds to believe the stamp to be a counterfeit stamp;~~

41 ~~—(f) To have in his or her possession any stamp which he or she~~
42 ~~knows has been removed from any cigarette package to which it was~~
43 ~~affixed;~~

44 ~~—(g) To affix to any cigarette package a stamp which he or she~~
45 ~~knows has been removed from any other cigarette package; or~~



1 ~~—(h)~~ To fail to comply with any requirement of ~~[NRS 370.090 to~~
2 ~~370.327, inclusive, or 370.531 to 370.597, inclusive.] this chapter.~~

3 2. A person who violates any of the provisions of subsection 1
4 is guilty of a category C felony and shall be punished as provided in
5 NRS 193.130.

6 **Sec. 44.** NRS 370.390 is hereby amended to read as follows:

7 370.390 Except as otherwise provided in NRS 370.382, any
8 person violating any of the provisions of ~~[NRS 370.090 to 370.315,~~
9 ~~inclusive, or 370.531 to 370.597, inclusive,] this chapter~~ is guilty of
10 a gross misdemeanor.

11 **Sec. 45.** NRS 370.413 is hereby amended to read as follows:

12 370.413 In order to obtain evidence of any violation of this
13 chapter, the Department, its agents, and all peace officers and
14 revenue-collecting officers of this State may enter and inspect,
15 without a warrant during normal business hours and with a warrant
16 at any other time:

17 1. The facilities and records of any ~~[manufacturer,]~~ wholesale
18 dealer or retail dealer; and

19 2. Any other place where they may have reason to believe
20 contraband tobacco products are stored, warehoused or kept for sale.

21 **Sec. 46.** NRS 370.415 is hereby amended to read as follows:

22 370.415 1. The Department, its agents, sheriffs within their
23 respective counties and all other peace officers of the State of
24 Nevada shall seize any ~~[counterfeit stamps,]~~ contraband tobacco
25 products ~~[,]~~ or machinery used to manufacture contraband tobacco
26 products ~~[and cigarette rolling machines]~~ being used in violation of
27 any provision of this chapter that are found or located in the State of
28 Nevada.

29 2. A sheriff or other peace officer who seizes ~~[stamps,]~~
30 contraband tobacco products ~~[,]~~ or machinery ~~[or cigarette rolling~~
31 ~~machines]~~ pursuant to this section shall provide written notification
32 of the seizure to the Department not later than 5 working days after
33 the seizure. The notification must include the reason for the seizure.

34 3. After consultation with the Department, the sheriff or other
35 peace officer shall transmit the contraband tobacco products to the
36 Department if ~~[-]~~:

37 ~~—(a) The contraband tobacco products consist of cigarettes and:~~

38 ~~—(1) Except for revenue stamps being properly affixed as~~
39 ~~required by this chapter, the cigarettes comply with all state and~~
40 ~~federal statutes and regulations; and~~

41 ~~—(2) The Department approves the transmission of the~~
42 ~~cigarettes; or~~

43 ~~—(b) The contraband tobacco products consist of any other~~
44 ~~tobacco products and]~~ the Department approves the transmission of
45 the other tobacco products.



1 4. Upon the receipt of any ~~Ⓢ~~
2 ~~—(a) Cigarettes pursuant to subsection 3, the Department shall~~
3 ~~dispose of the cigarettes as provided in subsection 4 of NRS~~
4 ~~370.270; or~~

5 ~~—(b) Other~~ *other* tobacco products pursuant to subsection 3, the
6 Department shall:

7 ~~Ⓢ(1)~~ (a) Sell the other tobacco products to the highest bidder
8 among the licensed wholesale dealers in this State after due notice to
9 all licensed Nevada wholesale dealers has been given by mail to the
10 addresses contained in the Department's records; or

11 ~~Ⓢ(2)~~ (b) If there is no bidder, or in the opinion of the
12 Department the quantity of the other tobacco products is
13 insufficient, or for any other reason such disposition would be
14 impractical, destroy or dispose of the other tobacco products as the
15 Department may see fit.

16 ↪ The proceeds of all sales pursuant to this ~~[paragraph]~~ *subsection*
17 must be classed as revenues derived under the provisions of NRS
18 ~~[370.440] 370.447~~ to 370.503, inclusive.

19 5. The sheriff or other peace officer who seizes any ~~[stamps,]~~
20 contraband tobacco products ~~[,]~~ *or* machinery ~~[or cigarette-rolling~~
21 ~~machines]~~ pursuant to this section shall:

22 (a) Destroy the ~~[stamps,]~~ machinery ; ~~[and cigarette-rolling~~
23 ~~machines;]~~ and

24 (b) If he or she does not transmit the contraband tobacco
25 products to the Department, destroy the contraband tobacco
26 products.

27 **Sec. 47.** NRS 370.419 is hereby amended to read as follows:
28 370.419 All fixtures, equipment and other materials and
29 personal property on the premises of any wholesale or retail dealer
30 who, with intent to defraud the State:

31 1. Fails to keep or make any record, ~~[return,]~~ report or
32 inventory required pursuant to ~~[NRS 370.090 to 370.327, inclusive,~~
33 ~~or 370.531 to 370.597, inclusive;]~~ *this chapter;*

34 2. Keeps or makes any false or fraudulent record, ~~[return,]~~
35 report or inventory required pursuant to ~~[NRS 370.090 to 370.327,~~
36 ~~inclusive, or 370.531 to 370.597, inclusive;]~~ *this chapter;*

37 3. Refuses to pay any tax imposed pursuant to ~~[NRS 370.090~~
38 ~~to 370.327, inclusive;]~~ *this chapter;* or

39 4. Attempts in any manner to evade or defeat the requirements
40 of ~~[NRS 370.090 to 370.327, inclusive, or 370.531 to 370.597,~~
41 ~~inclusive;]~~ *this chapter,*

42 ↪ is subject to forfeiture pursuant to NRS 179.1156 to 179.1205,
43 inclusive.



1 **Sec. 48.** NRS 370.500 is hereby amended to read as follows:
2 370.500 1. All amounts of tax required to be paid to the State
3 pursuant to NRS ~~[370.440]~~ **370.447** to 370.490, inclusive, must be
4 paid to the Department in the form of remittances payable to the
5 Department.

6 2. The Department shall deposit these payments with the State
7 Treasurer for credit to the Account for the Tax on Products Made
8 From Tobacco, Other Than Cigarettes, in the State General Fund.

9 **Sec. 49.** NRS 370.5049 is hereby amended to read as follows:

10 370.5049 1. If any amount in excess of \$25 has been illegally
11 determined, either by the person filing the ~~[return]~~ **report** or by the
12 Department, the Department shall certify this fact to the State Board
13 of Examiners, and the latter shall authorize the cancellation of the
14 amount upon the records of the Department.

15 2. If an amount not exceeding \$25 has been illegally
16 determined, either by the person filing a ~~[return]~~ **report** or by the
17 Department, the Department, without certifying this fact to the State
18 Board of Examiners, shall authorize the cancellation of the amount
19 upon the records of the Department.

20 **Sec. 50.** NRS 370.505 is hereby amended to read as follows:

21 370.505 1. A retail dealer shall pay a wholesale dealer for all
22 ~~[cigarettes—and]~~ other tobacco products purchased from the
23 wholesale dealer:

24 (a) If the ~~[cigarettes-or]~~ other tobacco products were delivered to
25 the retail dealer on or after the 1st day of the month but before the
26 16th day of the month, on or before the 29th day of the same month;
27 and

28 (b) If the ~~[cigarettes-or]~~ other tobacco products were delivered to
29 the retail dealer on or after the 16th day of the month but before the
30 1st day of the next month, on or before the 14th day of the next
31 month.

32 2. A wholesale dealer shall not extend credit or otherwise
33 allow a retail dealer to violate the provisions of subsection 1.

34 3. The Department may impose a penalty on a wholesale dealer
35 who violates the provisions of subsection 2 as follows:

36 (a) For the first violation, a penalty of \$500.

37 (b) For a second or subsequent violation, if paragraph (c) does
38 not apply, a penalty of \$1,000.

39 (c) For a third or subsequent violation within any 12-month
40 period, a penalty of \$5,000 or suspension or revocation of the
41 license of the wholesale dealer, or both.

42 4. Pursuant to a written complaint or upon its own motion, the
43 Department shall investigate an alleged violation of subsection 2.
44 The Department shall give notice to the alleged violator and conduct
45 a hearing, if warranted by the investigation. The Department may



1 assess a penalty pursuant to subsection 3, if it determines that the
2 wholesale dealer violated the provisions of subsection 2.

3 **Sec. 51.** NRS 370.510 is hereby amended to read as follows:

4 370.510 The Department may make all necessary regulations
5 for the administration and enforcement of this chapter, including ~~the~~:

6 ~~—1. Necessary regulations for the keeping of records to ensure
7 compliance with this chapter by persons dealing in both taxable and
8 exempt cigarettes.~~

9 ~~—2. Regulations authorizing persons other than dealers to
10 possess unstamped cigarettes.~~

11 ~~—3. Regulations]~~, *without limitation, regulations* relating to the
12 licensing of wholesale dealers and retail dealers.

13 **Sec. 52.** NRS 370.515 is hereby amended to read as follows:

14 370.515 The Department shall not collect the tax imposed by
15 this chapter on ~~cigarettes or~~ other tobacco products sold on an
16 Indian reservation or Indian colony if:

17 1. The governing body of the reservation or colony imposes an
18 excise tax pursuant to NRS ~~[370.0751 or]~~ 370.501;

19 2. The excise tax imposed is equal to or greater than the tax
20 imposed pursuant to this chapter; and

21 3. The governing body of the colony or reservation submits a
22 copy of the ordinance imposing the excise tax to the Department.

23 **Sec. 53.** NRS 370.521 is hereby amended to read as follows:

24 370.521 1. Except as otherwise provided in subsections 2, 4
25 and 5, a person shall not sell, distribute or offer to sell ~~cigarettes,
26 cigarette~~:

27 (a) *Cigarette* paper, any product containing, made or derived
28 from tobacco, any vapor product, any alternative nicotine product or
29 any product containing, made or derived from nicotine to any person
30 under the age of 21 years ~~or~~; *or*

31 (b) *Cigarettes to any person born after December 31, 2002.*

32 2. A person shall be deemed to be in compliance with the
33 provisions of subsection 1 if, before the person sells, distributes or
34 offers to sell to another any item described in subsection 1, the
35 person:

36 (a) Demands that the other person present a valid driver's
37 license, permanent resident card, tribal identification card or other
38 written or documentary evidence which shows that the other person
39 is 21 years of age or older ~~or~~ *or was born after December 31, 2002,
40 as applicable;*

41 (b) Is presented a valid driver's license, permanent resident card,
42 tribal identification card or other written or documentary evidence
43 which shows that the other person is 21 years of age or older ~~or~~ *or
44 was born after December 31, 2002, as applicable;* and



1 (c) Reasonably relies upon the driver's license, permanent
2 resident card, tribal identification card or other written or
3 documentary evidence presented by the other person.

4 3. A person shall not sell, distribute or offer to sell cigarettes,
5 cigarette paper or other tobacco products to any person under 40
6 years of age without first performing age verification through
7 enhanced controls that utilize a scanning technology or other
8 automated, software-based system to verify that the person is 21
9 years of age or older ~~§~~ *or was born after December 31, 2002, as
10 applicable*. A person who violates this subsection is liable for a civil
11 penalty of \$100 for each offense.

12 4. The employer of a person who is under 21 years of age *or
13 was born after December 31, 2002, as applicable*, may, for the
14 purpose of allowing the person to handle or transport any item
15 described in subsection 1 in the course of the person's lawful
16 employment, provide an item described in subsection 1 to the person
17 under 21 years of age ~~§~~ *or born after December 31, 2002, as
18 applicable*.

19 5. The provisions of this section do not apply to any product
20 regulated by the United States Food and Drug Administration under
21 Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21
22 U.S.C. §§ 351 et seq.

23 6. A person who violates subsection 1 is liable for a civil
24 penalty of:

- 25 (a) For the first violation within a 24-month period, \$100.
- 26 (b) For the second violation within a 24-month period, \$250.
- 27 (c) For the third and any subsequent violation within a 24-month
28 period, \$500.

29 7. If an employee or agent of a licensee has violated
30 subsection 1:

- 31 (a) For the first and second violation within a 24-month period
32 at the same premises, the licensee must be issued a warning.
- 33 (b) For the third violation within a 24-month period at the same
34 premises, the licensee is liable for a civil penalty of \$500.
- 35 (c) For the fourth violation within a 24-month period at the same
36 premises, the licensee is liable for a civil penalty of \$1,250.
- 37 (d) For the fifth and any subsequent violation within a 24-month
38 period at the same premises, the licensee is liable for a civil penalty
39 of \$2,500.

40 8. A peace officer or any person performing an inspection
41 pursuant to NRS 202.2496 may issue a notice of infraction for a
42 violation of this section. A notice of infraction must be issued on a
43 form prescribed by the Department and must contain:

- 44 (a) The location at which the violation occurred;
- 45 (b) The date and time of the violation;



1 (c) The name of the establishment at which the violation
2 occurred;

3 (d) The signature of the person who issued the notice of
4 infraction;

5 (e) A copy of the section which allegedly is being violated;

6 (f) Information advising the person to whom the notice of
7 infraction is issued of the manner in which, and the time within
8 which, the person must submit an answer to the notice of infraction;
9 and

10 (g) Such other pertinent information as the peace officer or
11 person performing the inspection pursuant to NRS 202.2496
12 determines is necessary.

13 9. A notice of infraction issued pursuant to subsection 8 or a
14 facsimile thereof must be filed with the Department and retained by
15 the Department and is deemed to be a public record of matters
16 which are observed pursuant to a duty imposed by law and is prima
17 facie evidence of the facts alleged in the notice.

18 10. A person to whom a notice of infraction is issued pursuant
19 to subsection 8 shall respond to the notice by:

20 (a) Admitting the violation stated in the notice and paying to the
21 State of Nevada the applicable civil penalty set forth in subsection 3,
22 6 or 7.

23 (b) Denying liability for the infraction by notifying the
24 Department and requesting a hearing in the manner indicated on the
25 notice of infraction. Upon receipt of a request for a hearing pursuant
26 to this paragraph, the Department shall provide the person
27 submitting the request an opportunity for a hearing pursuant to
28 chapter 233B of NRS.

29 11. Any money collected by the State of Nevada from a civil
30 penalty pursuant to this section must be deposited in a separate
31 account in the State General Fund to be used for the enforcement of
32 this section and NRS 202.2493 and 202.2494.

33 12. As used in this section, "licensee" means a person who
34 holds a license issued by the Department pursuant to this chapter.

35 **Sec. 54.** NRS 370.521 is hereby amended to read as follows:

36 370.521 1. Except as otherwise provided in subsections 2, 4
37 and 5, a person shall not sell, distribute or offer to sell ~~f:~~

38 ~~—(a) Cigarette] cigarette~~ paper, any product containing, made or
39 derived from tobacco, any vapor product, any alternative nicotine
40 product or any product containing, made or derived from nicotine to
41 any person under the age of 21 years . ~~f: or~~

42 ~~—(b) Cigarettes to any person born after December 31, 2002.]~~

43 2. A person shall be deemed to be in compliance with the
44 provisions of subsection 1 if, before the person sells, distributes or



1 offers to sell to another any item described in subsection 1, the
2 person:

3 (a) Demands that the other person present a valid driver's
4 license, permanent resident card, tribal identification card or other
5 written or documentary evidence which shows that the other person
6 is 21 years of age or older ; ~~for was born after December 31, 2002,~~
7 ~~as applicable;~~

8 (b) Is presented a valid driver's license, permanent resident card,
9 tribal identification card or other written or documentary evidence
10 which shows that the other person is 21 years of age or older ; ~~for~~
11 ~~was born after December 31, 2002, as applicable;~~ and

12 (c) Reasonably relies upon the driver's license, permanent
13 resident card, tribal identification card or other written or
14 documentary evidence presented by the other person.

15 3. A person shall not sell, distribute or offer to sell ~~cigarettes,~~
16 cigarette paper or other tobacco products to any person under 40
17 years of age without first performing age verification through
18 enhanced controls that utilize a scanning technology or other
19 automated, software-based system to verify that the person is 21
20 years of age or older . ~~for was born after December 31, 2002, as~~
21 ~~applicable.~~ A person who violates this subsection is liable for a
22 civil penalty of \$100 for each offense.

23 4. The employer of a person who is under 21 years of age ~~for~~
24 ~~was born after December 31, 2002, as applicable,~~ may, for the
25 purpose of allowing the person to handle or transport any item
26 described in subsection 1 in the course of the person's lawful
27 employment, provide an item described in subsection 1 to the person
28 under 21 years of age . ~~for born after December 31, 2002, as~~
29 ~~applicable.~~

30 5. The provisions of this section do not apply to any product
31 regulated by the United States Food and Drug Administration under
32 Subchapter V of the Federal Food, Drug, and Cosmetic Act, 21
33 U.S.C. §§ 351 et seq.

34 6. A person who violates subsection 1 is liable for a civil
35 penalty of:

- 36 (a) For the first violation within a 24-month period, \$100.
37 (b) For the second violation within a 24-month period, \$250.
38 (c) For the third and any subsequent violation within a 24-month
39 period, \$500.

40 7. If an employee or agent of a licensee has violated
41 subsection 1:

- 42 (a) For the first and second violation within a 24-month period
43 at the same premises, the licensee must be issued a warning.
44 (b) For the third violation within a 24-month period at the same
45 premises, the licensee is liable for a civil penalty of \$500.



1 (c) For the fourth violation within a 24-month period at the same
2 premises, the licensee is liable for a civil penalty of \$1,250.

3 (d) For the fifth and any subsequent violation within a 24-month
4 period at the same premises, the licensee is liable for a civil penalty
5 of \$2,500.

6 8. A peace officer or any person performing an inspection
7 pursuant to NRS 202.2496 may issue a notice of infraction for a
8 violation of this section. A notice of infraction must be issued on a
9 form prescribed by the Department and must contain:

10 (a) The location at which the violation occurred;

11 (b) The date and time of the violation;

12 (c) The name of the establishment at which the violation
13 occurred;

14 (d) The signature of the person who issued the notice of
15 infraction;

16 (e) A copy of the section which allegedly is being violated;

17 (f) Information advising the person to whom the notice of
18 infraction is issued of the manner in which, and the time within
19 which, the person must submit an answer to the notice of infraction;
20 and

21 (g) Such other pertinent information as the peace officer or
22 person performing the inspection pursuant to NRS 202.2496
23 determines is necessary.

24 9. A notice of infraction issued pursuant to subsection 8 or a
25 facsimile thereof must be filed with the Department and retained by
26 the Department and is deemed to be a public record of matters
27 which are observed pursuant to a duty imposed by law and is prima
28 facie evidence of the facts alleged in the notice.

29 10. A person to whom a notice of infraction is issued pursuant
30 to subsection 8 shall respond to the notice by:

31 (a) Admitting the violation stated in the notice and paying to the
32 State of Nevada the applicable civil penalty set forth in subsection 3,
33 6 or 7.

34 (b) Denying liability for the infraction by notifying the
35 Department and requesting a hearing in the manner indicated on the
36 notice of infraction. Upon receipt of a request for a hearing pursuant
37 to this paragraph, the Department shall provide the person
38 submitting the request an opportunity for a hearing pursuant to
39 chapter 233B of NRS.

40 11. Any money collected by the State of Nevada from a civil
41 penalty pursuant to this section must be deposited in a separate
42 account in the State General Fund to be used for the enforcement of
43 this section and NRS 202.2493. ~~and 202.2494.~~

44 12. As used in this section, "licensee" means a person who
45 holds a license issued by the Department pursuant to this chapter.



1 **Sec. 55.** NRS 370.523 is hereby amended to read as follows:

2 370.523 In addition to any other penalty authorized by law:

3 1. The Department may impose on each person who violates
4 any of the provisions of this chapter a civil penalty of:

5 (a) Not more than \$1,000 for the first violation of a provision;
6 and

7 (b) Not more than \$5,000 for each subsequent violation of the
8 same provision.

9 2. Each violation of any provision of this chapter is considered
10 a separate violation.

11 3. Any person who fails to pay any tax imposed pursuant to the
12 provisions of ~~[NRS 370.090 to 370.327, inclusive, or 370.440 to~~
13 ~~370.503, inclusive,]~~ **this chapter** within the time prescribed by law
14 or regulation shall, in addition to the tax due:

15 (a) For a first such failure, pay a penalty of 10 percent of the tax
16 due but unpaid, in addition to the tax. In addition to the penalty, the
17 Department may suspend or revoke the license of the licensee who
18 failed to pay the tax.

19 (b) For a second such failure in a 24-month period, pay a
20 penalty of 25 percent of the amount of tax due but unpaid. In
21 addition to the penalty, the Department may suspend or revoke the
22 license of the licensee who failed to pay the tax.

23 (c) For a third and each subsequent such failure in a 24-month
24 period, pay a penalty of 25 percent of the amount of tax due but
25 unpaid. In addition to the penalty, the Department shall suspend or
26 revoke the license of the licensee who failed to pay the tax.

27 **Sec. 56.** NRS 370.567 is hereby amended to read as follows:

28 370.567 1. A person shall not engage in business as ~~[a~~
29 ~~wholesale dealer of cigarettes,]~~ a wholesale dealer of other tobacco
30 products or a tobacco retail dealer in this State unless that person
31 first secures a license to engage in that activity from the
32 Department.

33 2. ~~[A person shall not engage in business as a cigarette vending~~
34 ~~machine operator in this State unless that person first secures a~~
35 ~~license to engage in that activity from the Department.]~~

36 —3.] A person shall not engage in business as a logistics
37 company unless that person first secures a license to engage in that
38 activity from the Department.

39 ~~[4.]~~ 3. A person shall not operate a warehouse or distribution
40 center unless that person first secures a license to engage in that
41 activity from the Department.

42 ~~[5.—A manufacturer shall not:~~

43 —(a) ~~Sell any cigarettes to a wholesale dealer of cigarettes in this~~
44 ~~State;—~~



1 ~~—(b) Temporarily store, fulfill orders for or coordinate the~~
2 ~~transport or delivery of cigarettes by using a logistics company; or~~
3 ~~—(c) Operate or permit any person other than the manufacturer to~~
4 ~~operate a cigarette rolling machine for the purpose of producing,~~
5 ~~filling, rolling, dispensing or otherwise manufacturing cigarettes,~~
6 ~~unless that manufacturer first secures a license to engage in that~~
7 ~~activity from the Department.~~

8 ~~—6.]~~ 4. A separate license is required to engage in each of the
9 activities described in this section.

10 ~~[7.]~~ 5. A person may be licensed as ~~[a wholesale dealer of~~
11 ~~cigarettes,]~~ a wholesale dealer of other tobacco products, a tobacco
12 retail dealer and as an operator of a warehouse or distribution center.

13 **Sec. 57.** NRS 370.569 is hereby amended to read as follows:

14 370.569 The provisions of ~~[NRS 370.531 to 370.597,~~
15 ~~inclusive,]~~ *this chapter* do not apply to:

16 1. Common carriers while engaged in interstate commerce
17 which sell or furnish ~~[cigarettes or]~~ other tobacco products on their
18 trains, buses or airplanes;

19 2. A person entering this State with a quantity of ~~[cigarettes or]~~
20 other tobacco products for household or personal use which is
21 exempt from federal import duty; and

22 3. A duty-free sales enterprise as defined in 19 U.S.C. §
23 1555(b)(8)(D) that:

24 (a) Operates pursuant to the provisions of 19 U.S.C. § 1555(b);
25 and

26 (b) To the extent it sells ~~[cigarettes or]~~ other tobacco products,
27 only sells ~~[cigarettes or]~~ other tobacco products that are duty-free
28 merchandise as defined in 19 U.S.C. § 1555(b)(8)(E).

29 **Sec. 58.** NRS 370.571 is hereby amended to read as follows:

30 370.571 1. The Department shall create and maintain on its
31 Internet website and otherwise make available for public inspection
32 a list of all:

33 (a) Currently valid licenses and the identity of the licensees
34 holding those licenses; and

35 (b) Indian tribes on whose reservations or colonies ~~[cigarettes~~
36 ~~or]~~ other tobacco products are sold and, pursuant to NRS 370.515,
37 from which the Department does not collect the tax imposed by this
38 chapter on ~~[such cigarettes or]~~ other tobacco products sold on the
39 reservations or colonies.

40 2. The Department shall update the list at least once each
41 month.

42 **Sec. 59.** NRS 370.573 is hereby amended to read as follows:

43 370.573 1. No license may be issued, maintained or renewed
44 if:



1 (a) The applicant for the license or any combination of persons
2 directly or indirectly owning, in the aggregate, more than 10 percent
3 of the ownership interests in the applicant:

4 (1) Is delinquent in the payment of any tax, penalty or fee
5 administered by the Department;

6 (2) Is delinquent in any return that is required to be filed with
7 the Department;

8 (3) Had a license revoked or had an equivalent license
9 revoked in another jurisdiction within the past 2 years;

10 (4) Has been convicted of a crime relating to the
11 manufacture, distribution or sale of cigarettes or other tobacco
12 products or a crime relating to the avoidance or evasion of taxes;

13 (5) Is a manufacturer who has:

14 (I) Imported any cigarettes into the United States in
15 violation of 19 U.S.C. § 1681a; or

16 (II) Imported or manufactured any cigarettes that do not
17 fully comply with the Federal Cigarette Labeling and Advertising
18 Act, 15 U.S.C. §§ 1331 et seq.; or

19 (6) Is a nonparticipating manufacturer who is not in full
20 compliance with subsection 2 of NRS 370A.140.

21 (b) Except as otherwise provided in this paragraph, the issuance
22 of the license would result in the applicant conducting operations in
23 the same physical location as another licensee. This paragraph does
24 not apply to a licensee if:

25 (1) The licensee is licensed or is applying to be licensed as:

26 (I) A wholesale dealer of cigarettes or a wholesale dealer
27 of other tobacco products; and

28 (II) A tobacco retail dealer;

29 (2) The licensee would conduct operations under both
30 licenses at the same location; and

31 (3) Each licensee has the same ownership.

32 (c) The issuance would result in the applicant conducting
33 operations from a residential address, storage facility, mailbox or
34 post office box.

35 2. *The Department may not:*

36 (a) *Issue an initial license to engage in business as a cigarette*
37 *vending machine operator on or after January 1, 2024; and*

38 (b) *Renew a license to engage in business as a cigarette*
39 *vending machine operator, manufacturer or wholesale dealer of*
40 *cigarettes on or after January 1, 2029.*

41 3. As used in this section:

42 (a) "Nonparticipating manufacturer" means any manufacturer of
43 tobacco products that is not a participating manufacturer.

44 (b) "Participating manufacturer" has the meaning ascribed to it
45 in NRS 370A.080.



1 **Sec. 60.** NRS 370.573 is hereby amended to read as follows:
2 370.573 ~~[(1)]~~ No license may be issued, maintained or
3 renewed if:

4 ~~[(a)]~~ 1. The applicant for the license or any combination of
5 persons directly or indirectly owning, in the aggregate, more than 10
6 percent of the ownership interests in the applicant:

7 ~~[(1)]~~ (a) Is delinquent in the payment of any tax, penalty or
8 fee administered by the Department;

9 ~~[(2)]~~ (b) Is delinquent in any ~~[(return)]~~ *report* that is required
10 to be filed with the Department;

11 ~~[(3)]~~ (c) Had a license revoked or had an equivalent license
12 revoked in another jurisdiction within the past 2 years; *or*

13 ~~[(4)]~~ (d) Has been convicted of a crime relating to the
14 manufacture, distribution or sale of cigarettes or other tobacco
15 products or a crime relating to the avoidance or evasion of taxes. ~~[(f)]~~

16 ~~— (5) Is a manufacturer who has:~~

17 ~~— (I) Imported any cigarettes into the United States in~~
18 ~~violation of 19 U.S.C. § 1681a; or~~

19 ~~— (II) Imported or manufactured any cigarettes that do not~~
20 ~~fully comply with the Federal Cigarette Labeling and Advertising~~
21 ~~Act, 15 U.S.C. §§ 1331 et seq.; or~~

22 ~~— (6) Is a nonparticipating manufacturer who is not in full~~
23 ~~compliance with subsection 2 of NRS 370A.140.~~

24 ~~[(b)]~~ 2. Except as otherwise provided in this [paragraph,]
25 *subsection*, the issuance of the license would result in the applicant
26 conducting operations in the same physical location as another
27 licensee. This ~~[(paragraph)]~~ *subsection* does not apply to a licensee if:

28 ~~[(1)]~~ (a) The licensee is licensed or is applying to be
29 licensed as:

30 ~~[(1)]~~ (1) A ~~[(wholesale dealer of cigarettes or a)]~~ wholesale
31 dealer of other tobacco products; and

32 ~~[(1)]~~ (2) A tobacco retail dealer;

33 ~~[(2)]~~ (b) The licensee would conduct operations under both
34 licenses at the same location; and

35 ~~[(3)]~~ (c) Each licensee has the same ownership.

36 ~~[(e)]~~ 3. The issuance would result in the applicant conducting
37 operations from a residential address, storage facility, mailbox or
38 post office box.

39 ~~[(2). The Department may not:~~

40 ~~— (a) Issue an initial license to engage in business as a cigarette~~
41 ~~vending machine operator on or after January 1, 2024; and~~

42 ~~— (b) Renew a license to engage in business as a cigarette vending~~
43 ~~machine operator, manufacturer or wholesale dealer of cigarettes on~~
44 ~~or after January 1, 2029.~~

45 ~~— 3. As used in this section:~~



1 ~~—(a) “Nonparticipating manufacturer” means any manufacturer of~~
2 ~~tobacco products that is not a participating manufacturer.~~

3 ~~—(b) “Participating manufacturer” has the meaning ascribed to it~~
4 ~~in NRS 370A.080.]~~

5 **Sec. 61.** NRS 370.575 is hereby amended to read as follows:

6 370.575 An application for a license must:

7 1. Be made to the Department on forms prescribed by the
8 Department.

9 2. Include the name and address of the applicant. If the
10 applicant is a firm, association or partnership, the application must
11 include the name and address of each of its members. If the
12 applicant is a corporation, the application must include the names
13 and addresses of the president, vice president, secretary and
14 managing officer or officers.

15 3. Specify the location, by street and number, of the principal
16 place of business of the applicant. ~~[In addition to specifying the~~
17 ~~principal place of business of the applicant pursuant to this~~
18 ~~subsection, an application for a license as a cigarette vending~~
19 ~~machine operator must list all cigarette vending machine locations~~
20 ~~for which the license is sought.]~~

21 4. Specify the location, by street and number, of any place used
22 by the applicant to distribute, ship, ~~[affix stamps to,]~~ warehouse or
23 store ~~[cigarettes or]~~ other tobacco products and for which the license
24 is sought.

25 5. Specify any other information the Department may require
26 to carry out the provisions of this chapter.

27 6. Except as otherwise provided in NRS ~~[370.007 to 370.430,~~
28 ~~inclusive, and 370.531]~~ **370.567** to 370.597, inclusive, be
29 accompanied by the required license fee.

30 7. Be accompanied by a certified copy of the certificate
31 required by NRS 602.010 or any renewal certificate required by
32 NRS 602.035.

33 **Sec. 62.** NRS 370.581 is hereby amended to read as follows:

34 370.581 1. Except as otherwise provided in subsection 2, a
35 licensee shall not operate from any location other than the location
36 listed on the face of the license of the licensee. ~~[A person who is~~
37 ~~licensed as a cigarette vending machine operator shall provide the~~
38 ~~Department with an updated list of all cigarette vending machines~~
39 ~~maintained by that person whenever there is a change or addition to~~
40 ~~the list.]~~

41 2. Upon application by a licensee other than a manufacturer,
42 the Department may issue a temporary license authorizing the
43 licensee to operate at a convention or trade show. A licensee who
44 has been issued a temporary license may operate pursuant to that



1 license only on the specific dates of the convention or trade show
2 for which the temporary license was issued.

3 **Sec. 63.** NRS 370.585 is hereby amended to read as follows:

4 370.585 A current license as a:

5 1. Manufacturer authorizes the holder thereof to:

6 (a) Sell cigarettes from the premises for which the license was
7 issued to a licensed wholesale dealer of cigarettes in this State;

8 (b) Ship cigarettes to a licensed logistics company; and

9 (c) Temporarily store, fulfill orders for or coordinate the
10 transport or delivery of cigarettes by using a licensed warehouse or
11 distribution center.

12 2. Wholesale dealer of cigarettes authorizes the holder thereof
13 to:

14 (a) Purchase unstamped cigarettes from any manufacturer who
15 holds a current license;

16 (b) Purchase stamped cigarettes from a licensed wholesale
17 dealer of cigarettes;

18 (c) Sell stamped cigarettes from the premises for which the
19 license was issued to any Indian tribe or colony listed by the
20 Department pursuant to NRS 370.571, to any licensed wholesale
21 dealer of cigarettes or to any licensed tobacco retail dealer; and

22 (d) Temporarily store and fulfill orders for stamped cigarettes at
23 a licensed warehouse or distribution center or through a licensed
24 logistics company.

25 3. Wholesale dealer of other tobacco products authorizes the
26 holder thereof to:

27 (a) Purchase other tobacco products from any manufacturer of
28 other tobacco products or wholesale dealer of other tobacco
29 products;

30 (b) Sell other tobacco products from the premises for which the
31 license was issued to any Indian tribe or colony listed by the
32 Department pursuant to NRS 370.571, to any wholesale dealer of
33 other tobacco products who holds a current license or to any tobacco
34 retail dealer who holds a current license; and

35 (c) Temporarily store and fulfill orders for other tobacco
36 products at a licensed warehouse or distribution center or through a
37 licensed logistics company.

38 4. Tobacco retail dealer *which was initially issued before*
39 *January 1, 2024, and was most recently renewed before*
40 *January 1, 2029*, authorizes the holder thereof to:

41 (a) Purchase stamped cigarettes from any wholesale dealer of
42 cigarettes who holds a current license;

43 (b) Sell cigarettes from the premises for which the license was
44 issued to any consumer in this State;



1 (c) Purchase other tobacco products from a wholesale dealer of
2 other tobacco products who holds a current license;

3 (d) Sell other tobacco products to any consumer in this State;
4 and

5 (e) Temporarily store and fulfill orders for cigarettes or other
6 tobacco products at a licensed warehouse or distribution center.

7 5. *Tobacco retail dealer which was initially issued on or after*
8 *January 1, 2024, or was most recently renewed on or after*
9 *January 1, 2029, authorizes the holder thereof to:*

10 (a) *Purchase other tobacco products from a wholesale dealer*
11 *of other tobacco products who holds a current license;*

12 (b) *Sell other tobacco products to any consumer in this State;*
13 *and*

14 (c) *Temporarily store and fulfill orders for other tobacco*
15 *products at a licensed warehouse or distribution center.*

16 6. Cigarette vending machine operator authorizes the holder
17 thereof to sell Nevada stamped cigarettes by means of coin-operated
18 machines within the borders of this State.

19 **Sec. 64.** NRS 370.585 is hereby amended to read as follows:

20 370.585 A current license as a:

21 1. ~~Manufacturer authorizes the holder thereof to:~~

22 ~~—(a) Sell cigarettes from the premises for which the license was~~
23 ~~issued to a licensed wholesale dealer of cigarettes in this State;~~

24 ~~—(b) Ship cigarettes to a licensed logistics company; and~~

25 ~~—(c) Temporarily store, fulfill orders for or coordinate the~~
26 ~~transport or delivery of cigarettes by using a licensed warehouse or~~
27 ~~distribution center.~~

28 ~~—2. Wholesale dealer of cigarettes authorizes the holder thereof~~
29 ~~to:~~

30 ~~—(a) Purchase unstamped cigarettes from any manufacturer who~~
31 ~~holds a current license;~~

32 ~~—(b) Purchase stamped cigarettes from a licensed wholesale~~
33 ~~dealer of cigarettes;~~

34 ~~—(c) Sell stamped cigarettes from the premises for which the~~
35 ~~license was issued to any Indian tribe or colony listed by the~~
36 ~~Department pursuant to NRS 370.571, to any licensed wholesale~~
37 ~~dealer of cigarettes or to any licensed tobacco retail dealer; and~~

38 ~~—(d) Temporarily store and fulfill orders for stamped cigarettes at~~
39 ~~a licensed warehouse or distribution center or through a licensed~~
40 ~~logistics company.~~

41 ~~—3.] Wholesale dealer of other tobacco products authorizes the~~
42 ~~holder thereof to:~~

43 (a) Purchase other tobacco products from any manufacturer of
44 other tobacco products or wholesale dealer of other tobacco
45 products;



1 (b) Sell other tobacco products from the premises for which the
2 license was issued to any Indian tribe or colony listed by the
3 Department pursuant to NRS 370.571, to any wholesale dealer of
4 other tobacco products who holds a current license or to any tobacco
5 retail dealer who holds a current license; and

6 (c) Temporarily store and fulfill orders for other tobacco
7 products at a licensed warehouse or distribution center or through a
8 licensed logistics company.

9 ~~{4. Tobacco retail dealer which was initially issued before~~
10 ~~January 1, 2024, and was most recently renewed before January 1,~~
11 ~~2029, authorizes the holder thereof to:~~

12 ~~—(a) Purchase stamped cigarettes from any wholesale dealer of~~
13 ~~cigarettes who holds a current license;~~

14 ~~—(b) Sell cigarettes from the premises for which the license was~~
15 ~~issued to any consumer in this State;~~

16 ~~—(c) Purchase other tobacco products from a wholesale dealer of~~
17 ~~other tobacco products who holds a current license;~~

18 ~~—(d) Sell other tobacco products to any consumer in this State;~~
19 ~~and~~

20 ~~—(e) Temporarily store and fulfill orders for cigarettes or other~~
21 ~~tobacco products at a licensed warehouse or distribution center.~~

22 ~~—5.] 2. Tobacco retail dealer [which was initially issued on or~~
23 ~~after January 1, 2024, or was most recently renewed on or after~~
24 ~~January 1, 2029,] authorizes the holder thereof to:~~

25 (a) Purchase other tobacco products from a wholesale dealer of
26 other tobacco products who holds a current license;

27 (b) Sell other tobacco products to any consumer in this State;
28 and

29 (c) Temporarily store and fulfill orders for other tobacco
30 products at a licensed warehouse or distribution center.

31 ~~{6. Cigarette vending machine operator authorizes the holder~~
32 ~~thereof to sell Nevada stamped cigarettes by means of coin-operated~~
33 ~~machines within the borders of this State.}~~

34 **Sec. 65.** NRS 370.587 is hereby amended to read as follows:

35 370.587 1. Each license issued by the Department is valid
36 only for the calendar year for which it is issued, and must be
37 renewed annually.

38 2. The Department shall not charge any license fees to operate
39 a warehouse or distribution center or for a license as a logistics
40 company. Except as otherwise provided in subsections 3 and 5, the
41 Department shall charge:

42 (a) ~~{For a license as a manufacturer, an annual license fee of~~
43 ~~\$1,000.~~

44 ~~—(b) For a license as a wholesale dealer of cigarettes, an annual~~
45 ~~license fee of \$650.~~



1 ~~—(e)~~ For a license as a wholesale dealer of other tobacco
2 products, an annual license fee of \$650.

3 ~~[(d)]~~ (b) For a license as a tobacco retail dealer, \$50.

4 3. If a license is issued at any time during the year other than
5 on January 1, except for the renewal of a delinquent license pursuant
6 to subsection 5, the licensee shall pay a proportionate part of the
7 annual fee for the remainder of the year, but not less than 25 percent
8 of the annual license fee.

9 4. The fees for a license are due and payable on January 1 of
10 each year. If the annual license fee is not paid by January 15, the
11 license is cancelled automatically.

12 5. A license which is cancelled for nonpayment of the annual
13 license fee may be renewed at any time by the payment of the fee
14 plus a 5 percent penalty thereon.

15 **Sec. 66.** NRS 370.589 is hereby amended to read as follows:

16 370.589 1. Except as otherwise provided in this section, each
17 ~~licensed wholesale dealer of cigarettes and~~ licensed wholesale
18 dealer of other tobacco products shall furnish a bond executed by
19 the wholesale dealer as principal, and by a corporation qualified
20 under the laws of this State as surety, payable to the State of Nevada
21 and conditioned upon the payment of all excise taxes required to be
22 ~~precollected~~ collected by the wholesale dealer under the provisions
23 of this chapter. Each bond must be in a principal sum equal to ~~£~~:

24 ~~—(a) For a wholesale dealer of cigarettes, the largest amount of~~
25 ~~tax precollected by the wholesale dealer in any quarter of the~~
26 ~~preceding year; or~~

27 ~~—(b) For a wholesale dealer of other tobacco products,~~ the largest
28 amount of tax paid by the wholesale dealer in any quarter of the
29 preceding year.

30 ~~→~~ If the information to establish that amount is not available, then
31 ~~in~~ the bond must be in a principal sum equal to a sum required
32 from a licensee operating under conditions deemed comparable by
33 the Department. No bond may be for less than \$1,000. When cash is
34 used, the amount must be rounded up to the next larger integral
35 multiple of \$100.

36 2. ~~Except as otherwise provided in this section, each licensed~~
37 ~~wholesale dealer of cigarettes who wishes to defer payment on the~~
38 ~~purchase of revenue stamps shall furnish a bond executed by the~~
39 ~~wholesale dealer of cigarettes as principal, and by a corporation~~
40 ~~qualified under the laws of this State as surety, payable to the State~~
41 ~~of Nevada and conditioned upon the payment of all deferred~~
42 ~~payments for revenue stamps. Each bond must be in a principal sum~~
43 ~~equal to the maximum amount of revenue stamps which the~~
44 ~~wholesale dealer of cigarettes may have unpaid at any time. No~~



1 ~~bond may be for less than \$1,000. When cash is used, the amount~~
2 ~~must be rounded up to the next larger integral multiple of \$100.~~

3 ~~—3.]~~ Upon application and a satisfactory showing, the
4 Department may increase or decrease the amount of a bond required
5 by subsection 1, ~~[or 2,]~~ based on the record of taxes remitted by the
6 ~~[wholesale dealer of cigarettes or]~~ wholesale dealer of other tobacco
7 products.

8 ~~[4.]~~ 3. The Department may waive the requirement of the bond
9 required by subsection 1, ~~[or 2,]~~ whenever a licensed ~~[wholesale~~
10 ~~dealer of cigarettes or]~~ wholesale dealer of other tobacco products
11 has maintained a satisfactory record of payment of ~~[excise taxes or]~~
12 deferred payments ~~[, respectively,]~~ for a period of 5 consecutive
13 years.

14 ~~[5.]~~ 4. A ~~[wholesale dealer of cigarettes and a]~~ wholesale
15 dealer of other tobacco products ~~[are]~~ **is** not entitled to a refund of
16 any portion of money paid as a bond pursuant to this section if the
17 ~~[wholesale dealer of cigarettes or]~~ wholesale dealer of other tobacco
18 products has failed to file a report required by this chapter or owes
19 the Department any fee, payment or penalty.

20 **Sec. 67.** NRS 370.591 is hereby amended to read as follows:

21 370.591 This chapter does not prohibit any county, city or
22 town in the State of Nevada from requiring licenses before a person
23 engages in business as ~~[a wholesale dealer of cigarettes,]~~ a
24 wholesale dealer of other tobacco products or a tobacco retail dealer.

25 **Sec. 68.** NRS 370.593 is hereby amended to read as follows:

26 370.593 1. Except as otherwise provided in subsection 2, a
27 licensee shall retain for not less than 5 years all receipts, invoices,
28 records, inventory records and financial statements necessary to
29 substantiate information submitted by the licensee to the
30 Department in any report ~~[or return]~~ required pursuant to this
31 chapter.

32 2. If a licensee fails to submit a ~~[return or]~~ report which is
33 required by this chapter, the licensee shall retain for not less than 8
34 years all receipts, invoices, records, inventory records and financial
35 statements necessary to substantiate any information which the
36 licensee was required to include in the report ~~[or return]~~ which the
37 licensee failed to submit.

38 3. Upon request, a licensee shall provide access to and permit
39 the Department to inspect, examine, photocopy and audit all
40 receipts, invoices, records, inventory records and financial
41 statements retained by the licensee pursuant to subsections 1 and 2
42 and all records and financial statements relating to the gross income
43 of the licensee.



1 4. Upon request, a licensee shall provide verification of his or
2 her gross income and any other matters affecting the enforcement of
3 the provisions of this chapter.

4 5. The Department may demand access to and inspect,
5 examine, photocopy and audit all receipts, invoices, records,
6 inventory records and financial statements of any affiliate of a
7 licensee who the Department knows or reasonably believes is
8 involved in the financing, operation or management of the licensee.
9 The inspection, examination, photocopying or audit may take place
10 on the premises of the affiliate or another location, as practicable.

11 6. The Executive Director or any person authorized in writing
12 by the Executive Director may issue a subpoena to compel the
13 attendance of witnesses at a hearing held by the Department or to
14 compel the production of records.

15 **Sec. 69.** NRS 370.595 is hereby amended to read as follows:

16 370.595 1. After notice to the licensee and a hearing as
17 prescribed by the Department, the Department may suspend or
18 revoke the license of a licensee who:

19 (a) Fails to file a report ~~for certification~~ required by this chapter
20 or files an incomplete or inaccurate report ~~for certification~~ required
21 by this chapter;

22 (b) Fails to pay any tax owed upon ~~cigarettes or~~ other tobacco
23 products required by this chapter;

24 (c) ~~Is licensed as a wholesale dealer of cigarettes and fails to~~
25 ~~cure any shortfall for which the wholesale dealer of cigarettes is~~
26 ~~liable pursuant to NRS 370.683;~~

27 ~~—(d)~~ Sells in this State, purchases or possesses any ~~cigarettes,~~
28 ~~cigarette packages or~~ other tobacco products in violation of any
29 provision of this chapter;

30 ~~[(e)]~~ (d) Imports into or exports from this State any ~~cigarettes,~~
31 ~~cigarette packages or~~ other tobacco products in violation of any
32 provision of this chapter; or

33 ~~[(f)]~~ (e) Otherwise violates, or causes or permits to be violated,
34 the provisions of this chapter or any regulation adopted thereunder.

35 2. Except as otherwise provided by subsection 4, the
36 Department, upon a finding that the licensee has knowingly or
37 negligently failed to comply with any provision of this chapter or
38 any regulation adopted by the Commission, may:

39 (a) Impose on the licensee a civil penalty pursuant to
40 NRS 370.523;

41 (b) In the case of a first violation of a provision of this chapter
42 or any regulation adopted by the Commission, suspend the license
43 of the licensee for not more than 60 consecutive calendar days;

44 (c) In the case of a second or subsequent violation of the same
45 provision of this chapter or any regulation adopted by the



1 Commission, suspend the license of the licensee for not more than
2 180 consecutive calendar days or permanently revoke the license of
3 the licensee; or

4 (d) Take any combination of the actions authorized by
5 paragraphs (a), (b) and (c).

6 3. A person whose license has been suspended or revoked shall
7 not purchase or sell ~~{cigarettes or}~~ other tobacco products or permit
8 ~~{cigarettes or}~~ other tobacco products to be sold during the period of
9 suspension or revocation:

10 (a) On the premises in this State occupied or controlled by the
11 person; or

12 (b) From any premises located outside this State if the
13 ~~{cigarettes or}~~ other tobacco products are purchased or sold for
14 distribution in this State.

15 4. The expiration, transfer, surrender, continuance, renewal or
16 extension of a license issued pursuant to this chapter does not bar or
17 abate any disciplinary proceedings or action.

18 5. The Department shall permanently revoke the license of any
19 licensee who knowingly or negligently:

20 (a) Sells or otherwise disposes of ~~{cigarettes or}~~ other tobacco
21 products that are in the constructive possession of the Department;
22 or

23 (b) Is convicted of any felony relating to the manufacture,
24 distribution or sale of ~~{cigarettes or}~~ other tobacco products.

25 6. In determining the penalty to be imposed on a licensee for a
26 violation of paragraph (a) of subsection 1, the Department shall
27 consider:

28 (a) The documented reporting and discipline record of the
29 licensee with the Department from the immediately preceding 24
30 months;

31 (b) The timeliness of the licensee in correcting any inaccurate
32 information included in a report or certification required by this
33 chapter;

34 (c) The efforts of the licensee to provide an explanation of the
35 reason for any inaccurate information included in a report or
36 certification required by this chapter or the basis for the omission of
37 information from such a report or certification;

38 ~~{If a report or certification is inaccurate because of a
39 variance between the inventory of cigarettes provided in the report
40 or certification and the actual inventory of cigarettes, the quantity of
41 the variance, the materiality of the variance and the extent to which
42 the licensee accounts for the variance by brand or by whether tax
43 has been paid on the cigarettes;~~

44 ~~{(e)}~~ Any remedial measures initiated by the licensee to prevent
45 future violations of a similar nature; and



1 ~~[(e)]~~ (e) Any other mitigating factors offered by the licensee or
2 aggravating or mitigating factors identified by the Department.

3 7. For the purposes of this section, a report or certification
4 required by this chapter is:

5 (a) Inaccurate if the report or certification does not correctly
6 record factual information or there is a discrepancy in the
7 information included in the report and the factual information.

8 (b) Incomplete if the report or certification does not include all
9 necessary or responsive information.

10 **Sec. 70.** NRS 370.597 is hereby amended to read as follows:

11 370.597 The Department shall adopt regulations establishing a
12 procedure for the suspension and revocation of any license issued
13 pursuant to NRS ~~[370.531]~~ 370.567 to 370.597, inclusive. In
14 adopting the regulations required by this section, the Department
15 shall consider the effect of any suspension or revocation of a license
16 on the inventory of ~~[cigarettes or]~~ other tobacco products that are in
17 the stream of distribution at the time of suspension or revocation.

18 **Sec. 71.** NRS 370A.095 is hereby amended to read as follows:

19 370A.095 "Qualified tribal land" ~~[has the meaning ascribed to~~
20 ~~it in NRS 370.0325.]~~ *means any real property:*

21 *1. For which legal title is vested in, or held in trust for the*
22 *benefit of, an Indian tribe or an individual Native American, and*
23 *which is subject to restrictions against alienation pursuant to*
24 *federal law; and*

25 *2. Over which an Indian tribe exercises governmental power.*

26 **Sec. 72.** Chapter 422 of NRS is hereby amended by adding
27 thereto a new section to read as follows:

28 *1. The Director shall include in the State Plan for Medicaid a*
29 *requirement that the State pay the nonfederal share of*
30 *expenditures incurred for services relating to at least two attempts*
31 *per year by a recipient of Medicaid to cease using tobacco,*
32 *including, without limitation, four sessions of counseling*
33 *concerning the cessation of the use of tobacco of at least 10*
34 *minutes.*

35 *2. The Director shall not require prior authorization for any*
36 *service described in subsection 1.*

37 **Sec. 73.** NRS 422.4025 is hereby amended to read as follows:

38 422.4025 1. The Department shall:

39 (a) By regulation, develop a list of preferred prescription drugs
40 to be used for the Medicaid program and the Children's Health
41 Insurance Program, and each public or nonprofit health benefit plan
42 that elects to use the list of preferred prescription drugs as its
43 formulary pursuant to NRS 287.012, 287.0433 or 687B.407; and

44 (b) Negotiate and enter into agreements to purchase the drugs
45 included on the list of preferred prescription drugs on behalf of the



1 health benefit plans described in paragraph (a) or enter into a
2 contract pursuant to NRS 422.4053 with a pharmacy benefit
3 manager, health maintenance organization or one or more public or
4 private entities in this State, the District of Columbia or other states
5 or territories of the United States, as appropriate, to negotiate such
6 agreements.

7 2. The Department shall, by regulation, establish a list of
8 prescription drugs which must be excluded from any restrictions that
9 are imposed by the Medicaid program on drugs that are on the list of
10 preferred prescription drugs established pursuant to subsection 1.
11 The list established pursuant to this subsection must include,
12 without limitation:

13 (a) Prescription drugs that are prescribed for the treatment of the
14 human immunodeficiency virus, including, without limitation,
15 antiretroviral medications;

16 (b) Antirejection medications for organ transplants;

17 (c) Antihemophilic medications; ~~and~~

18 (d) *Any prescription drug described in paragraph (c) of*
19 *subsection 4; and*

20 (e) Any prescription drug which the Board identifies as
21 appropriate for exclusion from any restrictions that are imposed by
22 the Medicaid program on drugs that are on the list of preferred
23 prescription drugs.

24 3. The regulations must provide that the Board makes the final
25 determination of:

26 (a) Whether a class of therapeutic prescription drugs is included
27 on the list of preferred prescription drugs and is excluded from any
28 restrictions that are imposed by the Medicaid program on drugs that
29 are on the list of preferred prescription drugs;

30 (b) Which therapeutically equivalent prescription drugs will be
31 reviewed for inclusion on the list of preferred prescription drugs and
32 for exclusion from any restrictions that are imposed by the Medicaid
33 program on drugs that are on the list of preferred prescription drugs;
34 and

35 (c) Which prescription drugs should be excluded from any
36 restrictions that are imposed by the Medicaid program on drugs that
37 are on the list of preferred prescription drugs based on continuity of
38 care concerning a specific diagnosis, condition, class of therapeutic
39 prescription drugs or medical specialty.

40 4. The list of preferred prescription drugs established pursuant
41 to subsection 1 must include, without limitation:

42 (a) Any prescription drug determined by the Board to be
43 essential for treating sickle cell disease and its variants; ~~and~~

44 (b) Prescription drugs to prevent the acquisition of human
45 immunodeficiency virus ~~and~~; *and*



1 (c) *Any prescription drug approved by the United States Food*
2 *and Drug Administration for the cessation of the use of tobacco.*

3 5. The regulations must provide that each new pharmaceutical
4 product and each existing pharmaceutical product for which there is
5 new clinical evidence supporting its inclusion on the list of preferred
6 prescription drugs must be made available pursuant to the Medicaid
7 program with prior authorization until the Board reviews the product
8 or the evidence.

9 6. On or before February 1 of each year, the Department shall:

10 (a) Compile a report concerning the agreements negotiated
11 pursuant to paragraph (b) of subsection 1 and contracts entered into
12 pursuant to NRS 422.4053 which must include, without limitation,
13 the financial effects of obtaining prescription drugs through those
14 agreements and contracts, in total and aggregated separately for
15 agreements negotiated by the Department, contracts with a
16 pharmacy benefit manager, contracts with a health maintenance
17 organization and contracts with public and private entities from this
18 State, the District of Columbia and other states and territories of the
19 United States; and

20 (b) Post the report on an Internet website maintained by the
21 Department and submit the report to the Director of the Legislative
22 Counsel Bureau for transmittal to:

23 (1) In odd-numbered years, the Legislature; or

24 (2) In even-numbered years, the Legislative Commission.

25 **Sec. 74.** NRS 483.530 is hereby amended to read as follows:

26 483.530 1. Except as otherwise provided in subsection 2, it is
27 a misdemeanor for any person:

28 (a) To display or cause or permit to be displayed or possess any
29 cancelled, revoked, suspended, fictitious, fraudulently altered or
30 fraudulently obtained driver's license;

31 (b) To alter, forge, substitute, counterfeit or use an unvalidated
32 driver's license;

33 (c) To lend his or her driver's license to any other person or
34 knowingly permit the use thereof by another;

35 (d) To display or represent as one's own any driver's license not
36 issued to him or her;

37 (e) To fail or refuse to surrender to the Department, a peace
38 officer or a court upon lawful demand any driver's license which
39 has been suspended, revoked or cancelled;

40 (f) To permit any unlawful use of a driver's license issued to
41 him or her; or

42 (g) To photograph, photostat, duplicate or in any way reproduce
43 any driver's license or facsimile thereof in such a manner that it
44 could be mistaken for a valid license, or to display or possess any



1 such photograph, photostat, duplicate, reproduction or facsimile
2 unless authorized by this chapter.

3 2. Except as otherwise provided in this subsection, a person
4 who uses a false or fictitious name in any application for a driver's
5 license or identification card or who knowingly makes a false
6 statement or knowingly conceals a material fact or otherwise
7 commits a fraud in any such application is guilty of a category E
8 felony and shall be punished as provided in NRS 193.130. If the
9 false statement, knowing concealment of a material fact or other
10 commission of fraud described in this subsection relates solely to
11 the age of a person, including, without limitation, to establish false
12 proof of age to game, purchase alcoholic beverages or purchase
13 ~~cigarettes or other~~ tobacco products, the person is guilty of a
14 misdemeanor.

15 **Sec. 75.** NRS 687B.225 is hereby amended to read as follows:

16 687B.225 1. Except as otherwise provided in NRS
17 689A.0405, 689A.0412, 689A.0413, 689A.044, 689A.0445,
18 689B.031, 689B.0313, 689B.0315, 689B.0317, 689B.0374,
19 689C.1675, 695A.1856, 695B.1912, 695B.1913, 695B.1914,
20 695B.1925, 695B.1942, 695C.1713, 695C.1735, 695C.1737,
21 695C.1745, 695C.1751, 695G.170, 695G.171, 695G.1714 and
22 695G.177, *and sections 76, 78, 79, 81, 82, 83 and 86 of this act*,
23 any contract for group, blanket or individual health insurance or any
24 contract by a nonprofit hospital, medical or dental service
25 corporation or organization for dental care which provides for
26 payment of a certain part of medical or dental care may require the
27 insured or member to obtain prior authorization for that care from
28 the insurer or organization. The insurer or organization shall:

29 (a) File its procedure for obtaining approval of care pursuant to
30 this section for approval by the Commissioner; and

31 (b) Respond to any request for approval by the insured or
32 member pursuant to this section within 20 days after it receives the
33 request.

34 2. The procedure for prior authorization may not discriminate
35 among persons licensed to provide the covered care.

36 **Sec. 76.** Chapter 689A of NRS is hereby amended by adding
37 thereto a new section to read as follows:

38 *1. An insurer that offers or issues a policy of health*
39 *insurance shall include in the policy coverage for at least two*
40 *attempts per year by an insured to cease using tobacco, including,*
41 *without limitation:*

42 *(a) Four sessions of counseling relating to the cessation of the*
43 *use of tobacco of at least 10 minutes each; and*



1 ***(b) An unlimited amount of any drug approved by the United***
2 ***States Food and Drug Administration for the cessation of the use***
3 ***of tobacco prescribed by an appropriate practitioner.***

4 ***2. A policy of health insurance must not require an insured to***
5 ***obtain prior authorization for any service provided pursuant to***
6 ***this section.***

7 ***3. A policy of health insurance subject to the provisions of***
8 ***this chapter that is delivered, issued for delivery or renewed on or***
9 ***after January 1, 2024, has the legal effect of including the***
10 ***coverage required by this section, and any provision of the policy***
11 ***of health insurance that is in conflict with this section is void.***

12 ***4. As used in this section, “practitioner” has the meaning***
13 ***ascribed to it in NRS 639.0125.***

14 **Sec. 77.** NRS 689A.330 is hereby amended to read as follows:

15 689A.330 If any policy is issued by a domestic insurer for
16 delivery to a person residing in another state, and if the insurance
17 commissioner or corresponding public officer of that other state has
18 informed the Commissioner that the policy is not subject to approval
19 or disapproval by that officer, the Commissioner may by ruling
20 require that the policy meet the standards set forth in NRS 689A.030
21 to 689A.320, inclusive **[]**, **and section 76 of this act.**

22 **Sec. 78.** Chapter 689B of NRS is hereby amended by adding
23 thereto a new section to read as follows:

24 ***1. An insurer that offers or issues a policy of group health***
25 ***insurance shall include in the policy coverage for at least two***
26 ***attempts per year by an insured to cease using tobacco, including,***
27 ***without limitation:***

28 ***(a) Four sessions of counseling relating to the cessation of the***
29 ***use of tobacco of at least 10 minutes each; and***

30 ***(b) An unlimited amount of any drug approved by the United***
31 ***States Food and Drug Administration for the cessation of the use***
32 ***of tobacco prescribed by an appropriate practitioner.***

33 ***2. A policy of group health insurance must not require an***
34 ***insured to obtain prior authorization for any service provided***
35 ***pursuant to this section.***

36 ***3. A policy of group health insurance subject to the***
37 ***provisions of this chapter that is delivered, issued for delivery or***
38 ***renewed on or after January 1, 2024, has the legal effect of***
39 ***including the coverage required by this section, and any provision***
40 ***of the policy of group health insurance that is in conflict with this***
41 ***section is void.***

42 ***4. As used in this section, “practitioner” has the meaning***
43 ***ascribed to it in NRS 639.0125.***



1 **Sec. 79.** Chapter 689C of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *A carrier that offers or issues a health benefit plan shall*
4 *include in the plan coverage for at least two attempts per year by*
5 *an insured to cease using tobacco, including, without limitation:*

6 (a) *Four sessions of counseling relating to the cessation of the*
7 *use of tobacco of at least 10 minutes each; and*

8 (b) *An unlimited amount of any drug approved by the United*
9 *States Food and Drug Administration for the cessation of the use*
10 *of tobacco prescribed by an appropriate practitioner.*

11 2. *A health benefit plan must not require an insured to obtain*
12 *prior authorization for any service provided pursuant to this*
13 *section.*

14 3. *A health benefit plan subject to the provisions of this*
15 *chapter that is delivered, issued for delivery or renewed on or after*
16 *January 1, 2024, has the legal effect of including the coverage*
17 *required by this section, and any provision of the health benefit*
18 *plan that is in conflict with this section is void.*

19 4. *As used in this section, "practitioner" has the meaning*
20 *ascribed to it in NRS 639.0125.*

21 **Sec. 80.** NRS 689C.425 is hereby amended to read as follows:

22 689C.425 A voluntary purchasing group and any contract
23 issued to such a group pursuant to NRS 689C.360 to 689C.600,
24 inclusive, are subject to the provisions of NRS 689C.015 to
25 689C.355, inclusive, *and section 79 of this act*, to the extent
26 applicable and not in conflict with the express provisions of NRS
27 687B.408 and 689C.360 to 689C.600, inclusive.

28 **Sec. 81.** Chapter 695A of NRS is hereby amended by adding
29 thereto a new section to read as follows:

30 1. *A society that offers or issues a benefit contract shall*
31 *include in the contract coverage for at least two attempts per year*
32 *by an insured to cease using tobacco, including, without*
33 *limitation:*

34 (a) *Four sessions of counseling relating to the cessation of the*
35 *use of tobacco of at least 10 minutes each; and*

36 (b) *An unlimited amount of any drug approved by the United*
37 *States Food and Drug Administration for the cessation of the use*
38 *of tobacco prescribed by an appropriate practitioner.*

39 2. *A benefit contract must not require an insured to obtain*
40 *prior authorization for any service provided pursuant to this*
41 *section.*

42 3. *A benefit contract subject to the provisions of this chapter*
43 *that is delivered, issued for delivery or renewed on or after*
44 *January 1, 2024, has the legal effect of including the coverage*



1 *required by this section, and any provision of the benefit contract*
2 *that is in conflict with this section is void.*

3 *4. As used in this section, "practitioner" has the meaning*
4 *ascribed to it in NRS 639.0125.*

5 **Sec. 82.** Chapter 695B of NRS is hereby amended by adding
6 thereto a new section to read as follows:

7 *1. A hospital or medical services corporation that offers or*
8 *issues a policy of health insurance shall include in the policy*
9 *coverage for at least two attempts per year by an insured to cease*
10 *using tobacco, including, without limitation:*

11 *(a) Four sessions of counseling relating to the cessation of the*
12 *use of tobacco of at least 10 minutes each; and*

13 *(b) An unlimited amount of any drug approved by the United*
14 *States Food and Drug Administration for the cessation of the use*
15 *of tobacco prescribed by an appropriate practitioner.*

16 *2. A policy of health insurance must not require an insured to*
17 *obtain prior authorization for any service provided pursuant to*
18 *this section.*

19 *3. A policy of health insurance subject to the provisions of*
20 *this chapter that is delivered, issued for delivery or renewed on or*
21 *after January 1, 2024, has the legal effect of including the*
22 *coverage required by this section, and any provision of the policy*
23 *of health insurance that is in conflict with this section is void.*

24 *4. As used in this section, "practitioner" has the meaning*
25 *ascribed to it in NRS 639.0125.*

26 **Sec. 83.** Chapter 695C of NRS is hereby amended by adding
27 thereto a new section to read as follows:

28 *1. A health maintenance organization that offers or issues a*
29 *health care plan shall include in the plan coverage for at least two*
30 *attempts per year by an enrollee to cease using tobacco, including,*
31 *without limitation:*

32 *(a) Four sessions of counseling relating to the cessation of the*
33 *use of tobacco of at least 10 minutes each; and*

34 *(b) An unlimited amount of any drug approved by the United*
35 *States Food and Drug Administration for the cessation of the use*
36 *of tobacco prescribed by an appropriate practitioner.*

37 *2. A health care plan must not require an enrollee to obtain*
38 *prior authorization for any service provided pursuant to this*
39 *section.*

40 *3. A health care plan subject to the provisions of this chapter*
41 *that is delivered, issued for delivery or renewed on or after*
42 *January 1, 2024, has the legal effect of including the coverage*
43 *required by this section, and any provision of the evidence of*
44 *coverage that is in conflict with this section is void.*



1 **4. As used in this section, “practitioner” has the meaning**
2 **ascribed to it in NRS 639.0125.**

3 **Sec. 84.** NRS 695C.050 is hereby amended to read as follows:

4 695C.050 1. Except as otherwise provided in this chapter or
5 in specific provisions of this title, the provisions of this title are not
6 applicable to any health maintenance organization granted a
7 certificate of authority under this chapter. This provision does not
8 apply to an insurer licensed and regulated pursuant to this title
9 except with respect to its activities as a health maintenance
10 organization authorized and regulated pursuant to this chapter.

11 2. Solicitation of enrollees by a health maintenance
12 organization granted a certificate of authority, or its representatives,
13 must not be construed to violate any provision of law relating to
14 solicitation or advertising by practitioners of a healing art.

15 3. Any health maintenance organization authorized under this
16 chapter shall not be deemed to be practicing medicine and is exempt
17 from the provisions of chapter 630 of NRS.

18 4. The provisions of NRS 695C.110, 695C.125, 695C.1691,
19 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to
20 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734,
21 695C.1751, 695C.1755, 695C.1759, 695C.176 to 695C.200,
22 inclusive, and 695C.265 do not apply to a health maintenance
23 organization that provides health care services through managed
24 care to recipients of Medicaid under the State Plan for Medicaid or
25 insurance pursuant to the Children’s Health Insurance Program
26 pursuant to a contract with the Division of Health Care Financing
27 and Policy of the Department of Health and Human Services. This
28 subsection does not exempt a health maintenance organization from
29 any provision of this chapter for services provided pursuant to any
30 other contract.

31 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive,
32 695C.1701, 695C.1708, 695C.1728, 695C.1731, 695C.17333,
33 695C.17345, 695C.17347, 695C.1735, 695C.1737, 695C.1743,
34 695C.1745 and 695C.1757 **and section 83 of this act** apply to a
35 health maintenance organization that provides health care services
36 through managed care to recipients of Medicaid under the State Plan
37 for Medicaid.

38 **Sec. 85.** NRS 695C.330 is hereby amended to read as follows:

39 695C.330 1. The Commissioner may suspend or revoke any
40 certificate of authority issued to a health maintenance organization
41 pursuant to the provisions of this chapter if the Commissioner finds
42 that any of the following conditions exist:

43 (a) The health maintenance organization is operating
44 significantly in contravention of its basic organizational document,
45 its health care plan or in a manner contrary to that described in and



1 reasonably inferred from any other information submitted pursuant
2 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments
3 to those submissions have been filed with and approved by the
4 Commissioner;

5 (b) The health maintenance organization issues evidence of
6 coverage or uses a schedule of charges for health care services
7 which do not comply with the requirements of NRS 695C.1691 to
8 695C.200, inclusive, *and section 83 of this act* or 695C.207;

9 (c) The health care plan does not furnish comprehensive health
10 care services as provided for in NRS 695C.060;

11 (d) The Commissioner certifies that the health maintenance
12 organization:

13 (1) Does not meet the requirements of subsection 1 of NRS
14 695C.080; or

15 (2) Is unable to fulfill its obligations to furnish health care
16 services as required under its health care plan;

17 (e) The health maintenance organization is no longer financially
18 responsible and may reasonably be expected to be unable to meet its
19 obligations to enrollees or prospective enrollees;

20 (f) The health maintenance organization has failed to put into
21 effect a mechanism affording the enrollees an opportunity to
22 participate in matters relating to the content of programs pursuant to
23 NRS 695C.110;

24 (g) The health maintenance organization has failed to put into
25 effect the system required by NRS 695C.260 for:

26 (1) Resolving complaints in a manner reasonably to dispose
27 of valid complaints; and

28 (2) Conducting external reviews of adverse determinations
29 that comply with the provisions of NRS 695G.241 to 695G.310,
30 inclusive;

31 (h) The health maintenance organization or any person on its
32 behalf has advertised or merchandised its services in an untrue,
33 misrepresentative, misleading, deceptive or unfair manner;

34 (i) The continued operation of the health maintenance
35 organization would be hazardous to its enrollees or creditors or to
36 the general public;

37 (j) The health maintenance organization fails to provide the
38 coverage required by NRS 695C.1691; or

39 (k) The health maintenance organization has otherwise failed to
40 comply substantially with the provisions of this chapter.

41 2. A certificate of authority must be suspended or revoked only
42 after compliance with the requirements of NRS 695C.340.

43 3. If the certificate of authority of a health maintenance
44 organization is suspended, the health maintenance organization shall
45 not, during the period of that suspension, enroll any additional



1 groups or new individual contracts, unless those groups or persons
2 were contracted for before the date of suspension.

3 4. If the certificate of authority of a health maintenance
4 organization is revoked, the organization shall proceed, immediately
5 following the effective date of the order of revocation, to wind up its
6 affairs and shall conduct no further business except as may be
7 essential to the orderly conclusion of the affairs of the organization.
8 It shall engage in no further advertising or solicitation of any kind.
9 The Commissioner may, by written order, permit such further
10 operation of the organization as the Commissioner may find to be in
11 the best interest of enrollees to the end that enrollees are afforded
12 the greatest practical opportunity to obtain continuing coverage for
13 health care.

14 **Sec. 86.** Chapter 695G of NRS is hereby amended by adding
15 thereto a new section to read as follows:

16 *1. A managed care organization that offers or issues a health
17 care plan shall include in the plan coverage for at least two
18 attempts per year by an insured to cease using tobacco, including,
19 without limitation:*

20 *(a) Four sessions of counseling relating to the cessation of the
21 use of tobacco of at least 10 minutes each; and*

22 *(b) An unlimited amount of any drug approved by the United
23 States Food and Drug Administration for the cessation of the use
24 of tobacco prescribed by an appropriate practitioner.*

25 *2. A health care plan must not require an insured to obtain
26 prior authorization for any service provided pursuant to this
27 section.*

28 *3. A health care plan subject to the provisions of this chapter
29 that is delivered, issued for delivery or renewed on or after
30 January 1, 2024, has the legal effect of including the coverage
31 required by this section, and any provision of the evidence of
32 coverage that is in conflict with this section is void.*

33 *4. As used in this section, "practitioner" has the meaning
34 ascribed to it in NRS 639.0125.*

35 **Sec. 87.** NRS 704.78343 is hereby amended to read as
36 follows:

37 704.78343 1. "Historically underserved community" means:

38 (a) A census tract:

39 (1) Designated as a qualified census tract by the Secretary of
40 Housing and Urban Development pursuant to 26 U.S.C. §
41 42(d)(5)(B)(ii); or

42 (2) In which, in the immediately preceding census, at least 20
43 percent of households were not proficient in the English language;

44 (b) A public school in this State:



1 (1) In which 75 percent or more of the enrolled pupils in the
2 school are eligible for free or reduced-price lunches pursuant to 42
3 U.S.C. §§ 1751 et seq.; or

4 (2) That participates in universal meal service in high
5 poverty areas pursuant to Section 104 of the Healthy, Hunger-Free
6 Kids Act of 2010, Public Law 111-296; or

7 (c) Qualified tribal land. ~~[, as defined in NRS 370.0325.]~~

8 2. As used in this section:

9 (a) "Block" means the smallest geographical unit whose
10 boundaries were designated by the Bureau of the Census of the
11 United States Department of Commerce in its topographically
12 integrated geographic encoding and referencing system.

13 (b) "Block group" means a combination of blocks whose
14 numbers begin with the same digit.

15 (c) "Census tract" means a combination of block groups.

16 (d) ***"Qualified tribal land" means any real property:***

17 (1) ***For which legal title is vested in, or held in trust for the***
18 ***benefit of, an Indian tribe or an individual Native American, and***
19 ***which is subject to restrictions against alienation pursuant to***
20 ***federal law; and***

21 (2) ***Over which an Indian tribe exercises governmental***
22 ***power.***

23 **Sec. 88.** NRS 704.7867 is hereby amended to read as follows:

24 704.7867 1. An electric utility in this State shall file with the
25 Commission, as part of the distributed resources plan required to be
26 submitted pursuant to NRS 704.741, a plan to accelerate
27 transportation electrification in this State. Two or more electric
28 utilities that are affiliated through common ownership and that have
29 an interconnected system for the transmission of electricity shall
30 submit a joint plan.

31 2. A plan submitted pursuant to subsection 1 may include:

32 (a) Investments or incentives to facilitate the deployment of
33 charging infrastructure and associated electrical equipment which
34 supports transportation electrification across all customer classes
35 including, without limitation, investments or incentives for
36 residential charging infrastructure at single-family homes and multi-
37 unit dwellings for both shared and assigned parking spaces;

38 (b) Investments or incentives to facilitate the electrification of
39 public transit and publicly owned vehicle fleets;

40 (c) Investments or incentives to increase access to the use of
41 electricity as a transportation fuel in historically underserved
42 communities;

43 (d) Rate designs, programs or management systems that
44 encourage the charging of vehicles in a manner that supports the
45 operation and optimal integration of transportation electrification



1 into the electric grid, including, without limitation, proposed
2 schedules necessary to implement the rate designs or programs; and
3 (e) Customer education and culturally competent and
4 linguistically appropriate outreach programs that increase awareness
5 of investments, incentives, rate designs and programs of the type
6 listed in paragraphs (a) to (d), inclusive, and of the benefits of
7 transportation electrification.

8 3. During the 9 months immediately before an electric utility
9 files its first plan pursuant to subsection 1 and during the 12 months
10 immediately before an electric utility files any subsequent plan
11 pursuant to subsection 1, the electric utility shall conduct at least
12 one stakeholder engagement meeting each calendar quarter to
13 discuss the development of the plan and to solicit comments and
14 gather ideas for improvements or additions to the plan which
15 support transportation electrification. Each stakeholder engagement
16 meeting must be open to participation by the Regulatory Operations
17 Staff of the Commission, personnel from the Bureau of Consumer
18 Protection in the Office of the Attorney General and any other
19 interested person. Each plan filed pursuant to subsection 1 must
20 include a summary of the stakeholder engagement meetings
21 conducted in the 9- or 12-month period, as applicable, immediately
22 preceding the filing of the plan, which must include, without
23 limitation, summaries of the comments and ideas provided by the
24 participants.

25 4. Not more than 60 days after the issuance of an order by the
26 Commission pursuant to NRS 704.751 approving or modifying a
27 plan submitted pursuant to subsection 1, an electric utility which
28 supplies electricity in this State shall file with the Commission any
29 schedules necessary to implement the rate designs and programs
30 included in the plan.

31 5. To the extent that a plan submitted pursuant to subsection 1
32 includes programs in which customers may participate, eligibility
33 for participation by customers in such programs must be offered by
34 the electric utility on a nondiscriminatory basis to both bundled
35 retail customers and eligible customers, as defined in NRS
36 704B.080, who purchase or plan to purchase electricity from a
37 provider of new electric resources, as defined in NRS 704B.130.

38 6. The Commission shall adopt regulations necessary to carry
39 out the provisions of this section. The regulations adopted pursuant
40 to this section may require an annual review of the progress and
41 budgets of an approved plan submitted pursuant to this section.

42 7. As used in this section:

43 (a) "Block" means the smallest geographical unit whose
44 boundaries were designated by the Bureau of the Census of the



1 United States Department of Commerce in its topographically
2 integrated geographic encoding and referencing system.

3 (b) "Block group" means a combination of blocks whose
4 numbers begin with the same digit.

5 (c) "Census tract" means a combination of block groups.

6 (d) "Electric utility" has the meaning ascribed to it in
7 NRS 704.187.

8 (e) "Historically underserved community" means:

9 (1) A census tract:

10 (I) Designated as a qualified census tract by the Secretary
11 of Housing and Urban Development pursuant to 26 U.S.C. §
12 42(d)(5)(B)(ii); or

13 (II) In which, in the immediately preceding census, at
14 least 20 percent of households were not proficient in the English
15 language;

16 (2) A public school in this State:

17 (I) In which 75 percent or more of the enrolled pupils in
18 the school are eligible for free or reduced-price lunches pursuant to
19 42 U.S.C. §§ 1751 et seq.; or

20 (II) That participates in universal meal service in high
21 poverty areas pursuant to Section 104 of the Healthy, Hunger-Free
22 Kids Act of 2010, Public Law 111-296; or

23 (3) Qualified tribal land . [~~as defined in NRS 370.0325.~~]

24 (f) *"Qualified tribal land" means any real property:*

25 *(1) For which legal title is vested in, or held in trust for the*
26 *benefit of, an Indian tribe or an individual Native American, and*
27 *which is subject to restrictions against alienation pursuant to*
28 *federal law; and*

29 *(2) Over which an Indian tribe exercises governmental*
30 *power.*

31 (g) "Transportation electrification" means the use of electricity
32 from external sources to power, wholly or in part, passenger
33 vehicles, trucks, buses, trains, boats or other equipment that
34 transports goods or people.

35 **Sec. 89.** Section 5 of this act is hereby amended to read as
36 follows:

37 Sec. 5. 1. It is unlawful to sell, distribute or offer to
38 sell:

39 (a) [~~Cigarettes, cigarette~~] *Cigarette* paper or a vapor
40 product that contains a distinguishable taste or aroma other
41 than the taste or aroma of tobacco, including, without
42 limitation, vanilla, honey, cocoa, menthol, mint and
43 wintergreen.

44 (b) A product that is designed, manufactured, produced,
45 marketed or sold to be added to cigarettes, cigarette paper or a



vapor product that produces a distinguishable taste or aroma other than the taste or aroma of tobacco.

(c) Cigarettes.

2. In addition to or in lieu of any other civil or criminal remedy provided by law, a person who violates this section is subject to:

(a) A civil penalty in an amount not more than \$1,000 for each violation; and

(b) The suspension or revocation of the license of the person by the Department of Taxation, if the person is licensed pursuant to chapter 370 of NRS.

Sec. 90. The State Fire Marshall shall transfer any balance remaining in the Cigarette Fire Safety Standard and Firefighter Protection Fund created by NRS 477.210 on January 1, 2030, to the State Treasurer for credit to the State General Fund.

Sec. 91. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 92. NRS 76.103, 202.2494, 370.007, 370.009, 370.013, 370.014, 370.015, 370.027, 370.0275, 370.028, 370.0295, 370.0325, 370.037, 370.042, 370.048, 370.070, 370.0751, 370.077, 370.090, 370.165, 370.170, 370.175, 370.180, 370.190, 370.193, 370.195, 370.200, 370.210, 370.220, 370.230, 370.240, 370.255, 370.257, 370.270, 370.280, 370.290, 370.295, 370.301, 370.310, 370.315, 370.350, 370.360, 370.371, 370.3715, 370.372, 370.3725, 370.373, 370.3735, 370.374, 370.376, 370.378, 370.385, 370.400, 370.430, 370.440, 370.525, 370.531, 370.533, 370.535, 370.537, 370.539, 370.541, 370.543, 370.545, 370.547, 370.549, 370.551, 370.553, 370.555, 370.557, 370.559, 370.561, 370.563, 370.565, 370.600, 370.605, 370.610, 370.615, 370.620, 370.625, 370.630, 370.635, 370.640, 370.645, 370.650, 370.655, 370.660, 370.663, 370.665, 370.670, 370.675, 370.677, 370.680, 370.682, 370.683, 370.684, 370.685, 370.690, 370.692, 370.693, 370.695, 370.696, 370.697, 370.698, 370.700, 370.705, 442.340, 477.172, 477.174, 477.176, 477.178, 477.182, 477.184, 477.186, 477.188, 477.192, 477.194, 477.196, 477.198, 477.202, 477.204, 477.206, 477.208, 477.210 and 477.214 are hereby repealed.

Sec. 93. NRS 370A.010, 370A.020, 370A.030, 370A.040, 370A.050, 370A.060, 370A.070, 370A.080, 370A.090, 370A.095, 370A.100, 370A.110, 370A.120, 370A.130, 370A.140, 370A.150, 370A.153, 370A.157, 370A.160 and 370A.170 are hereby repealed.

Sec. 94. 1. This section becomes effective upon passage and approval.

2. Section 1 of this act becomes effective on July 1, 2023.



- 1 3. Sections 5, 6, 7, 9, 11, 13, 16, 18, 20, 21, 53, 59, 63, 72, 73,
2 75 to 86, inclusive, and 91 of this act become effective:
3 (a) Upon passage and approval for the purpose of adopting any
4 regulations and performing any other preparatory administrative
5 tasks that are necessary to carry out the provisions of this act; and
6 (b) On January 1, 2024, for all other purposes.
7 4. Sections 2, 4, 8, 10, 12, 14, 15, 17, 19, 22 to 52, inclusive,
8 54 to 58, inclusive, 60, 61, 62, 64 to 71, inclusive, 74, 87 to 90,
9 inclusive, and 92 of this act become effective on January 1, 2030.
10 5. Sections 3 and 93 of this act become effective on January 1,
11 2055.

LEADLINES OF REPEALED SECTIONS

- 76.103 Certain manufacturers not required to obtain state business license.**
202.2494 Cigarette vending machines lawful in certain public areas; restrictions on coin-operated machines.
370.007 Definitions.
370.009 "Basic cost of cigarettes" defined.
370.013 "Cigarette package" defined.
370.014 "Cigarette rolling machine" defined.
370.015 "Cigarette vending machine operator" defined.
370.027 "Cost to the wholesale dealer" defined.
370.0275 "Counterfeit cigarettes" defined.
370.028 "Counterfeit stamp" defined.
370.0295 "Importer" defined.
370.0325 "Qualified tribal land" defined.
370.037 "Sale at wholesale" defined.
370.042 "Secretary" defined.
370.048 "Stamp" defined.
370.070 Applicability.
370.0751 Imposition of excise tax on cigarettes by governing body of Indian reservation or colony.
370.077 Cigarette taxes are direct taxes upon consumer.
370.090 Inventory required for wholesale dealer.
370.165 Levy, rate and collection of tax.
370.170 Revenue stamp to be affixed to each package of cigarettes; tribal stamp required on each package of cigarettes sold on tribal land or by Indian tribe.
370.175 Unstamped cigarettes: Restriction on possession.



370.180 Design and printing of revenue stamps; identification of dealer on stamp; regulations concerning use of metered stamping machine.

370.190 Sale of revenue stamps by Department; payment for revenue stamps; regulations.

370.193 Department to fix maximum amount of revenue stamps upon application by wholesale dealer.

370.195 Due date for deferred payment owing for revenue stamps; extension; conditions under which Department may suspend without notice privilege to defer payment.

370.200 Sale of cigarette revenue stamps by sheriff and city officers.

370.210 Requirements for and restrictions on affixing stamps; handling of unstamped cigarettes for sale or distribution outside State.

370.220 Allowance of discounts for services rendered by dealers.

370.230 Destruction of spoiled or unusable stamps upon written authorization of State Board of Examiners.

370.240 Monthly reports of wholesale dealers: Due date; contents and form; separate report for each facility; extension of deadline; correction of errors; reporting of additional information.

370.255 Maintenance and retention of records regarding certain transactions of wholesale dealers, retail dealers and manufacturers.

370.257 Access to and sharing of records and reports; confidentiality of data relating to cigarette sales provided in accordance with certain settlement agreements; audit of records and investigation of facilities by Department.

370.270 Duties of retail dealers and vending machine operators; unlawful possession of unstamped cigarettes; seizure and disposition of unstamped cigarettes and vending machines.

370.280 Tax refunds; wholesale dealer required to return unused tribal stamps after ceasing operations.

370.290 Exemption for cigarettes exported from State; notice to Department of Taxation and state of destination; penalty.

370.295 Transportation of cigarettes: Invoices to accompany shipment.

370.301 Transportation of unstamped cigarettes; inspection of vehicles for contraband cigarettes.

370.310 Sale or distribution of tax-free cigarettes by vending machine prohibited.

370.315 Sale of cigarettes in various packages.



- 370.350 Levy; amount; exemptions.
- 370.360 Payment of tax; reports.
- 370.371 Prevention of competition by wholesale dealer; purchase of cigarettes below cost by retail dealer; penalty; prima facie evidence.
 - 370.3715 Adoption of regulations by Nevada Tax Commission.
 - 370.372 Determination of cost of cigarettes to wholesale dealer.
 - 370.3725 Selling price of wholesale dealer in certain circumstances.
 - 370.373 Sale by wholesale dealer of cigarettes bought from another wholesale dealer.
 - 370.3735 Certain sales at wholesale exempted.
 - 370.374 Meeting lawful price of competitor.
 - 370.376 Contract in violation of provisions is void.
 - 370.378 Action to prevent, restrain or enjoin a violation or threatened violation of provisions; action for damages and costs.
- 370.385 Prohibited acts by wholesale or retail dealer; prohibited acts regarding cigarettes manufactured for export outside United States; penalties; seizure and destruction of certain unlawfully stamped cigarettes.
 - 370.400 Penalty for violation of NRS 370.350 or 370.360.
 - 370.430 Penalty for exportation of unstamped cigarettes to unauthorized persons.
 - 370.440 Definitions.
 - 370.525 Civil action for injunctive relief.
 - 370.531 Definitions.
 - 370.533 "Cigarette" defined.
 - 370.535 "Cigarette rolling machine" defined.
 - 370.537 "Cigarette vending machine operator" defined.
 - 370.539 "Commission" defined.
 - 370.541 "Consumer" defined.
 - 370.543 "License" defined.
 - 370.545 "Licensee" defined.
 - 370.547 "Logistics company" defined.
 - 370.549 "Manufacturer" defined.
 - 370.551 "Other tobacco product" defined.
 - 370.553 "Place of business" defined.
 - 370.555 "Sale" and "to sell" defined.
 - 370.557 "Stamp" defined.
 - 370.559 "Tobacco retail dealer" defined.
 - 370.561 "Warehouse or distribution center" defined.
 - 370.563 "Wholesale dealer of cigarettes" defined.



370.565 “Wholesale dealer of other tobacco products” defined.

370.600 Legislative findings.

370.605 Definitions.

370.610 “Brand family” defined.

370.615 “Cigarette” defined.

370.620 “Directory” defined.

370.625 “Distributor” defined.

370.630 “Manufacturer of tobacco products” defined.

370.635 “Master Settlement Agreement” defined.

370.640 “Nonparticipating manufacturer” defined.

370.645 “Participating manufacturer” defined.

370.650 “Qualified escrow fund” defined.

370.655 “Stamp” defined.

370.660 “Units sold” defined.

370.663 Agreement with Indian tribe to implement this chapter or chapter 370A of NRS.

370.665 Certification by manufacturers: Execution and delivery; form and contents; supplemental certification.

370.670 Certification by manufacturers: Prerequisites to inclusion of brand family; maintenance of certain pertinent information.

370.675 Directory of manufacturers, brand families and styles of cigarettes: Duties of Department; judicial review of exclusion from directory.

370.677 Department required to notify wholesale dealer or retail dealer of certain changes to directory of manufacturers, brand families and styles of cigarettes; duties of wholesale dealer or retail dealer upon receiving notice.

370.680 Nonresident or foreign nonparticipating manufacturers and wholesale dealers: Agent for service of process.

370.682 Bond of nonparticipating manufacturer: Posting requirements; amount; execution; application of amount collected by State; regulations.

370.683 Liability of wholesale dealer for required escrow deposits; prepayment by nonparticipating manufacturer of amount of escrow deposit.

370.684 Liability of importer for required escrow deposit and certain reports.

370.685 Distributor required to maintain and submit records; sharing of information between Department and Attorney General; proof from nonparticipating manufacturer of qualified escrow fund; distributor and manufacturers required to provide additional information upon request.



370.690 Adoption of certain regulations by Department.

370.692 Account for Tobacco Enforcement: Creation; administration; use.

370.693 Attorney General: Application for grants; acceptance and deposit of gifts, grants and donations.

370.695 Unlawful acts; penalties; violation constitutes deceptive trade practice.

370.696 Civil penalty: Noncompliance of wholesale dealer or manufacturer; failure to pay; deposit.

370.697 Civil penalty: False or inaccurate certification by wholesale dealer or nonparticipating manufacturer; deposit; failure to pay.

370.698 Suspension, revocation and reinstatement of license of wholesale dealer whose license is suspended or revoked in another state; denial of listing in, removal from and reinstatement to directory of nonparticipating manufacturer and its brand families and styles of cigarettes.

370.700 Action for injunction or enforcement; recovery of costs; disgorgement of profits; remedies and penalties cumulative.

370.705 Controlling provisions; invalidity and severability.

370A.010 Definitions.

370A.020 "Adjusted for inflation" defined.

370A.030 "Affiliate" defined.

370A.040 "Allocable share" defined.

370A.050 "Cigarette" defined.

370A.060 "Manufacturer of tobacco products" defined.

370A.070 "Master Settlement Agreement" defined.

370A.080 "Participating manufacturer" defined.

370A.090 "Qualified escrow fund" defined.

370A.095 "Qualified tribal land" defined.

370A.100 "Released claims" defined.

370A.110 "Releasing parties" defined.

370A.120 "Units sold" defined.

370A.130 Adoption of regulations to ascertain amount of excise tax collected from each manufacturer.

370A.140 Participation in Master Settlement Agreement or deposits into qualified escrow fund required.

370A.150 Deposits into escrow: Disposition of interest; release of principal.

370A.153 Assignment of money deposited into escrow; use of money assigned to this State.

370A.157 Release of money deposited into escrow to Indian tribes.



370A.160 Compliance by manufacturer: Annual certification; enforcement; penalties for violations.

370A.170 Provisions void under certain circumstances.

442.340 Health warning about effects of smoking during pregnancy to be posted in certain retail establishments.

477.172 Definitions.

477.174 "Agent" defined.

477.176 "Cigarette" defined.

477.178 "Manufacturer" defined.

477.182 "Retail dealer" defined.

477.184 "Sale" defined.

477.186 "Sell" defined.

477.188 "Wholesale dealer" defined.

477.192 Sale of cigarettes prohibited unless cigarettes are tested and certified; alternative testing; reports; regulations of State Fire Marshal.

477.194 Submission of written certification to State Fire Marshal concerning cigarettes intended for sale in this State; availability of certification; fees; retesting.

477.196 Notification of agents, wholesale dealers and retail dealers concerning certified cigarettes.

477.198 Marking packages of certified cigarettes; inspection of marked packages.

477.202 Prohibited sale of cigarettes; civil penalties; seizure of cigarettes; petition for injunctive relief; recovery of costs and damages.

477.204 Regulations.

477.206 Inspection by Department of Taxation.

477.208 Examination of records.

477.210 Cigarette Fire Safety Standard and Firefighter Protection Fund.

477.214 Uniformity of laws; sales of cigarettes outside this State.



