

AMENDMENTS TO LB677

Introduced by Holdcroft, 36.

1 1. Strike the original sections and insert the following new
2 sections:

3 **Section 1.** Section 1, Initiative Law 2024, No. 438, is amended to
4 read:

5 Section 1. Sections 1 to 5 ~~6~~ of this act and sections 2 to 78, 81 to
6 104, and 106 to 195 of this act shall be known and may be cited as the
7 Nebraska Medical Cannabis Regulation Act.

8 **Sec. 2.** For purposes of the Nebraska Medical Cannabis Regulation
9 Act, the definitions found in sections 3 to 63 of this act apply, unless
10 the context otherwise requires.

11 **Sec. 3.** (1) Additive means any non-cannabis-derived substance added
12 to cannabis to achieve a specific technical or functional purpose during
13 processing, storage, or packaging.

14 (2) Additives may be direct or indirect. Direct additives are used
15 to impart specific technological or functional qualities. Indirect
16 additives are not intentionally added but may be present in trace amounts
17 as a result of processing, packaging, shipping, or storage.

18 (3) Botanically derived compounds which have been isolated or
19 enriched and subsequently added back into cannabis products are
20 additives.

21 **Sec. 4.** (1) Advertising means the act of providing consideration
22 for the publication, dissemination, solicitation, or circulation of
23 visual, oral, or written communication to directly induce any person to
24 patronize a particular licensee or purchase particular cannabis for
25 medical purposes.

26 (2) Advertising does not include packaging, labeling, or branding.

27 **Sec. 5.** (1) Allowable amount of cannabis products means cannabis

1 products containing an amount of delta-9 THC that is less than the amount
2 determined by the commission pursuant to subsection (2) of this section.

3 (2) On or before October 1, 2025, the commission shall adopt and
4 promulgate rules and regulations establishing an amount of delta-9 THC
5 that is equivalent to that derived from five ounces of processed cannabis
6 flower.

7 **Sec. 6.** Cancel means to discontinue all rights and privileges of a
8 license.

9 **Sec. 7.** (1) Cannabis means all parts of the plant of the genus
10 cannabis whether growing or not, the seeds thereof, the resin extracted
11 from any part of the plant, and every compound, manufacture, salt,
12 derivative, mixture, or preparation of the plant, its seeds, or its
13 resin.

14 (2) Except as otherwise provided in the Nebraska Medical Cannabis
15 Regulation Act, cannabis includes cannabis in all forms, including, but
16 not limited to, cannabis products and cannabis concentrate.

17 (3) Cannabis does not include the mature stalks of the plant, fiber
18 produced from such stalks, oil or cake made from the seeds of the plant,
19 the sterilized seed of the plant which is incapable of germination, or
20 cannabidiol contained in a drug product approved by the federal Food and
21 Drug Administration.

22 (4) Cannabis does not include hemp as defined in section 2-503.

23 **Sec. 8.** (1) Cannabis accessories means any equipment, products, or
24 materials of any kind that are used, intended for use, or designed for
25 use in storing, vaporizing, or containing cannabis, or for ingesting,
26 inhaling, or otherwise introducing cannabis into the human body.

27 (2) Cannabis accessories does not include any equipment, products,
28 or materials that are used, intended for use, or designed for use in
29 smoking cannabis.

30 **Sec. 9.** (1) Cannabis concentrate means a subset of cannabis product
31 that is made by separating cannabinoids from cannabis and that results in

1 a higher concentration of cannabinoids than naturally occur in the
2 cannabis plant.

3 (2) Cannabis concentrate contains cannabinoids and may contain
4 terpenes and other chemicals that are naturally occurring in cannabis
5 plants and that have been separated from cannabis.

6 (3) Cannabis concentrates includes inhalable concentrates which may
7 be comprised of cannabis and other ingredients inside a device that uses
8 a heating element to create a vapor, including, but not limited to,
9 vaporizer cartridges and vaporizer pens.

10 **Sec. 10.** (1) Cannabis for medical purposes means cannabis and
11 cannabis accessories intended for use by qualified patients and
12 registered caregivers pursuant to the Nebraska Medical Cannabis
13 Regulation Act for the alleviation of a qualifying medical condition.

14 (2) Cannabis for medical purposes does not include cannabis or
15 cannabis products intended for use by smoking.

16 **Sec. 11.** (1) Cannabis product means a product comprised of cannabis
17 and other ingredients. Cannabis product includes, but is not limited to,
18 edible cannabis products, cannabis concentrate, ointments, and
19 transdermal patches.

20 (2) Cannabis product does not include:

21 (a) Any product intended for use by smoking; or

22 (b) Cannabis flower or bud.

23 **Sec. 12.** Caregiver means:

24 (1) In the case of a qualified patient who is eighteen years of age
25 or older and is not under the protection of a legal guardian, an
26 individual who:

27 (a) Is at least twenty-one years of age; and

28 (b) Has been designated by a qualified patient in a signed
29 affidavit;

30 (2) In the case of a qualified patient who is younger than eighteen
31 years of age or a qualified patient under the protection of a legal

1 guardian:

2 (a) The legal guardian or a parent with authority to make health
3 care decisions for the qualified patient; or

4 (b) An individual designated in a sworn affidavit by the legal
5 guardian or parent with authority to make health care decisions; or

6 (3) A health care facility or a home health agency, if the facility
7 or agency has been designated by a qualified patient or the legal
8 guardian or parent with authority to make health care decisions for a
9 qualified patient in a sworn affidavit and if the facility or agency has
10 agreed in writing to serve as a caregiver for the qualified patient.

11 **Sec. 13.** Commission means the Nebraska Medical Cannabis Commission.

12 **Sec. 14.** Conviction includes a plea or verdict of guilty or a
13 conviction following a plea of nolo contendere.

14 **Sec. 15.** Cultivator means a person licensed by the commission to
15 cultivate and process cannabis plants pursuant to the Nebraska Medical
16 Cannabis Regulation Act for sale and distribution to products
17 manufacturers and to other cultivators, but not to qualified patients or
18 registered caregivers.

19 **Sec. 16.** Decontamination or decontaminate means the process of
20 neutralization or removal of dangerous substances or other contaminants
21 from cannabis that:

22 (1) Follows a failed test; and

23 (2) Does not change the product type of the cannabis.

24 **Sec. 17.** Dispensary means a person licensed by the commission to:

25 (1) Purchase cannabis products from products manufacturers and other
26 dispensaries; and

27 (2) Sell and transfer cannabis products and cannabis accessories to
28 qualified patients, registered caregivers, and other licensees pursuant
29 to the requirements and restrictions of the Nebraska Medical Cannabis
30 Regulation Act.

31 **Sec. 18.** (1) Disqualifying offense means a felony that is:

1 (a) A violent offense; or

2 (b) A violation of subdivision (4)(a)(i) or subsection (5) of
3 section 28-416 or a violation of a substantially equivalent law of
4 another jurisdiction in the United States.

5 (2) An offense is not a disqualifying offense if it has been
6 pardoned, expunged, or set aside.

7 (3) For purposes of this section:

8 (a) Serious bodily injury has the same meaning as in section 28-109;

9 (b) Sexual contact and sexual penetration have the same meanings as
10 in section 28-318; and

11 (c) Violent offense means:

12 (i) A felony violation of any of the following: Section 28-303,
13 28-304, 28-305, 28-306, 28-308, 28-309, 28-310.01, 28-311, 28-311.01,
14 28-311.03, 28-311.08, 28-313, 28-314, 28-316.01, 28-319, 28-319.01,
15 28-320, 28-320.01, 28-320.02, 28-322.02, 28-322.03, 28-322.04, 28-322.05,
16 28-323, 28-324, 28-386, 28-391, 28-392, 28-393, 28-394, 28-397, 28-398,
17 28-502, 28-503, 28-507, 28-703, 28-707, 28-813.01, 28-831, 28-833,
18 28-904, 28-905, 28-912, 28-929, 28-930, 28-931, 28-931.01, 28-932,
19 28-933, 28-934, 28-1005, 28-1009, 28-1105.01, 28-1205, 28-1212.02,
20 28-1212.04, 28-1221, 28-1222, 28-1223, 28-1224, 28-1351, 28-1463.03,
21 28-1463.05, or 42-924;

22 (ii) An offense which is a Class IIIA felony or higher which
23 includes, as an element of the offense:

24 (A) Sexual contact or sexual penetration; or

25 (B) The threat to inflict serious bodily injury or death on another
26 person, the infliction of serious bodily injury on another person, or
27 causing the death of another person;

28 (iii) Consists of attempt, conspiracy, being an accessory to, or
29 aiding and abetting a felony with any of the offenses described in
30 subdivision (3)(c)(i) or (ii) of this section as the underlying offense;
31 or

1 (iv) A felony offense that is substantially equivalent to an offense
2 described in subdivision (3)(c)(i), (ii), or (iii) of this section under
3 the laws of another jurisdiction in the United States.

4 **Sec. 19.** Edible cannabis product means any cannabis product for
5 which the intended use is oral consumption, including, but not limited
6 to, any type of food, drink, tincture, pill, or capsule.

7 **Sec. 20.** Entity means:

8 (1) A domestic or foreign corporation, cooperative, general
9 partnership, limited liability partnership, limited liability company,
10 limited partnership, limited liability limited partnership, limited
11 partnership association, nonprofit association, or nonprofit corporation;
12 or

13 (2) Any other organization or association that is:

14 (a) Formed under a statute or common law of this state or any other
15 jurisdiction, which laws govern relations among owners and between the
16 owners and the organization or association; and

17 (b) Recognized under the laws of this state or the other
18 jurisdiction as a separate legal entity.

19 **Sec. 21.** Extraction means a process by which cannabinoids are
20 separated from cannabis plant material through chemical or physical
21 means.

22 **Sec. 22.** Final product means the finished product that is available
23 for transport to a dispensary and ready for consumption by qualified
24 patients.

25 **Sec. 23.** Harvested cannabis means cannabis flower reported as a
26 package in the seed-to-sale tracking system or post-harvest cannabis not
27 including fresh frozen, trim, concentrate, or waste that remains on the
28 premises of the cultivator.

29 **Sec. 24.** Health care facility has the same meaning as in section
30 71-413.

31 **Sec. 25.** Health care practitioner means a physician, an osteopathic

1 physician, a physician assistant, or a nurse practitioner who is licensed
2 under the Uniform Credentialing Act or is licensed in any state and
3 practicing in compliance with the Uniform Credentialing Act.

4 **Sec. 26.** Home health agency has the same meaning as in section
5 71-417.

6 **Sec. 27.** Ingredient means any non-cannabis-derived substance that
7 is added to a cannabis product to achieve a desired effect. The term
8 ingredient includes all additives.

9 **Sec. 28.** License means a license issued by the commission pursuant
10 to the Nebraska Medical Cannabis Regulation Act.

11 **Sec. 29.** Licensed premises means the premises specified in an
12 application for a license under the Nebraska Medical Cannabis Regulation
13 Act, which are owned by or in the possession of the licensee and within
14 which the licensee is authorized to cultivate, process, manufacture,
15 distribute, transport, sell, or test cannabis in accordance with the
16 Nebraska Medical Cannabis Regulation Act.

17 **Sec. 30.** Licensee means a person licensed by the commission
18 pursuant to the Nebraska Medical Cannabis Regulation Act.

19 **Sec. 31.** Local governing body means (1) the city council or village
20 board of trustees of a city or village within which the licensed premises
21 are located or (2) if the licensed premises are not within the corporate
22 limits of a city or village, the county board of the county within which
23 the licensed premises are located.

24 **Sec. 32.** Location means a particular parcel of land that may be
25 identified by an address or other descriptive means.

26 **Sec. 33.** Manager means a person appointed by an entity to oversee
27 the daily operation of a licensee in Nebraska. A manager shall meet all
28 the requirements of the Nebraska Medical Cannabis Regulation Act as
29 though such person were the applicant.

30 **Sec. 34.** Ordinance means any ordinance, regulation, resolution, or
31 other law duly enacted by a local governing body.

1 **Sec. 35.** Person means an individual or an entity.

2 **Sec. 36.** Premises means a distinctly identified and definite
3 location, as required by the commission, and may include a building, a
4 part of a building, a room, or any other definite contiguous area.

5 **Sec. 37.** Process or processing means to harvest, dry, cure, trim,
6 and separate parts of the cannabis plant by manual or mechanical means.

7 **Sec. 38.** (1) Process validation means a systematic approach that:

8 (a) Provides documented evidence showing that a specific process
9 consistently produces results meeting predetermined quality
10 specifications;

11 (b) Incorporates Hazard Analysis and Critical Control Points (HACCP)
12 standards, thereby identifying potential hazards, determining critical
13 control points, establishing critical limits, and validating that control
14 measures effectively control the hazards at each critical control point;
15 and

16 (c) Uses standards defined in the American Society for Testing and
17 Materials' (ASTM) publication ASTM D8250-19 Standard Practice for
18 Applying a Hazard Analysis Critical Control Points (HACCP) System for
19 Cannabis Consumable Products.

20 (2) Process validation may allow a licensee to conduct less testing
21 than otherwise required by the commission's rules and regulations upon
22 demonstrating that the licensee's standard operating procedures and
23 production practices result in consistent passing test results over a
24 timeframe established in the commission's rules and regulations.

25 **Sec. 39.** Production batch means:

26 (1) Any amount of cannabis concentrate of the same category that is
27 produced:

28 (a) Using the same extraction methods and standard operating
29 procedures; and

30 (b) From an identical group of harvest batches of cannabis; or

31 (2) Any amount of cannabis products of the same exact type that is

1 produced:

2 (a) Using the same ingredients and standard operating procedures;
3 and

4 (b) From the same harvest batches of harvested cannabis (single
5 strain or multiple strains) or production batches of cannabis
6 concentrate.

7 **Sec. 40.** Products manufacturer means a person licensed by the
8 commission to conduct extraction and to manufacture cannabis products
9 pursuant to the Nebraska Medical Cannabis Regulation Act for sale and
10 distribution to dispensaries and other products manufacturers, but not to
11 qualified patients or registered caregivers.

12 **Sec. 41.** (1) Publicly traded company means any entity:

13 (a) That has a class of securities registered pursuant to 15 U.S.C.
14 77a et seq.; and

15 (b) Such securities either:

16 (i) Constitute covered securities; or

17 (ii) Are qualified and quoted on the over-the-counter quotation
18 exchange (OTCQX) or over-the-counter qualified bid (OTCQB) tier of the
19 over-the-counter (OTC) markets if the entity:

20 (A) Is required to file reports and does file reports on a current
21 basis with the United States Securities and Exchange Commission pursuant
22 to 15 U.S.C. 78a et seq., as if the securities constituted covered
23 securities; and

24 (B) Has established and is in compliance with corporate governance
25 measures pursuant to corporate governance obligations imposed on
26 securities qualified and quoted on the OTCQX tier of the OTC markets.

27 (2) Publicly traded company includes an entity regardless of whether
28 it is organized under the laws of this state, another state, or any
29 foreign jurisdiction, and regardless of where its principal place of
30 business is located.

31 **Sec. 42.** Qualified patient means an individual who:

- 1 (1) Has been diagnosed with a qualifying medical condition;
- 2 (2) Has a written recommendation from a health care practitioner;
- 3 (3) In the case of an individual younger than eighteen years of age,
4 has the written permission of a legal guardian or parent with authority
5 to make health care decisions for the individual;
- 6 (4) In the case of an individual eighteen years of age or older who
7 is under the protection of a legal guardian, has the written permission
8 of such guardian;
- 9 (5) In the case of an individual eighteen years of age or older, is
10 a resident of Nebraska;
- 11 (6) In the case of an individual under eighteen years of age, either
12 such individual is a resident of Nebraska or the legal guardian or parent
13 described in subdivision (3) of this section is a resident of Nebraska;
14 and
- 15 (7) Is enrolled in the registry program by the commission.

16 **Sec. 43.** (1) Qualifying medical condition means a medical condition
17 listed in subsection (2) of this section for which a health care
18 practitioner has determined, based on a professional medical assessment
19 of the patient's health status:

20 (a) That the condition, its related symptoms, or side effects of the
21 condition's treatment can be appropriately treated or alleviated with
22 medical cannabis; and

23 (b) That, in the practitioner's professional judgment, and in
24 accordance with the accepted standards of care that a reasonable and
25 prudent practitioner would apply when recommending any medication or
26 course of treatment, the potential benefits of medical cannabis outweigh
27 the potential harms.

28 (2) This section applies to the following medical conditions:

29 (a) Amyotrophic lateral sclerosis;

30 (b) Autism with frequent or self-injurious or aggressive behavior;

31 (c) Cancer;

- 1 (d) Crohn's disease or ulcerative colitis;
- 2 (e) Epilepsy or epileptic seizures;
- 3 (f) Hepatitis C that causes moderate to severe nausea or cachexia;
- 4 (g) Human immunodeficiency virus (HIV) or acquired immune deficiency
- 5 syndrome (AIDS);
- 6 (h) Huntington's disease;
- 7 (i) Parkinson's disease;
- 8 (j) Spinal cord injury or disease with residual neurologic deficits;
- 9 (k) Terminal illness with a probable life expectancy of under one
- 10 year;
- 11 (l) Tourette's syndrome;
- 12 (m) A serious medical condition, or the treatment of a serious
- 13 medical condition, that causes severe nausea or cachexia;
- 14 (n) Severe and persistent muscle spasms caused by multiple
- 15 sclerosis, spinal cord injury, or muscular dystrophy; and
- 16 (o) Severe or chronic pain lasting longer than six months that is
- 17 not adequately managed, in the opinion of a health care practitioner,
- 18 despite treatment attempts using (i) conventional medications other than
- 19 opioids or opiates or (ii) physical interventions.

20 **Sec. 44.** Registered caregiver means a caregiver who is enrolled in

21 the registry program.

22 **Sec. 45.** Registry card means a document issued by the commission

23 pursuant to section 73 of this act that identifies a person as a

24 qualified patient or registered caregiver.

25 **Sec. 46.** Registry program means the registry of qualified patients

26 and registered caregivers operated by the commission under section 69 of

27 this act.

28 **Sec. 47.** Remediation means the process of neutralization or removal

29 of dangerous substances or other contaminants from cannabis:

30 (1) That follows a failed test; and

31 (2) That changes the product type of the cannabis.

1 **Sec. 48.** Responsible individual means:

2 (1) A chief executive officer or chief operating officer of a health
3 care facility or a home health agency; or

4 (2) An administrator, a director, or another individual designated
5 by a health care facility or a home health agency pursuant to rules and
6 regulations adopted and promulgated by the commission.

7 **Sec. 49.** Revoke means to permanently void and recall all rights and
8 privileges of a license.

9 **Sec. 50.** Secondary tracking system means an inventory tracking
10 system that:

11 (1) Is designed to track cannabis from either seed or immature plant
12 stage until the cannabis is transferred to a licensee, sold to a
13 qualified patient or registered caregiver, or destroyed by a licensee;

14 (2) Meets the requirements of section 159 of this act; and

15 (3) Is approved by the commission.

16 **Sec. 51.** Security means any:

17 (1) Note, stock, treasury stock, security future, security-based
18 swap, bond, debenture, evidence of indebtedness, certificate of interest
19 or participation in any profit-sharing agreement, collateral-trust
20 certificate, preorganization certificate or subscription, transferable
21 share, investment contract, voting-trust certificate, or certificate of
22 deposit for a security;

23 (2) Fractional undivided interest in oil, gas, or other mineral
24 rights;

25 (3) Put, call, straddle, option, or privilege on any security,
26 certificate of deposit, or group index of securities, including any
27 interest therein or based on the value thereof;

28 (4) Put, call, straddle, option, or privilege entered into on a
29 national securities exchange relating to foreign currency;

30 (5) Interest or instrument commonly known as a security; or

31 (6) Certificate of interest or participation in, temporary or

1 interim certificate for, receipt for, guarantee of, or warrant or right
2 to subscribe to or purchase, any of the foregoing.

3 **Sec. 52.** Seed-to-sale tracking system means the system created by
4 the commission under section 159 of this act.

5 **Sec. 53.** (1) Smoke or smoking includes the inhalation of smoke
6 caused by the combustion of cannabis that causes burning.

7 (2) Smoke or smoking does not include:

8 (a) The inhalation of cannabis by means of vaporization in which
9 cannabis is heated below the point of combustion; or

10 (b) The use of an aerosol inhaler.

11 **Sec. 54.** Suspend means to cause a temporary interruption of all
12 rights and privileges of a license.

13 **Sec. 55.** Test batch means a group of sample increments that are
14 derived from a single harvest batch, production batch, or seed-to-sale
15 tracking system package, and that are collectively submitted to a testing
16 facility for testing purposes.

17 **Sec. 56.** Testing facility means a person licensed under the
18 Nebraska Medical Cannabis Regulation Act to analyze, test, and certify
19 cannabis, including for purity and the presence of contaminants.

20 **Sec. 57.** THC means tetrahydrocannabinol.

21 **Sec. 58.** Total cannabinoids means the combined concentration of all
22 cannabinoid compounds present in a cannabis test batch. This measurement
23 shall account for both the neutral (active) cannabinoids and their acidic
24 precursors.

25 **Sec. 59.** Total THC means the sum of the following amounts:

26 (1) The percentage by weight of delta-9 tetrahydrocannabinolic acid
27 (D9-THCA) multiplied by 0.877;

28 (2) The percentage by weight of delta-8 tetrahydrocannabinol (D8-
29 THC);

30 (3) The percentage by weight of delta-9 tetrahydrocannabinol (D9-
31 THC);

1 (4) The percentage by weight of exo-tetrahydrocannabinol (Exo-THC);
2 and

3 (5) The percentage by weight of delta-10 tetrahydrocannabinol (D10-
4 THC).

5 **Sec. 60.** (1) Transfer means to grant, convey, hand over, assign,
6 sell, exchange, or barter, in any manner or by any means, with or without
7 consideration.

8 (2) With respect to a transfer of cannabis, the term includes:

9 (a) Any transfer of cannabis from one licensee to another or to a
10 qualified patient or registered caregiver;

11 (b) The movement of cannabis from one licensed premises to another,
12 even if both premises are contiguous, and even if both premises are owned
13 by a single person or group of persons; and

14 (c) A virtual transfer that is reflected in an inventory tracking
15 system, even if no physical movement of the cannabis occurs.

16 **Sec. 61.** (1) Transporter means a person licensed by the commission
17 to:

18 (a) Transport cannabis, cannabis products, and cannabis accessories
19 from one licensee to another licensee;

20 (b) Transport cannabis products and cannabis accessories from a
21 dispensary to a qualified patient or registered caregiver; and

22 (c) Temporarily store cannabis, cannabis products, and cannabis
23 accessories being transported at its licensed premises.

24 (2) A transporter shall not sell cannabis, cannabis products, or
25 cannabis accessories to any person.

26 **Sec. 62.** Unreasonably impracticable means that the measures
27 necessary to comply with the rules and regulations adopted and
28 promulgated pursuant to the Nebraska Medical Cannabis Regulation Act or
29 the ordinances enacted by a local governing body pursuant to the act
30 would subject a licensee to unreasonable risk or require such a large
31 investment of risk, money, time, or any other resource or asset that a

1 reasonably prudent businessperson would not operate as a licensee.

2 **Sec. 63.** Written recommendation means a valid signed and dated
3 declaration from a health care practitioner that complies with section 68
4 of this act.

5 **Sec. 64.** Section 3, Initiative Law 2024, No. 437, is amended to
6 read:

7 ~~Sec. 3.~~(1) Subject to the requirements of the Nebraska Medical
8 Cannabis Regulation Patient Protection Act, a qualified patient or
9 registered caregiver shall not be subject to citation, arrest,
10 prosecution, or penalty in any manner, or denied any right or privilege,
11 including, but not limited to, being subjected to any civil penalty or
12 disciplinary action by a court or occupational or professional licensing
13 board, for engaging in conduct protected by this section. it shall not be
14 an offense under state or local law for:

15 (2) (a) A qualified patient may ~~to~~ use, possess, and acquire an
16 allowable amount of cannabis products and cannabis accessories for the
17 alleviation of a qualifying medical condition, its symptoms, or side
18 effects of the condition's treatment. ~~;~~ ~~or~~

19 (3) (b) A registered caregiver may ~~to~~ assist a qualified patient
20 with the activities set forth in subsection (2) subdivision (1)(a) of
21 this section by possessing and acquiring an allowable amount of cannabis
22 products and cannabis accessories on behalf of the qualified patient, and
23 delivering an allowable amount of cannabis products and cannabis
24 accessories to the qualified patient, and providing assistance in
25 administering or consuming such cannabis products.

26 (4) The Nebraska Medical Cannabis Regulation Act does not authorize
27 the consumption of cannabis by smoking.

28 (5) There is a presumption that a qualified patient or registered
29 caregiver is engaged in conduct protected by the act if the person
30 possesses an amount of cannabis products that does not exceed the
31 allowable amount of cannabis products. The presumption may be rebutted by

1 evidence that conduct relating to cannabis products was not for the
2 purpose of treating or alleviating a qualified patient's qualifying
3 medical condition.

4 (6) If a qualified patient or registered caregiver is cited,
5 arrested, or prosecuted for possession or consumption of an allowable
6 amount of cannabis products pursuant to the act at a time when the person
7 does not have the registry card in his or her possession, the
8 prosecution, civil offense, or disciplinary proceeding shall be
9 immediately dismissed upon production and verification of the registry
10 card.

11 (7) (2) Conduct protected by the Nebraska Medical Cannabis
12 Regulation Act this section shall not be subject to the Uniform
13 Controlled Substances Act.

14 **Sec. 65.** No person may be subject to citation, arrest, prosecution,
15 or penalty in any manner, or denied any right or privilege, including,
16 but not limited to, being subjected to any civil penalty or disciplinary
17 action by a court or occupational or professional licensing board, for:

18 (1) Being in the presence or vicinity of the use or possession of
19 cannabis that is permitted under the Nebraska Medical Cannabis Regulation
20 Act; or

21 (2) Allowing the person's property to be used for activities that
22 are permitted under the act.

23 **Sec. 66.** (1) Nothing in the Nebraska Medical Cannabis Regulation
24 Act permits any person to engage in or prevents the imposition of any
25 civil, criminal, or other penalties for:

26 (a) Undertaking any task that would constitute negligence or
27 professional malpractice due to the use of cannabis;

28 (b) Possessing or engaging in the use of cannabis:

29 (i) On a school bus or van;

30 (ii) On the grounds of any preschool or primary or secondary school
31 except as provided in section 67 of this act;

1 (iii) In any jail, adult or juvenile correctional facility, or youth
2 rehabilitation and treatment center; or

3 (iv) On the grounds of any child care facility or home day care
4 except as provided in section 67 of this act;

5 (c) Inhaling cannabis by means of vaporization:

6 (i) Where the vapor would be inhaled by a nonpatient minor child; or

7 (ii) In any public place, including any indoor or outdoor area used
8 by or open to the general public or a place of employment as defined in
9 section 71-5724, other than with an aerosol inhaler;

10 (d) Inhaling or consuming cannabis in a motor vehicle; or

11 (e) Operating, navigating, or being in actual physical control of
12 any motor vehicle, aircraft, train, or motorboat or working on
13 transportation property, equipment, or facilities while under the
14 influence of cannabis.

15 (2) Nothing in the Nebraska Medical Cannabis Regulation Act:

16 (a) Requires an employer to permit or accommodate the growing,
17 possession, consumption, use, distribution, display, transfer,
18 transportation, or sale of cannabis;

19 (b) Affects the ability of an employer to restrict the use of
20 cannabis by employees;

21 (c) Requires any employer to accommodate the use of cannabis; or

22 (d) Requires the medical assistance program or any employer or
23 insurance carrier pursuant to the Nebraska Workers' Compensation Act to
24 reimburse a person for costs associated with the use of cannabis for
25 medical purposes.

26 (3) Nothing in the Nebraska Medical Cannabis Regulation Act shall be
27 construed to:

28 (a) Prohibit an employer from including in any contract a provision
29 prohibiting the use of cannabis;

30 (b) Permit a cause of action against an employer for wrongful
31 discharge or discrimination;

1 (c) Prohibit a person, an employer, a corporation, or any other
2 entity which occupies, owns, or controls property from prohibiting or
3 otherwise regulating the growing, possession, consumption, use,
4 distribution, display, transfer, transportation, or sale of cannabis, on
5 or in that property; or

6 (d) Prohibit an employer from establishing and enforcing a drug-
7 testing policy, drug-free workplace policy, or zero-tolerance drug
8 policy.

9 (4) An employee who is discharged from employment for misconduct
10 relating to (a) the consumption or use of cannabis, (b) working while
11 under the influence of cannabis, or (c) testing positive for a controlled
12 substance shall be disqualified from receiving benefits under the
13 Employment Security Law as provided in section 48-628.10.

14 **Sec. 67.** (1) Any school, health care facility or health care
15 service licensed pursuant to the Health Care Facility Licensure Act,
16 licensed child care facility as defined in section 43-4308, or foster
17 care facility as defined in section 43-1301 may adopt reasonable
18 restrictions on the use of cannabis products by students, residents, or
19 persons receiving care or services, including that:

20 (a) The school, facility, or service and agents thereof are not
21 responsible for providing the cannabis products;

22 (b) Cannabis products may not be inhaled using vaporization, except
23 that this shall not prohibit the use of an aerosol inhaler; and

24 (c) Cannabis products may be consumed only in a place specified by
25 the school, facility, or service.

26 (2) Nothing in this section requires a school, facility, or service
27 listed in subsection (1) of this section to adopt restrictions on the use
28 of cannabis for medical purposes.

29 (3) A school, facility, or service listed in subsection (1) of this
30 section shall not unreasonably limit a qualified patient's access to or
31 use of cannabis products authorized under the Nebraska Medical Cannabis

1 Regulation Act unless failing to do so would cause the school, facility,
2 or service to lose a monetary or license-related benefit under federal
3 law or regulations.

4 **Sec. 68.** (1) Before an individual may enroll in the registry
5 program as a qualified patient, the individual shall receive a written
6 recommendation from a health care practitioner as provided in this
7 section.

8 (2) A health care practitioner may issue a written recommendation to
9 an individual if:

10 (a) Either:

11 (i) The individual is eighteen years of age or older and does not
12 have a legal guardian;

13 (ii) If the individual is younger than eighteen years of age, the
14 individual has the written permission of a legal guardian or parent with
15 authority to make health care decisions for the individual; or

16 (iii) If the individual is eighteen years of age or older and has a
17 legal guardian, the individual has the written permission of such
18 guardian;

19 (b) The individual has a qualifying medical condition; and

20 (c) Either:

21 (i) The health care practitioner primarily practices in Nebraska; or

22 (ii) The health care practitioner has treated the individual for at
23 least six months.

24 (3) A written recommendation shall be signed and dated by the
25 practitioner and shall include the practitioner's mailing address,
26 telephone number, and email address.

27 (4) Prior to issuing a recommendation, the health care practitioner
28 shall check the prescription drug monitoring system established in
29 section 71-2454.

30 (5) A practitioner may issue a written recommendation that is valid
31 only for a limited period of time. A practitioner may also issue a

1 written recommendation without an end date. However, a qualified patient
2 wishing to renew a registry card is still subject to the requirements of
3 subsection (3) of section 70 of this act.

4 (6) For the purposes of this section, the term written shall be
5 construed to include electronic records, documents, or communications
6 generated, transmitted, or stored using software applications or digital
7 platforms that are customarily utilized within the health care industry.
8 Such electronic documentation shall be deemed equivalent to traditional
9 paper documents, provided that it complies with all applicable standards
10 for security, confidentiality, authenticity, and integrity as prescribed
11 by the commission by rule and regulation.

12 (7) A health care practitioner that issues written recommendations
13 shall maintain a record-keeping system that includes a copy of each
14 written recommendation issued by the practitioner. The practitioner
15 shall, with a qualified patient's permission, provide the written
16 recommendation and any related medical records to any other health care
17 practitioner or other person.

18 **Sec. 69.** (1) The commission shall establish and maintain a registry
19 program for qualified patients and registered caregivers. The registry
20 shall include:

21 (a) The name, mailing address, telephone number, email address,
22 digital photograph, and date of birth of each qualified patient and
23 registered caregiver and the unique identification number assigned to
24 each such individual;

25 (b) The expiration date for each registry card;

26 (c) The allowable amount of cannabis products each qualified patient
27 or registered caregiver, on behalf of the qualified patient, may possess;
28 and

29 (d) The name, mailing address, telephone number, and email address
30 of the health care practitioner that provided the written recommendation
31 for each qualified patient.

1 (2) The commission shall ensure that information in the registry
2 program and from applications under sections 70 and 71 of this act is
3 kept confidential to protect the privacy of applicants and people
4 enrolled in the registry.

5 (3) The commission shall make available on its website and through a
6 telephone system a method through which a person can easily validate the
7 authenticity and status of a registry card by providing its unique
8 identification number.

9 **Sec. 70.** (1) An individual may apply to the commission to be
10 enrolled in the registry program as a qualified patient by submitting an
11 application to the commission in the form and manner prescribed by the
12 commission. The application shall be accompanied by a fee in an amount
13 determined by the commission, not to exceed forty-five dollars.

14 (2) An application under this section shall include the following:

15 (a) The name, mailing address, telephone number, email address,
16 current photograph, and date of birth of the individual;

17 (b) If applicable, the name, mailing address, telephone number,
18 email address, and date of birth of the individual's registered caregiver
19 or person seeking such registration;

20 (c) If the individual is younger than eighteen years of age:

21 (i) Written permission from the individual's legal guardian or
22 parent with authority to make health care decisions for the individual;
23 and

24 (ii) The name, mailing address, telephone number, email address, and
25 date of birth of such guardian or parent;

26 (d) If the individual is eighteen years of age or older and has a
27 legal guardian:

28 (i) Written permission of such guardian; and

29 (ii) The name, mailing address, telephone number, email address, and
30 date of birth of such guardian;

31 (e) Proof that the applicant or the applicant's parent or guardian

1 satisfies the residency requirements of subdivision (5) or (6) of section
2 42 of this act. The commission shall prescribe by rule and regulation the
3 permissible forms of such proof. These may include, but are not limited
4 to, proof that the individual holds a Nebraska motor vehicle operator's
5 license or state identification card or copies of utility bills for a
6 Nebraska address;

7 (f) A copy of a written recommendation dated less than sixty days
8 before the date the application is submitted;

9 (g) If the individual requests more than one registered caregiver at
10 any given time, documentation demonstrating that additional caregivers
11 are needed due to the individual's age or medical condition;

12 (h) An oath, affirmation, or statement to the effect that the
13 representations in the application are true as far as the individual
14 executing the application knows or should know; and

15 (i) Any other information as prescribed by the rules and regulations
16 of the commission.

17 (3)(a) Except as provided in subdivision (3)(b) of this section,
18 enrollment in the registry program as a qualified patient shall be valid
19 for a period of two years.

20 (b) If the patient's written recommendation has been issued for a
21 shorter period of time as provided in subsection (5) of section 68 of
22 this act, the enrollment shall expire on the same date as the written
23 recommendation.

24 (c) A qualified patient may renew such registration by submitting a
25 renewal application in a form and manner prescribed by the commission
26 within ninety days before the registration will expire. The application
27 shall be accompanied by a fee in an amount determined by the commission,
28 not to exceed forty-five dollars, and by a written recommendation dated
29 less than ninety days before the date the application is submitted.

30 (4) The commission shall provide a method of applying for issuance
31 and renewal of a registration on the commission's website. The online

1 application shall be easily accessible and shall allow for online payment
2 of the application fee.

3 **Sec. 71.** (1) An individual may apply to the commission to be
4 enrolled in the registry program as a registered caregiver by submitting
5 an application to the commission in the form and manner prescribed by the
6 commission. The application shall be accompanied by a fee in an amount
7 determined by the commission, not to exceed forty-five dollars.

8 (2) An application under this section shall include the following:

9 (a)(i) If the applicant is an individual, the name, mailing address,
10 telephone number, email address, current photograph, and date of birth of
11 the individual; or

12 (ii) If the applicant is a health care facility or a home health
13 agency:

14 (A) The name and mailing address of the facility or agency; and

15 (B) The name, mailing address, telephone number, email address,
16 current photograph, and date of birth of the designated responsible
17 individual;

18 (b) The name, mailing address, and date of birth of any individual
19 for whom the person will serve as a registered caregiver. If the
20 individual is already a qualified individual, the application shall
21 include the name of the individual and the unique identification number
22 of such individual's registry card;

23 (c) An oath, affirmation, or statement to the effect that the
24 representations in the application are true as far as the individual
25 executing the application knows or should know; and

26 (d) Any other information as prescribed by the rules and regulations
27 of the commission.

28 (3) Enrollment in the registry program as a registered caregiver
29 shall be valid for a period of two years. A qualified patient may renew
30 such registration by submitting a renewal application in a form and
31 manner prescribed by the commission within ninety days before the

1 registration will expire. The application shall be accompanied by a fee
2 in an amount determined by the commission, not to exceed forty-five
3 dollars.

4 (4) The commission shall provide a method of applying for issuance
5 and renewal of a registration on the commission's website. The online
6 application shall be easily accessible and shall allow for online payment
7 of the application fee.

8 (5)(a) Except as provided in subdivision (5)(b) of this section, an
9 individual who is a qualified patient may also serve as a registered
10 caregiver for other qualified patients. In such case, the individual
11 shall submit separate applications under sections 70 and 71 of this act
12 and obtain separate qualified patient and registered caregiver registry
13 cards.

14 (b) An individual who is a qualified patient and who has a
15 registered caregiver shall not serve as a registered caregiver for other
16 qualified patients.

17 **Sec. 72.** (1) Within thirty days after receipt of an application for
18 initial enrollment or renewal of enrollment in the registry under section
19 70 or 71 of this act, the commission shall either enroll the person as a
20 qualified patient or registered caregiver, renew such enrollment, or give
21 written notice of denial.

22 (2) An application shall only be denied if:

23 (a) The application fails to include the information and materials
24 required by section 70 or 71 of this act; or

25 (b) The applicant knowingly makes a false statement of material fact
26 in the application.

27 (3) If the application is denied, the notice of denial shall state
28 the reason enrollment or renewal was denied.

29 (4) A denial under this section may be appealed. The appeal shall be
30 in accordance with the Administrative Procedure Act.

31 **Sec. 73.** (1) Upon granting an application under section 72 of this

1 act, the commission shall issue the qualified patient or registered
2 caregiver a registry card or renew such card.

3 (2) A registry card for a qualified patient shall include:

4 (a) The patient's name and date of birth;

5 (b) A digital photograph of the patient;

6 (c) The unique identification number assigned to the patient;

7 (d) If the patient has a registered caregiver, the name and date of
8 birth of the caregiver and the unique identification number assigned to
9 the caregiver; and

10 (e) The date the registration will expire.

11 (3) A registry card for a registered caregiver shall include:

12 (a) The caregiver's name and date of birth, if applicable;

13 (b) A digital photograph of the caregiver;

14 (c) The unique identification number assigned to the caregiver;

15 (d) The name, date of birth, and unique identification number for
16 each qualified patient the caregiver is authorized to serve; and

17 (e) The date the registration will expire.

18 **Sec. 74.** A registered caregiver may possess cannabis products and
19 cannabis accessories on behalf of one or more qualified patients served
20 by the registered caregiver. The registered caregiver may possess a
21 separate allowable amount of cannabis products for each such patient,
22 including the registered caregiver, if the registered caregiver is also a
23 qualified patient. The caregiver shall separately store cannabis products
24 and cannabis accessories for each such patient.

25 **Sec. 75.** (1) If a qualified patient or registered caregiver is no
26 longer entitled to possess cannabis products under the Nebraska Medical
27 Cannabis Regulation Act, the qualified patient or registered caregiver
28 shall, within ten days after becoming ineligible:

29 (a) Notify the commission and surrender his or her registry card to
30 the commission. Such notification and surrender shall be done in a form
31 and manner prescribed by the commission; and

1 (b) Destroy any cannabis products in compliance with rules and
2 regulations of the commission.

3 (2) If a registered caregiver dies, any cannabis products that were
4 in the caregiver's possession shall, within thirty days after such death:

5 (a) Be turned over to the qualified patient, if the patient may
6 possess such cannabis products;

7 (b) Be turned over to another registered caregiver for the same
8 qualified patient; or

9 (c) Be destroyed in compliance with rules and regulations of the
10 commission.

11 **Sec. 76.** A health care practitioner that issues written
12 recommendations shall not:

13 (1) Accept, solicit, or offer any form of pecuniary remuneration
14 from or to any person licensed under the Nebraska Medical Cannabis
15 Regulation Act;

16 (2) Accept, solicit, or offer any form of pecuniary remuneration
17 from or to any caregiver, except that this subdivision shall not prohibit
18 payment to a practitioner by a caregiver who is paying the practitioner
19 for services provided to a qualified patient;

20 (3) Offer a discount or any other thing of value to a qualified
21 patient who uses or agrees to use a particular dispensary or caregiver;

22 (4) Be located at the same physical address as a dispensary; or

23 (5) Hold an economic interest in any entity licensed under the
24 Nebraska Medical Cannabis Regulation Act.

25 **Sec. 77.** A health care practitioner shall not be subject to
26 citation, arrest, prosecution, or penalty in any manner, or denied any
27 right or privilege, including, but not limited to, being subjected to any
28 civil penalty or disciplinary action by the Department of Health and
29 Human Services or by any other occupational or professional licensing
30 board, solely for providing a written recommendation or for stating that,
31 in the health care practitioner's professional opinion, a patient is

1 likely to receive therapeutic or palliative benefit from use of cannabis
2 to treat or alleviate the patient's qualifying medical condition.

3 **Sec. 78.** The governing body of a county, city, or village shall not
4 prohibit the delivery of cannabis products or cannabis accessories for
5 use under the Nebraska Medical Cannabis Regulation Act either expressly
6 or through the enactment of ordinances that make the delivery
7 impracticable in the respective jurisdiction.

8 **Sec. 79.** Section 4, Initiative Law 2024, No. 438, is amended to
9 read:

10 Sec. 4. (1) For purposes of providing the necessary licensure
11 ~~registration~~ and regulation of persons that possess, cultivate, process,
12 manufacture, distribute, transport, sell, deliver, and test ~~dispense~~
13 cannabis for medical purposes pursuant to the Nebraska Medical Cannabis
14 Regulation Act, the Nebraska Medical Cannabis Commission is created.

15 (2) The commission shall consist of no fewer than three and no more
16 than five members.

17 (3) The three members of the Nebraska Liquor Control Commission
18 shall be ex officio members of the commission, serving terms and
19 receiving appointment in the same manner as provided in section 53-105.

20 (4) The Governor may appoint two additional members, subject to
21 confirmation by a majority of the members elected to the Legislature, to
22 serve with the members of the Nebraska Liquor Control Commission as
23 members of the Nebraska Medical Cannabis Commission. At least one of such
24 members shall be a health care practitioner. The members appointed
25 pursuant to this subsection shall serve six-year terms.

26 (5) The Governor may reappoint members of the commission, subject to
27 approval by a majority of the members elected to the Legislature.

28 **Sec. 80.** Section 5, Initiative Law 2024, No. 438, is amended to
29 read:

30 Sec. 5. The power to regulate all phases of the control of the
31 possession, cultivation, processing, manufacture, distribution,

1 transportation, selling, delivery, and testing dispensing of cannabis for
2 medical purposes by licensees ~~registered cannabis establishments~~ in the
3 state pursuant to the Nebraska Medical Cannabis Regulation Act is vested
4 exclusively in the commission.

5 **Sec. 81.** A majority of the members of the commission shall
6 constitute a quorum to transact business, but no vacancy shall impair the
7 right of the remaining commissioners to exercise all of the powers of the
8 commission. Every act of a majority of the commissioners shall be deemed
9 to be the act of the commission.

10 **Sec. 82.** (1) The commission shall have an executive director, to be
11 appointed by the commission. The executive director of the Nebraska
12 Liquor Control Commission may also serve as the executive director of the
13 Nebraska Medical Cannabis Commission, or the Nebraska Medical Cannabis
14 Commission may appoint a separate individual to serve as its executive
15 director. If the commission appoints a separate individual, such
16 appointment shall be subject to the approval of the Governor.

17 (2) The salary of the executive director shall be fixed by the
18 commission and payable monthly.

19 (3) The executive director shall keep a record of all proceedings,
20 transactions, communications, and official acts of the Nebraska Medical
21 Cannabis Commission. The executive director shall be the custodian of all
22 records and perform such other duties as the commission may prescribe.

23 **Sec. 83.** Before entering upon the duties of office, each
24 commissioner and the executive director shall be bonded or insured as
25 required by section 11-201. The premium shall be paid by the State of
26 Nebraska out of the General Fund.

27 **Sec. 84.** (1) The commission may, with the advice and approval of
28 the Governor, appoint or employ such clerks and other employees as may be
29 necessary to carry out the Nebraska Medical Cannabis Regulation Act or to
30 perform the duties and exercise the powers conferred by law upon the
31 commission.

1 (2) Employees of the commission who are accountable for public funds
2 shall be bonded or insured as required by section 11-201 to secure the
3 safety of such funds. The premium shall be paid by the State of Nebraska
4 out of the General Fund.

5 **Sec. 85.** (1) The commissioners, the executive director of the
6 commission, and all employees of the commission shall be reimbursed for
7 expenses incurred in the discharge of their official duties as provided
8 in sections 81-1174 to 81-1177. The commission may also incur necessary
9 expenses for office furniture and other incidental expenses. No
10 commissioner, executive director, or employee of the commission shall
11 request or be allowed mileage or other traveling expenses unless such
12 sections are strictly complied with.

13 (2) The Nebraska Medical Cannabis Commission and the Nebraska Liquor
14 Control Commission may share resources in carrying out their respective
15 duties.

16 **Sec. 86.** (1) The office of the commission shall be in Lincoln, but
17 the commission may, with the approval of the Governor, establish and
18 maintain branch offices at places other than the seat of government.

19 (2) The commission shall hold regular meetings at least once a month
20 and may hold such special meetings as it deems necessary at any time and
21 at any place within the state.

22 (3) The commission may, for authentication of its records, process,
23 and proceedings, adopt, keep, and use a common seal, of which seal
24 judicial notice shall be taken in all of the courts of the state. Any
25 process, notice, or other paper which the commission is authorized by law
26 to issue shall be deemed sufficient if signed by the chairperson and
27 executive director of the commission and authenticated by such seal. All
28 acts, orders, proceedings, rules, regulations, entries, minutes, and
29 other records of the commission and all reports and documents filed with
30 the commission may be proved in any court of this state by copy thereof
31 certified to by the executive director attached.

1 **Sec. 87.** The Attorney General shall designate an assistant attorney
2 general or assistant attorneys general, when requested by the commission
3 and directed by the Governor, and the services of such assistant attorney
4 general or assistant attorneys general shall be available to the
5 commission whenever demanded. The compensation of such assistant attorney
6 general or assistant attorneys general as are assigned to the commission
7 shall be paid by the office of the Attorney General.

8 **Sec. 88.** (1) A commissioner, the executive director, or any
9 employee of the commission shall not:

10 (a) Directly or indirectly, individually, as a member of a
11 partnership, as a member of a limited liability company, or as a
12 shareholder of a corporation, have any interest whatsoever in the
13 cultivation, processing, manufacture, distribution, transportation, sale,
14 delivery, or testing of cannabis or hemp; or

15 (b) Receive any compensation or profit from an activity described in
16 subdivision (1)(a) of this section or have any interest whatsoever in the
17 purchases or sales made by the persons authorized by the Nebraska Medical
18 Cannabis Regulation Act to purchase or sell cannabis.

19 (2) This section shall not prevent any commissioner, the executive
20 director, or any employee from engaging in any conduct as a qualified
21 patient or registered caregiver that is protected under the Nebraska
22 Medical Cannabis Regulation Act.

23 **Sec. 89.** (1) A commissioner, the executive director, or any person
24 employed by the commission shall not solicit or accept any gift,
25 gratuity, emolument, or employment from any person subject to the
26 Nebraska Medical Cannabis Regulation Act or from any officer, agent, or
27 employee of such person.

28 (2) Any person subject to the Nebraska Medical Cannabis Regulation
29 Act and every officer, agent, or employee of such person shall not offer
30 to any commissioner, the executive director, or any person employed by
31 the commission any gift, gratuity, emolument, or employment.

1 (3) If a commissioner, the executive director, or any person
2 employed by the commission violates this section, such person shall be
3 removed from such office or employment.

4 (4) A violation of this section is a Class II misdemeanor.

5 **Sec. 90.** (1) A commissioner, the executive director, or a
6 commission employee with regulatory oversight responsibilities for
7 licensees shall not work for, represent, or provide consulting services
8 to, or otherwise derive pecuniary gain from, a licensee or other business
9 entity established for the primary purpose of providing services to the
10 medical cannabis industry for a period of six months following such
11 person's last day of service to, or employment with, the commission.

12 (2) A violation of this section is a Class II misdemeanor.

13 **Sec. 91.** On or before January 1, 2027, and annually thereafter, the
14 commission shall publish a report of its actions during the preceding
15 year, including a comprehensive description of its activities and
16 including the number of licenses of each type issued; enforcement actions
17 in which fines, suspensions, revocations, or other disciplinary sanctions
18 were issued; and a statement of revenue and expenses of the commission.

19 **Sec. 92.** The commission and the Department of Agriculture,
20 Department of Revenue, and Department of Health and Human Services shall
21 work collaboratively in furtherance of the intent of the Nebraska Medical
22 Cannabis Regulation Act and to ensure that the cultivation, processing,
23 manufacture, distribution, transportation, sale, delivery, and testing of
24 cannabis in this state is conducted in accordance with the act.

25 **Sec. 93.** On or before October 1, 2025, the commission shall adopt
26 and promulgate rules and regulations necessary for the proper regulation
27 and control of the cultivation, processing, manufacture, distribution,
28 transportation, sale, delivery, and testing of cannabis and for the
29 enforcement of the Nebraska Medical Cannabis Regulation Act. Such rules
30 and regulations shall include, but are not limited to:

31 (1) Procedures and requirements for the issuance and renewal of

1 licenses, payment of fees, investigating and deciding disciplinary
2 proceedings, and imposing sanctions for violations of the Nebraska
3 Medical Cannabis Regulation Act or rules and regulations adopted and
4 promulgated thereunder;

5 (2) Qualifications and procedures for licensure under the Nebraska
6 Medical Cannabis Regulation Act;

7 (3) Rules relating to acceptable testing and research practices,
8 including, but not limited to, research methods, standards, quality
9 control analysis, equipment certification and calibration, and chemical
10 identification;

11 (4) Specifications of duties of officers and employees of the
12 commission;

13 (5) Instructions for local governing bodies and law enforcement
14 officers;

15 (6) Requirements for inspections, investigations, searches,
16 seizures, forfeitures, and such additional enforcement activities as may
17 become necessary from time to time;

18 (7) Documentation for identifying licensees and their owners,
19 officers, managers, and employees;

20 (8) Subject to section 141 of this act, a schedule of penalties for
21 violations and procedures for issuing and appealing citations for
22 violations of statutes and rules and issuing administrative citations;

23 (9) Requirements for the security of licensed premises, including,
24 at a minimum, lighting, physical security, video, and alarm requirements,
25 and other minimum procedures for internal control as deemed necessary by
26 the commission to properly administer and enforce the Nebraska Medical
27 Cannabis Regulation Act, including reporting requirements for changes,
28 alterations, or modifications to the licensed premises. Such requirements
29 shall not prohibit the cultivation of cannabis outdoors or in
30 greenhouses;

31 (10) Regulation of the storage of, warehouses for, and

1 transportation of cannabis, including procedures for placing an
2 administrative hold on cannabis in order to conduct an investigation or
3 address a threat to public safety. When cannabis is placed on
4 administrative hold, a licensee shall immediately place all affected
5 cannabis in quarantine in a manner prescribed by the commission, and
6 shall not move or alter such cannabis in any way until the administrative
7 hold has been lifted. Such rules and regulations shall include
8 establishing the following standards and processes to resolve
9 administrative holds in a timely manner:

10 (a) Defining appropriate circumstances for the issuance of an
11 administrative hold. Such circumstances shall be based on objectives
12 related to preventing the destruction of evidence, preventing diversion,
13 or addressing a threat to public safety;

14 (b) Reasonable timeframes and actions for the expedient resolution
15 of an administrative hold issued to preserve evidence and standards by
16 which the commission would have reasonable grounds to extend an
17 administrative hold due to the nature of the investigation or a threat to
18 public safety;

19 (c) Reasonable expectations and timelines for notices of
20 administrative holds and subsequent processes; and

21 (d) Processes allowing a licensee to destroy any cannabis subject to
22 an administrative hold if there is no need to preserve it as evidence;

23 (11) Regulations concerning the seed-to-sale tracking system as
24 provided in section 159 of this act;

25 (12) Rules regarding the records to be kept by licensees to ensure
26 that licensees keep complete and accurate electronic records for all
27 transactions involving cannabis, including, but not limited to, rules
28 regarding the types of records each licensee shall maintain, retention
29 schedules, the required availability of the records, and inspection
30 procedures;

31 (13) Rules concerning disposal of cannabis by licensees, qualified

1 patients, registered caregivers, and others as deemed necessary or
2 appropriate by the commission;

3 (14) Rules concerning limited access areas as defined in section 152
4 of this act;

5 (15) Health and safety regulations and standards for the manufacture
6 of cannabis products and cultivation of cannabis;

7 (16) Sanitary requirements for dispensaries;

8 (17) Limitations on the display of cannabis products in
9 dispensaries;

10 (18) Rules for transporters, including, but not limited to,
11 insurance requirements; acceptable timeframes for transport, storage, and
12 delivery; and requirements for transport vehicles;

13 (19) Acceptable forms of identification that a dispensary may accept
14 when verifying that a customer is the qualified patient or registered
15 caregiver listed on the registry card presented;

16 (20) Requirements to prevent the sale or diversion of cannabis or
17 cannabis accessories to individuals other than qualified patients or
18 registered caregivers;

19 (21) Requirements for consumer delivery of cannabis products and
20 cannabis accessories by dispensaries or transporters to qualified
21 patients and registered caregivers, including:

22 (a) Training requirements for delivery personnel;

23 (b) Procedures for verifying registry card validity and the identity
24 of the customer;

25 (c) Security requirements;

26 (d) Delivery vehicle requirements;

27 (e) Record-keeping requirements;

28 (f) Inventory tracking system requirements;

29 (g) Health and safety requirements;

30 (h) Confidentiality requirements to ensure that delivery personnel
31 do not disclose personal identifying information to any person other than

1 those who need that information in order to take, process, or deliver the
2 order or as otherwise required or authorized by the Nebraska Medical
3 Cannabis Regulation Act; and

4 (i) Payment methods, including, but not limited to, the use of gift
5 cards and prepayment accounts;

6 (22) Rules requiring licensees to access a seed-to-sale tracking
7 system-generated transport manifest during transport or delivery of
8 cannabis and cannabis accessories for purposes of law enforcement
9 verification during a traffic stop or similar encounter. Such record
10 shall not be required to be retained in a licensee's business records
11 after the transport or delivery is completed; and

12 (23) Such other matters as are necessary for the fair, impartial,
13 stringent, and comprehensive administration of the Nebraska Medical
14 Cannabis Regulation Act.

15 **Sec. 94. (1) For purposes of this section:**

16 (a) Contaminants injurious to human health include:

17 (i) Microbes, metals, and residual solvents; and

18 (ii) Chemical and biological contaminants deemed to be public health
19 hazards by the Department of Health and Human Services based on published
20 and peer-reviewed scientific literature and based on data from other
21 states with similar programs;

22 (b) Failed test means a test of cannabis has revealed unacceptable
23 levels of contaminants injurious to human health;

24 (c) Related batch means a production batch, harvest batch, or other
25 batch of cannabis that is likely to contain similar levels of
26 contaminants injurious to human health as the test batch that has
27 received a failed test result, as prescribed by the commission's rules
28 and regulations according to the type of cannabis, cannabis product, or
29 contaminants involved or other relevant factors as determined by the
30 commission; and

31 (d) Unacceptable levels means a level the commission has determined,

1 for the particular contaminant at issue, to be unacceptably dangerous.

2 (2) On or before October 1, 2025, the commission shall adopt and
3 promulgate rules and regulations providing requirements and procedures
4 for testing cannabis as provided in this section.

5 (3) The commission shall establish an independent testing and
6 certification program for licensees. The program shall be established
7 within an implementation timeframe established by the commission. The
8 program shall require licensees to test cannabis to ensure, at a minimum,
9 that products sold for human consumption are correctly labeled and do not
10 contain unacceptable levels of contaminants injurious to human health.

11 (4)(a) Upon learning of a failed test, a licensee shall immediately
12 quarantine any related batch of cannabis. The licensee may request the
13 testing facility that originally conducted the testing to test the
14 provided reserve sample. If the retest is not a failed test, the
15 quarantine may be lifted. If the retest is again a failed test, the
16 licensee shall destroy the cannabis in accordance with the commission's
17 rules and regulations.

18 (b) In lieu of requesting a retest, a licensee may remediate or
19 decontaminate the cannabis using methods approved by the commission. The
20 remediated or decontaminated cannabis shall be tested again in accordance
21 with the commission's rules and regulations. If a failed test again
22 results, the licensee shall destroy the cannabis in accordance with the
23 commission's rules and regulations.

24 (5) The commission shall adopt rules and regulations:

25 (a) Requiring that a test of cannabis shall verify THC purity
26 representations and homogeneity for correct labeling and provide a
27 cannabinoid profile for edible cannabis products and products intended
28 for topical application;

29 (b) Determining an acceptable variance of no more than plus or minus
30 fifteen percent for potency representations and procedures to address
31 potency misrepresentations;

1 (c) Determining the protocols for and frequency of testing that
2 licensees must conduct, by type of licensee, type of cannabis, and other
3 factors as determined by the commission;

4 (d) Establishing minimum test batch sizes by category or type of
5 production batch or harvest batch size. However, this subdivision shall
6 not be construed to authorize the commission to limit harvest batch or
7 production batch sizes;

8 (e) Concerning decontamination and remediation of cannabis; and

9 (f) To prevent redundant or duplicative testing of cannabis,
10 including, but not limited to:

11 (i) Requiring that only final product is tested before transfer to a
12 dispensary;

13 (ii) Exempting harvest batches from testing if the entire batch is
14 allocated to extractions; and

15 (iii) Establishing requirements and procedures for process
16 validation where by licensees may validate cannabis to streamline final
17 product testing frequency based on the applicable risk profile.

18 **Sec. 95.** (1) On and after October 1, 2025, the commission may adopt
19 and promulgate rules and regulations necessary to carry out the Nebraska
20 Medical Cannabis Regulation Act, including, but not limited to, rules and
21 regulations concerning those topics listed in sections 93 and 94 of this
22 act.

23 (2) On and after October 1, 2026, the commission shall engage in
24 annual rulemaking proceedings to address the evolving needs of the
25 commission, qualified patients, registered caregivers, health care
26 practitioners, and licensees, thereby ensuring the viability and
27 effective enforcement of the act.

28 **Sec. 96.** The commission may contract with third-party vendors in
29 order to carry out its duties under the Nebraska Medical Cannabis
30 Regulation Act.

31 **Sec. 97.** The commission may develop such forms, applications, and

1 other documentation as are necessary or convenient in the discretion of
2 the commission for the administration of the Nebraska Medical Cannabis
3 Regulation Act or any rules and regulations adopted and promulgated
4 thereunder.

5 **Sec. 98.** Nothing in the Nebraska Medical Cannabis Regulation Act
6 shall be construed as delegating to the commission the power to fix
7 prices for cannabis.

8 **Sec. 99.** (1) Rules and regulations adopted and promulgated pursuant
9 to the Nebraska Medical Cannabis Regulation Act and any ordinance enacted
10 by a local governing body shall not:

11 (a) Except as provided in subsection (5) of section 123 of this act,
12 make it unreasonably impracticable to operate as a licensee;

13 (b) Require testing of cannabis before the commission has licensed
14 any testing facilities or, if such facilities have been licensed, before
15 such facilities are capable of performing any required tests in a timely
16 manner;

17 (c) Require a dispensary to acquire or record personal information
18 about qualified patients or registered caregivers other than information
19 typically required in a retail transaction; or

20 (d) Prohibit cultivation of cannabis using inorganic cultivation
21 methods.

22 (2) A local governing body shall not by ordinance:

23 (a) Prohibit the manufacture of cannabis products approved by the
24 commission or prohibit manufacturing methods approved by the commission;
25 or

26 (b) Require a qualified patient or registered caregiver to provide a
27 dispensary with documentation or identifying information other than that
28 required by the Nebraska Medical Cannabis Regulation Act and any rules
29 and regulations of the commission.

30 **Sec. 100.** (1) The commission shall provide without charge to any
31 licensee a copy of the Nebraska Medical Cannabis Regulation Act, any

1 rules and regulations adopted and promulgated thereunder, and any other
2 information which the commission deems important in the area of cannabis
3 control in the State of Nebraska.

4 (2) The information may be printed in a booklet, a pamphlet, or any
5 other form the commission may determine to be appropriate.

6 (3) The commission may update such material as often as it deems
7 necessary.

8 (4) The commission may provide such material to any other person
9 upon request and may charge a fee for the material. The fee shall be
10 reasonable and shall not exceed any reasonable or necessary costs of
11 producing the material for distribution.

12 **Sec. 101.** The commission may call upon other departments of the
13 state, political subdivisions, law enforcement agencies, and prosecutors
14 for such information and assistance as the commission deems necessary in
15 the performance of its duties.

16 **Sec. 102.** The commission may request the State Fire Marshal to
17 inspect any licensed premises or premises for which a license is sought
18 for fire safety pursuant to section 81-502. The State Fire Marshal shall
19 assess a fee for such inspection pursuant to section 81-505.01 payable by
20 such licensee or applicant. The State Fire Marshal may delegate the
21 authority to make such inspections to qualified local fire prevention
22 personnel pursuant to section 81-502.

23 **Sec. 103.** (1) The commission shall maintain the confidentiality of
24 reports or other information obtained from a licensee:

25 (a) Containing any individualized data, information, or records
26 related to the licensee or its operation, including sales information,
27 financial records, tax returns, credit reports, cultivation information,
28 information concerning cannabis product manufacturing, testing results,
29 or security information and plans;

30 (b) Which reveals any qualified patient or registered caregiver
31 information; or

1 (c) Which are otherwise made confidential or exempt from public
2 disclosure pursuant to state or federal law.

3 (2) Confidential information and reports shall only be used for
4 purposes authorized by the Nebraska Medical Cannabis Regulation Act or
5 for any other state or local law enforcement purpose. Any qualified
6 patient or registered caregiver information shall only be used for
7 purposes authorized by the Nebraska Medical Cannabis Regulation Act.

8 (3) A person who discloses confidential records or information in
9 violation of the Nebraska Medical Cannabis Regulation Act shall be guilty
10 of a Class II misdemeanor.

11 **Sec. 104.** (1) The Medical Cannabis Control Fund is created. The
12 fund shall consist of all fees, gifts, grants, and other money, excluding
13 finances and civil penalties, received or collected by the commission under
14 the Nebraska Medical Cannabis Regulation Act.

15 (2) The commission shall use the fund for the administration and
16 enforcement of the Nebraska Medical Cannabis Regulation Act. The fund may
17 be used to cover any such administrative or enforcement costs, including,
18 but not limited to, salary and benefits; expenses incurred by the
19 commission in producing or distributing the forms, materials, and other
20 documentation required by the act; costs of equipment needed to enforce
21 the act; and costs associated with electronic regulatory transactions,
22 industry education events, and enforcement training.

23 (3) Transfers may be made from the Medical Cannabis Control Fund to
24 the General Fund at the direction of the Legislature.

25 (4) Any money in the Medical Cannabis Control Fund available for
26 investment shall be invested by the state investment officer pursuant to
27 the Nebraska Capital Expansion Act and the Nebraska State Funds
28 Investment Act.

29 **Sec. 105.** Section 3, Initiative Law 2024, No. 438, is amended to
30 read:

31 Sec. 3. (1) Subject to the requirements of the Nebraska Medical

1 Cannabis Regulation Act, it shall not be an offense under state law for a
2 licensee registered cannabis establishment, its employees, and its agents
3 to possess, cultivate, process, manufacture, distribute, transport, sell,
4 deliver, and test dispense cannabis for medical purposes, provided such
5 conduct complies with applicable rules and regulations adopted and
6 promulgated by the commission pursuant to the act Nebraska Medical
7 Cannabis Regulation Act.

8 (2) Conduct protected by the Nebraska Medical Cannabis Regulation
9 Act this section shall not be subject to the Uniform Controlled
10 Substances Act.

11 **Sec. 106.** An attorney shall not be subject to disciplinary action
12 for providing legal assistance to a prospective licensee, licensee, or
13 another person who is engaged in lawful activities pursuant to the
14 Nebraska Medical Cannabis Regulation Act.

15 **Sec. 107.** A contract entered into by a licensee or its employees or
16 agents, or by those who allow their property to be used by a licensee or
17 its employees or agents, shall not be unenforceable on the basis that
18 possessing, cultivating, processing, manufacturing, distributing,
19 transporting, selling, delivering, or using cannabis is prohibited by
20 federal law. It is the public policy of the State of Nebraska that such
21 contracts shall be enforceable to the same extent as other contracts.

22 **Sec. 108.** (1) A financial institution may loan money to, accept
23 deposits from, and otherwise do business with any licensee to the same
24 extent as other persons, subject to any restrictions of the Nebraska
25 Medical Cannabis Regulation Act.

26 (2) For purposes of this section, financial institution means a
27 bank, savings bank, credit card bank, savings and loan association,
28 building and loan association, trust company, or credit union organized
29 under the laws of any state or organized under the laws of the United
30 States.

31 **Sec. 109.** (1) There shall be the following types of licenses under

1 the Nebraska Medical Cannabis Regulation Act:

2 (a) Cultivator;

3 (b) Dispensary;

4 (c) Products manufacturer;

5 (d) Testing facility;

6 (e) Transporter; and

7 (f) Vertical license.

8 (2)(a) The commission may issue a vertical license that authorizes
9 the licensee to operate an integrated medical cannabis business. Each
10 vertical license shall allow the licensee to operate the following
11 sublicenses:

12 (i) Four dispensary licenses, with no more than two per
13 congressional district;

14 (ii) One products manufacturer license; and

15 (iii) One cultivation license.

16 (b) An applicant for a vertical license shall only be required to
17 pay a single licensing fee under section 115 of this act.

18 (c) The sublicenses within a vertical license shall be separately
19 subject to discipline, issuance, renewal, regulation by the commission,
20 and local oversight as provided in the Nebraska Medical Cannabis
21 Regulation Act.

22 **Sec. 110.** (1) The commission shall adopt and promulgate rules and
23 regulations establishing criteria to accept or deny initial applications
24 for licenses. The commission shall accept the first round of completed
25 applications between October 13, 2025, through December 15, 2025. After
26 December 15, 2025, and before January 1, 2030, applications will not be
27 accepted except as provided in subsection (6) of this section.

28 (2) Until January 1, 2030, the commission shall not issue more than
29 five vertical licenses statewide.

30 (3) In addition to any dispensary, products manufacturer, and
31 cultivation licenses issued as part of a vertical license, until January

1 1, 2030, the commission may issue the following standalone licenses,
2 subject to the following limits:

- 3 (a) Ten dispensary licenses;
- 4 (b) Five cultivator licenses;
- 5 (c) Five product manufacturer licenses; and
- 6 (d) Five testing facility licenses.

7 (4) The commission may issue transporter licenses, and there shall
8 be no limit on the number of such licenses issued.

9 (5)(a) Except for the sublicenses provided in a vertical license, a
10 single person shall not receive more than one license.

11 (b) An applicant shall not apply for more than one type of license.
12 An application in violation of this subdivision shall be rejected.

13 (6) Following the initial application period under subsection (1) of
14 this section and prior to January 1, 2030, if the commission has issued
15 fewer licenses than the limits in this section allow, or if a license is
16 surrendered, cancelled, or revoked, the commission may issue licenses,
17 subject to such limits, to qualified applicants.

18 **Sec. 111.** (1) An application for issuance or renewal of a license
19 shall be:

- 20 (a) In the form and manner required by the commission;
- 21 (b) Accompanied by the fee required by section 115 of this act; and
- 22 (c) Verified by oath or affirmation of the persons prescribed by the
23 commission.

24 (2) An application for issuance or renewal of a license shall
25 include:

- 26 (a) The name and address of the applicant and how long the applicant
27 has resided in Nebraska;
- 28 (b) The names and addresses of the applicant's officers, directors,
29 or managers;
- 30 (c) The particular premises for which a license is desired,
31 designating the premises by street and number, if practicable, or by such

1 other description as definitively locates the premises;

2 (d) The name of the owner of the premises upon which the business
3 licensed is to be operated;

4 (e) A statement that:

5 (i) If the application is submitted before January 1, 2030, the
6 applicant satisfies the residency requirements of section 113 of this
7 act; and

8 (ii) The applicant is not disqualified under section 114 of this
9 act;

10 (f) A statement that the applicant intends to operate the business
11 authorized by the license on the applicant's own behalf and not as the
12 agent of any other person and that if licensed the applicant will operate
13 such business on the applicant's own behalf and not as the agent for any
14 other person;

15 (g) A statement that the applicant intends to superintend in person
16 the management of the business licensed and that, if so licensed, the
17 applicant will superintend in person the management of the business;

18 (h) The matters required by section 112 of this act; and

19 (i) Such other information as the commission may from time to time
20 direct.

21 (3)(a) An applicant for initial issuance shall also submit two
22 legible sets of fingerprints to be furnished to the Federal Bureau of
23 Investigation through the Nebraska State Patrol for a national criminal
24 history record information check and the fee for such record check
25 payable to the patrol. The applicant shall authorize release of the
26 national criminal history record information check to the commission.

27 (b) The commission may require an applicant for renewal to comply
28 with subdivision (3)(a) of this section when there is a demonstrated
29 investigative need.

30 (4)(a) An application for issuance of a license shall be accompanied
31 by plans and specifications for the interior of any building on the

1 licensed premises, if the building to be occupied is in existence at the
2 time of the application. If such building is yet to be constructed, the
3 applicant shall file a plot plan and a detailed sketch for the interior
4 and submit an architect's drawing of the building to be constructed.

5 (b) The commission shall not issue or renew a license until it is
6 established that the applicant is, or will be, entitled to possession of
7 the premises for which application is made under a lease, rental
8 agreement, or other arrangement for possession of the premises or by
9 virtue of ownership of the premises.

10 (5) If any false statement is made in any part of an application,
11 the applicant shall be deemed guilty of perjury, and upon conviction
12 thereof the license shall be denied or revoked and the applicant
13 subjected to the penalties set forth in section 28-915.

14 **Sec. 112.** (1) An initial application for licensure shall also
15 include the following as required by this section: An operating plan
16 summary, a summary of the applicant's safety and security plans and
17 procedures, and a summary of the applicant's business experience.

18 (2) For an application for a cultivator license, the operating plan
19 summary shall include a written description concerning the applicant's
20 qualifications for, experience in, and knowledge of each of the following
21 topics:

22 (a) State-authorized cultivation of cannabis;

23 (b) Conventional horticulture or agriculture and familiarity with
24 good agricultural practices;

25 (c) Quality control and quality assurance;

26 (d) Recall plans;

27 (e) Corrective action and preventative action plans;

28 (f) Packaging and labeling;

29 (g) Inventory control and tracking software or systems for the
30 cultivation of cannabis;

31 (h) Analytical testing of cannabis;

- 1 (i) Water management practices;
- 2 (j) Onsite and offsite recordkeeping;
- 3 (k) Strain variety, breeding, and plant genetics;
- 4 (l) Pest control and disease management practices, including plans
- 5 for the use of pesticides, nutrients, and other agricultural chemicals;
- 6 (m) Waste disposal procedures; and
- 7 (n) Compliance with applicable laws and regulations.
- 8 (3) For an application for a products manufacturer license, the
- 9 operating plan summary shall include a written description concerning the
- 10 applicant's qualifications for, experience in, and knowledge of each of
- 11 the following topics:
- 12 (a) State-authorized manufacture, production, and creation of
- 13 cannabis products using appropriate extraction methods, including
- 14 intended use and sourcing of extraction equipment and associated solvents
- 15 or intended methods and equipment for non-solvent extraction;
- 16 (b) State-authorized processing of cannabis products;
- 17 (c) Quality control and quality assurance;
- 18 (d) Recall plans;
- 19 (e) Corrective action and preventative action plans;
- 20 (f) Packaging and labeling;
- 21 (g) Inventory control and tracking software or systems for the
- 22 production of cannabis products;
- 23 (h) Analytical testing of cannabis and cannabis products;
- 24 (i) Onsite and offsite recordkeeping;
- 25 (j) A list of product formulations or products proposed to be
- 26 manufactured;
- 27 (k) Intended use and sourcing of all non-cannabis ingredients used
- 28 in the manufacture, production, and creation of cannabis products,
- 29 including methods to verify or ensure the safety and integrity of those
- 30 ingredients and their potential to be or contain allergens;
- 31 (l) Waste disposal plans; and

1 (m) Compliance with applicable laws and regulations.

2 (4) For an application for a dispensary license, the operating plan
3 summary shall include a written description concerning the applicant's
4 qualifications for, experience in, and knowledge of each of the following
5 topics:

6 (a) State-authorized sales of cannabis products to state-authorized
7 purchasers;

8 (b) Quality control and quality assurance;

9 (c) Recall plans;

10 (d) Corrective action and preventative action plans;

11 (e) Packaging and labeling;

12 (f) Routes of administration, strains, varieties, and cannabinoid
13 profiles of cannabis products;

14 (g) Inventory control and tracking software or systems for the sale
15 of cannabis products;

16 (h) Verification of cannabis product testing;

17 (i) Onsite and offsite recordkeeping;

18 (j) Waste disposal procedures; and

19 (k) Compliance with applicable laws and regulations.

20 (5) For an application for a testing facility, the operating plan
21 summary shall include a written description concerning the applicant's
22 qualifications for, experience in, and knowledge of each of the following
23 topics:

24 (a) State-authorized testing of cannabis and cannabis products;

25 (b) Relevant certifications or degrees;

26 (c) Accreditation under the International Organization for
27 Standardization and International Electrotechnical Commission (ISO/IEC)
28 17025:2017 Standard, or any subsequent superseding ISO/IEC Standard;

29 (d) Assurance of employee competency;

30 (e) State proficiency testing;

31 (f) Quality control and quality assurance;

1 (g) Recall plans;

2 (h) Corrective action and preventative action plans;

3 (i) Inventory control and tracking software or systems for the
4 testing of cannabis;

5 (j) Onsite and offsite recordkeeping;

6 (k) Waste disposal procedures; and

7 (l) Compliance with applicable laws and regulations.

8 (6) For an application for a transporter license, the operating plan
9 summary shall include a written description concerning the applicant's
10 qualifications for, experience in, and knowledge of each of the following
11 topics:

12 (a) State-authorized transport of cannabis and cannabis products to
13 state-authorized purchasers;

14 (b) Quality control as it relates to cannabis and cannabis product
15 storage;

16 (c) Corrective action and preventative action plans;

17 (d) Inventory control and tracking software or systems for the
18 transport of cannabis;

19 (e) Onsite and offsite recordkeeping;

20 (f) Waste disposal procedures; and

21 (g) Compliance with applicable laws and regulations.

22 (7) An application for any type of license shall include the
23 following, to the extent deemed applicable and required by the
24 commission's rules and regulations:

25 (a) A summary of the applicant's safety and security plans and
26 procedures, which shall include descriptions of the following:

27 (i) Security and surveillance features, including descriptions of
28 any alarm systems, video surveillance systems, and access and visitor
29 management systems, along with drawings identifying the proposed
30 locations for surveillance cameras and other security features;

31 (ii) Plans for the storage of cannabis, including any safes, vaults,

- 1 and climate control systems that will be utilized for this purpose;
2 (iii) A diversion prevention plan;
3 (iv) Procedures for screening, monitoring, and performing criminal
4 history record information background checks of employees;
5 (v) Cybersecurity procedures;
6 (vi) Workplace safety plans and the applicant's familiarity with
7 federal Occupational Safety and Health Administration regulations;
8 (vii) The applicant's history of workers' compensation claims and
9 safety assessments;
10 (viii) Procedures for reporting adverse events; and
11 (ix) A sanitation practices plan;
12 (b) A summary of the applicant's business experience, including the
13 following, if applicable:
14 (i) The applicant's experience operating businesses in highly
15 regulated industries; and
16 (ii) The applicant's experience in operating lawful cannabis
17 establishments, with greater weight given to operation of establishments
18 similar to the license which is sought; and
19 (c) An executive summary of the applicant's business plan.

20 **Sec. 113.** Until January 1, 2030:

- 21 (1) The commission shall not issue or renew a license unless at
22 least fifty-one percent of the ownership of the applicant is comprised of
23 natural persons who have been residents of Nebraska for at least four
24 years; and
25 (2) It shall be unlawful to operate as a licensee unless at least
26 fifty-one percent of the ownership of the licensee is comprised of
27 natural persons who have been residents of Nebraska for at least four
28 years.

29 **Sec. 114.** A license provided by the Nebraska Medical Cannabis
30 Regulation Act shall not be issued to or held by:

- 31 (1) Any person who has been convicted of a disqualifying offense

1 within the preceding ten years;

2 (2) A person if any of its officers, directors, stockholders, or
3 owners have been convicted of a disqualifying offense within the
4 preceding five years;

5 (3) A person financed in whole or in part by any other person who
6 has been convicted of a disqualifying offense within the preceding ten
7 years;

8 (4) A person under eighteen years of age;

9 (5) A licensee or former licensee who, during a period of licensure
10 or at the time of application, has failed to:

11 (a) File any tax return related to a licensee; or

12 (b) Pay any taxes, interest, or penalties due, as determined by
13 final agency action, relating to a licensee;

14 (6) Any state, county, municipality, or other political subdivision,
15 any branch, department, agency, or subdivision of any of the foregoing,
16 or any corporation or other body established by law to carry out any
17 governmental function;

18 (7) A peace officer, an employee of a jail or the Department of
19 Correctional Services, or an official or employee of a local governing
20 body;

21 (8) A health care practitioner who has issued one or more written
22 recommendations in the preceding five years;

23 (9) A person who is not legally able to work in Nebraska; or

24 (10) A publicly traded company.

25 **Sec. 115.** (1) Until January 1, 2030, an application for initial
26 issuance of a license shall be accompanied by a fee in the following
27 amount:

28 (a) For a vertical license, one hundred thousand dollars;

29 (b) For a dispensary license, twenty-five thousand dollars;

30 (c) For a cultivator license, twenty thousand dollars;

31 (d) For a products manufacturers license, fifteen thousand dollars;

1 (e) For a transporter license, ten thousand dollars; and

2 (f) For a testing facility license, twenty-five thousand dollars.

3 (2) Beginning January 1, 2030, an application for initial issuance
4 of a license shall be accompanied by a fee in an amount determined by the
5 commission, but not more than ten thousand dollars. The commission shall
6 annually adjust the fee to an amount necessary to cover the direct and
7 indirect administrative costs of handling applications for initial
8 issuance of licenses.

9 (3) An application for renewal of a license shall be accompanied by
10 a fee in an amount determined by the commission, but no more than five
11 thousand dollars. The commission shall annually adjust the fee to an
12 amount necessary to cover the direct and indirect administrative costs of
13 handling license renewal applications.

14 (4) Application fees paid to the commission shall be remitted to the
15 State Treasurer for credit to the Medical Cannabis Control Fund.

16 **Sec. 116.** (1) For applications for initial issuance of a license
17 submitted prior to January 1, 2030, the commission shall determine
18 whether to grant or deny the application as provided in this section.

19 (2) If, for a type of license, there are fewer qualified applicants
20 than there are licenses available under the limits provided in section
21 110 of this act, the commission shall issue a license to each qualified
22 applicant.

23 (3) If, for a type of license, there are more qualified applicants
24 than there are licenses available under the limits provided in section
25 110 of this act, the commission shall issue the licenses to the
26 applicants with the highest score on the scoring system developed under
27 subsection (4) of this section. If two or more qualified applicants with
28 equal scores are seeking the last available license or licenses, the
29 commission shall determine the recipient of such license or licenses
30 using a public lottery method developed by the commission.

31 (4)(a) The commission shall develop a method of scoring and

1 reviewing applicants using a point scale. The commission shall determine
2 the amount of points, the point categories, and the system of point
3 distribution. When subsection (2) of this section does not apply, the
4 commission shall review all qualified applicants and assign points using
5 such system.

6 (b) In developing the point system, the commission shall consider
7 the following criteria:

8 (i) The operating plan summary, summary of the applicant's safety
9 and security plans and procedures, and summary of the applicant's
10 business experience submitted under section 112 of this act; and

11 (ii) Any other matter the commission deems necessary for the fair,
12 impartial, stringent, and comprehensive administration of the Nebraska
13 Medical Cannabis Regulation Act.

14 (c) In evaluating an applicant's business experience under
15 subdivision (7)(b) of section 112 of this act, the commission shall
16 afford the greatest weight to the experience of the applicant itself,
17 controlling owners, and entities with common ownership, control, or
18 affiliation with the applicant; followed by the experience of those with
19 a fifteen percent or greater ownership interest in the applicant's
20 organization; followed by interest holders in the applicant's
21 organization; followed by other officers, directors, and bona fide full-
22 time employees of the applicant as of the submission date of the
23 application.

24 **Sec. 117.** (1) On or before January 1, 2029, the commission shall
25 electronically submit recommendations to the Legislature for changes to
26 the Nebraska Medical Cannabis Regulation Act, including, but not limited
27 to, concerning the issuance of licenses under the act.

28 (2) On or before January 1, 2030, the commission shall adopt and
29 promulgate rules and regulations concerning the issuance and renewal of
30 licenses under the act. The commission shall determine whether the limits
31 under section 110 of this act should be maintained, adjusted, or

1 eliminated. In making such determination, the commission shall take into
2 consideration the demand for medical cannabis; whether qualified patients
3 are being adequately served throughout the state; changes to state or
4 federal law concerning medical cannabis or that affect licensees or the
5 commission; successes, challenges, and failures the commission has faced
6 in enforcing the act; the extent of competition in the medical cannabis
7 industry; and any other matters the commission deems appropriate.

8 (3) For applications for initial issuance of a license submitted on
9 and after January 1, 2030, the commission shall determine whether to
10 grant or deny the application according to the commission's rules and
11 regulations.

12 **Sec. 118.** Any grant of a license shall be conditional until passage
13 of a completed inspection by the commission.

14 **Sec. 119.** (1)(a) During the initial licensing process pursuant to
15 section 110 of this act, the commission shall approve or deny all
16 applications for initial issuance of a license on or before March 16,
17 2026.

18 (b) Beginning January 1, 2030, the commission shall approve or deny
19 initial issuance of a license within ninety days after receiving a
20 completed application and the appropriate fee.

21 (2) The commission shall approve or deny renewal of a license within
22 ninety days after receiving a completed application and the appropriate
23 fee.

24 **Sec. 120.** Upon receiving an application for a license, the
25 commission shall notify the clerk of the city or village in which such
26 license is sought or, if the license sought is not sought within a city
27 or village, the county clerk of the county in which such license is
28 sought, of the receipt of the application and shall include one copy of
29 the application with the notice. During the period of forty-five days
30 after the date of receipt by mail or electronic delivery of such
31 application from the commission, the local governing body of such city,

1 village, or county may make and submit to the commission recommendations
2 relative to the granting or denial of such license to the applicant.

3 **Sec. 121.** (1) If no hearing is held pursuant to subsection (1) or
4 (2) of section 124 of this act, the commission may waive the forty-five-
5 day objection period and, if not otherwise prohibited by law, cause a
6 license to be signed by its chairperson, attested by its executive
7 director over the seal of the commission, and issued in the manner
8 provided in subsection (4) of this section as a matter of course.

9 (2) A license may be issued to any qualified applicant if the
10 commission finds that:

11 (a) The applicant is fit, willing, and able to properly provide the
12 service proposed within the city, village, or county where the premises
13 described in the application are located;

14 (b) The applicant can conform to all provisions and requirements of
15 the Nebraska Medical Cannabis Regulation Act and rules and regulations
16 adopted and promulgated thereunder;

17 (c) The applicant has demonstrated that the type of management and
18 control to be exercised over the premises described in the application
19 will be sufficient to ensure that the licensed business can conform to
20 all provisions and requirements of the Nebraska Medical Cannabis
21 Regulation Act and rules and regulations adopted and promulgated
22 thereunder; and

23 (d) The issuance of the license is or will be required by the
24 present or future public convenience and necessity.

25 (3) In making its determination pursuant to subsection (2) of this
26 section, the commission may consider any recommendation of the local
27 governing body.

28 (4) Licenses issued or renewed by the commission shall be mailed or
29 delivered electronically to:

30 (a) The clerk of the city, village, or county who shall deliver the
31 same to the licensee upon receipt from the licensee of proof of payment

1 of:

2 (i) Any fee for publication of notice of hearing before the local
3 governing body upon the application for the license;

4 (ii) The fee for publication of notice of renewal as provided in
5 section 127 of this act; and

6 (iii) Occupation taxes, if any, imposed by such city, village, or
7 county; or

8 (b) The licensee, upon confirmation from the clerk of the city,
9 village, or county that the necessary fees and taxes described in
10 subdivision (4)(a) of this section have been received.

11 (5) The commission shall assign each licensee a unique license
12 number.

13 **Sec. 122.** (1) In addition to the other factors and requirements set
14 forth in the Nebraska Medical Cannabis Regulation Act, the commission may
15 deny issuance or renewal of a license for good cause.

16 (2) For purposes of this section, good cause means:

17 (a) The licensee or applicant has committed willful or repeated
18 violation of the Nebraska Medical Cannabis Regulation Act or rules and
19 regulations adopted and promulgated thereunder, particularly when such
20 violations adversely affect public health or safety;

21 (b) The licensee or applicant has made a materially false statement
22 to the commission;

23 (c) The licensee or applicant has failed to comply with any special
24 terms or conditions that were placed on its license pursuant to an order
25 of the commission; or

26 (d) The licensed premises have been operated in a manner that
27 adversely affects the public health or the safety of the immediate
28 neighborhood in which the establishment is located.

29 **Sec. 123.** (1) For purposes of this section:

30 (a) College means any postsecondary institution as defined in
31 section 85-2403;

1 (b) Covered location means any college campus, any alcohol or drug
2 treatment facility, any school, or any child care facility or day care;
3 and

4 (c) School means any public or private elementary or secondary
5 school.

6 (2)(a) Except as otherwise provided in subsection (3) of this
7 section, no license shall be issued for a premises located within one
8 thousand feet of any covered location.

9 (b) For a cultivator, the distance specified in subdivision (2)(a)
10 of this section shall be measured in a manner determined by the
11 commission.

12 (c) For any licensee other than a cultivator, such distance shall be
13 measured in a straight line from the nearest property line of the covered
14 location to the nearest perimeter wall of the licensed premise.

15 (3) Subsection (2) of this section does not apply to a licensee
16 operating an established business that was in operation prior to the
17 covered location being established within one thousand feet of such
18 business.

19 (4)(a) Local governing bodies may adopt specific ordinances or
20 zoning maps identifying allowable areas for licensed premises.

21 (b) A local governing body may require a licensed premises to be
22 operated within a designated zone as follows:

23 (i) Cultivation facilities may operate in industrial or agricultural
24 zones;

25 (ii) Products manufacturer facilities may operate in industrial
26 zones; and

27 (iii) Dispensaries and testing facilities may be operated in any
28 area other than one designated as a residential zone.

29 (5) A local governing body may prohibit the operation of any type of
30 licensed premises.

31 **Sec. 124.** (1) The commission shall hold a hearing on an application

1 for initial issuance or renewal of a license if, within forty-five days
2 after the date the application was received by the city, village, or
3 county clerk, the commission receives a recommendation of denial from the
4 city, village, or county.

5 (2) The commission may hold a hearing on an application for a
6 license at its own discretion.

7 (3) Hearings under this section shall be conducted, and notice of
8 such hearings provided, in accordance with the rules and regulations of
9 the commission.

10 (4)(a) Hearings upon such applications shall be conducted as
11 provided in this subsection.

12 (b) At least fifteen days prior to such hearing, the commission
13 shall by mail or electronic delivery provide notice indicating the time
14 and place of such hearing to the applicant, the local governing body, and
15 each resident objector. The notice shall state that the commission will
16 receive evidence for the purpose of determining whether to approve or
17 deny the application. Mailing or electronic delivery to the attorney of
18 record of a party shall be deemed to fulfill the purposes of this
19 section.

20 (c) The commission may receive evidence, including testimony and
21 documentary evidence, and may hear and question witnesses concerning the
22 application.

23 (d) The commission shall not use electronic delivery with respect to
24 an applicant or an objector under this section without the consent of the
25 recipient.

26 **Sec. 125.** (1) When a local governing body receives from the
27 commission the notice and copy of application as provided in section 120
28 of this act for a license within the jurisdiction of the local governing
29 body, or following issuance of a notice of renewal of such license, the
30 local governing body may fix a time and place for a hearing at which the
31 local governing body shall receive evidence, either orally or by

1 affidavit from the applicant and any other person, bearing upon the
2 propriety of the issuance or renewal of a license.

3 (2) The scope of the hearing shall not extend beyond determining
4 whether the applicant meets the requirements of the Nebraska Medical
5 Cannabis Regulation Act, the rules and regulations adopted and
6 promulgated thereunder, and the local governing body's ordinances.

7 (3) Hearings under this section shall be conducted, and notice of
8 such hearings provided, in accordance with the rules and regulations of
9 the commission.

10 **Sec. 126.** (1) Ninety days prior to the expiration date of an
11 existing license, the commission shall notify the licensee of the
12 expiration date by first-class mail at the licensee's address of record
13 with the commission and by electronic communication to the email address
14 on file with the commission.

15 (2)(a) A license issued by the commission and outstanding may be
16 automatically renewed by the commission without formal application upon
17 payment of the renewal fee prior to or within thirty days after the
18 expiration of the license. The payment shall be an affirmative
19 representation and certification by the licensee that all answers
20 contained in an application, if submitted, would be the same in all
21 material respects as the answers contained in the last previous
22 application.

23 (b) The renewal privilege provided for in this section shall not be
24 construed as a vested right and shall not prevent the commission from
25 decreasing the number of licenses.

26 (3)(a) The commission may renew the license if:

27 (i) The licensee is qualified to receive a license, the location of
28 the licensed premises has not changed, and the licensed premises remain
29 suitable to be used as such; and

30 (ii) For a dispensary, the licensee has paid, as of the submission
31 of the application for renewal, all state and local taxes due. The

1 commission shall not renew a dispensary license if the licensee is not
2 current on all such taxes.

3 (b) The commission may also at any time require a licensee to submit
4 an application.

5 (c) Upon written request by the local governing body, the commission
6 shall require a licensee to submit an application.

7 **Sec. 127.** The city, village, or county clerk shall cause to be
8 published in a legal newspaper in or of general circulation in such city,
9 village, or county, one time between January 10 and January 30 of the
10 year in which a license is up for renewal, individual notice of the right
11 of automatic renewal of such license. The notice shall be in
12 substantially the following form:

13 NOTICE OF RENEWAL OF MEDICAL CANNABIS LICENSE

14 Notice is hereby given pursuant to section 127 of this act that a
15 [list type of license] license may be automatically renewed for two years
16 from May 1, 20...., for the following licensee:

17 (Name of Licensee) (Address of licensed premises)

18 Notice is hereby given that written objections to the issuance of
19 automatic renewal of license may be filed by any resident of the (city,
20 village, or county) on or before February 10, 20...., in the office of
21 the (city, village, or county) clerk. If the local governing body issues
22 a recommendation of denial to the commission, the commission will hold a
23 hearing to determine whether the license should be renewed.

24 (Name)

25 (City, village, or county) Clerk

26 **Sec. 128.** Upon the conclusion of any renewal hearing under section
27 125 of this act, the local governing body may request a licensee to
28 submit an application as provided in section 126 of this act.

29 **Sec. 129.** (1) Except as provided in subsections (2) and (3) of this
30 section, a license is valid until the second May 1 following the date of
31 issuance unless revoked, cancelled, suspended, or voluntarily surrendered

1 pursuant to the Nebraska Medical Cannabis Regulation Act or the rules and
2 regulations adopted and promulgated thereunder.

3 (2) Except as provided in subsection (3) of this section, a license
4 issued during the initial application period under section 110 of this
5 act shall be valid until May 1, 2028, unless revoked, cancelled,
6 suspended, or voluntarily surrendered pursuant to the Nebraska Medical
7 Cannabis Regulation Act or the rules and regulations adopted and
8 promulgated thereunder.

9 (3) A license shall continue to be valid for a grace period of
10 thirty days following the date it would otherwise expire.

11 **Sec. 130.** Each license issued under the Nebraska Medical Cannabis
12 Regulation Act shall:

13 (1) Specify the date of issuance, the type of license, the period of
14 licensure, the name of the licensee, and the premises licensed; and

15 (2) Be signed by the chairperson of the commission and attested by
16 the executive director over the seal of the commission.

17 **Sec. 131.** (1) At all times, a licensee shall possess and maintain
18 possession of the premises for which the license is issued by ownership,
19 lease, rental, or other arrangement for possession of the premises.

20 (2) At all times, a licensee shall maintain a copy of the license in
21 a conspicuous place on the licensed premises.

22 **Sec. 132.** (1) Each licensee shall personally manage the licensed
23 premises or employ a separate and distinct manager on the licensed
24 premises and shall report the name of the manager to the commission.

25 (2) The licensee shall report any change in manager to the
26 commission using the seed-to-sale tracking system within seven days after
27 the change.

28 **Sec. 133.** (1) A license is not transferable without approval of the
29 commission as provided in this section. A license shall not be
30 transferred during the first two years of its issuance. An application
31 for transfer of ownership of a license shall be:

1 (a) In the form and manner required by the commission;

2 (b) Accompanied by a nonrefundable fee in an amount determined by
3 the commission, but not more than ten thousand dollars. The commission
4 shall annually adjust the fee to an amount necessary to cover the direct
5 and indirect administrative costs of administering this section; and

6 (c) Verified by oath or affirmation of the persons prescribed by the
7 commission.

8 (2) An application for transfer of ownership shall include:

9 (a) The name and address of each party and how long the transferee
10 has resided in Nebraska;

11 (b) The names and addresses of the transferee's officers, directors,
12 or managers;

13 (c) The particular premises of the licensed premises, designating
14 the premises by street and number if practicable or, if not, by such
15 other description as definitively locates the premises;

16 (d) The name of the owner of the premises upon which the business
17 licensed is to be operated;

18 (e) A statement that:

19 (i) If the application is submitted before January 1, 2030, that the
20 applicant satisfies the residency requirements of section 113 of this
21 act; and

22 (ii) The applicant is not disqualified under section 114 of this
23 act;

24 (f) A statement that the transferee intends to operate the business
25 authorized by the license on its own behalf and not as the agent of any
26 other persons and that, if licensed, the transferee will operate such
27 business on its own behalf and not as the agent for any other person;

28 (g) A statement that the transferee intends to superintend in person
29 the management of the business licensed and that, if licensed, the
30 transferee will superintend in person the management of the business; and

31 (h) Such other information as the commission may direct.

1 (3) If any willful false statement is made in any part of an
2 application, the applicant shall be deemed guilty of perjury, and upon
3 conviction thereof the license shall be denied or revoked and the
4 applicant subjected to the penalties set forth in section 28-915.

5 (4) Upon receipt of an application, the transfer shall be considered
6 in the same manner as provided for applications for issuance or renewal
7 of a license under the Nebraska Medical Cannabis Regulation Act, except
8 that the commission may by rule or regulation modify or streamline the
9 procedures or requirements, or the factors to be considered, in granting
10 transfer of ownership in light of the fact that the licensed premises is
11 already in operation.

12 **Sec. 134.** (1) A licensee shall not relocate the licensed premises
13 from the place specified in the license without approval of the
14 commission as provided in this section. An application for relocation of
15 a licensed premises shall be:

16 (a) In the form and manner required by the commission;
17 (b) Accompanied by a nonrefundable fee of one thousand dollars; and
18 (c) Verified by oath or affirmation of the persons prescribed by the
19 commission.

20 (2) An application for relocation of a licensed premises shall
21 include:

22 (a) The name and address of the applicant;
23 (b) The names and addresses of the applicant's officers, directors,
24 or managers;

25 (c) The current location of the licensed premises, designating the
26 same by street and number if practicable or, if not, by such other
27 description as definitively locates the licensed premises;

28 (d) The location to which the licensed premises is sought to be
29 relocated, designating the licensed premises by street and number if
30 practicable or, if not, by such other description as definitively locates
31 the new location;

1 (e) The name of the owner of the premises to which the licensed
2 premises is sought to be relocated; and

3 (f) Such other information as the commission may direct.

4 (3) If any willful false statement is made in any part of an
5 application, the applicant shall be deemed guilty of perjury, and upon
6 conviction thereof the license shall be denied or revoked and the
7 applicant subjected to the penalties set forth in section 28-915.

8 (4) Upon receipt of an application, the relocation shall be
9 considered in the same manner as provided for applications for issuance
10 or renewal of a license as set forth in the Nebraska Medical Cannabis
11 Regulation Act.

12 **Sec. 135.** (1) A license shall be purely a personal privilege.

13 (2) A license shall not:

14 (a) Constitute property;

15 (b) Be subject to attachment, garnishment, or execution;

16 (c) Except as provided in section 133 of this act, be alienable or
17 transferable, voluntarily or involuntarily; or

18 (d) Be subject to being encumbered or hypothecated.

19 (3) A license shall not descend by the laws of testate or intestate
20 succession, but it shall cease upon the death of the licensee, except
21 that:

22 (a) Personal representatives of the estate of any deceased licensee,
23 when such estate consists in part of a licensed operation, or a
24 partnership or limited liability company upon the death of one or more of
25 the partners or members, may continue the business of the licensee under
26 order of the appropriate court and may exercise the privileges of the
27 deceased or deceased partner or member after the death of such decedent
28 until the expiration of such license, but if such license would have
29 expired within two months following the death of the licensee, the
30 license may be renewed by the personal representatives with the approval
31 of the appropriate court for a period not to exceed one additional year;

1 and

2 (b) When a license is issued to spouses, as co-licensees with rights
3 of survivorship, upon the death of one spouse the survivor may exercise
4 all rights and privileges under such license in the survivor's own name.

5 (4) The trustee of any insolvent or bankrupt licensee, when such
6 estate consists in part of a licensed operation, may continue the
7 business of the licensed operation under order of the appropriate court
8 and may exercise the privileges of the insolvent or bankrupt licensee
9 until the expiration of such license.

10 **Sec. 136.** The commission, in its discretion, may revoke, cancel, or
11 elect not to renew any license if it determines that the licensed
12 premises have been inactive, without good cause, for at least two years.

13 **Sec. 137.** The commission shall, and local governing bodies may,
14 cause an annual inspection to be made on the premises of all licensees.
15 The commission or a local governing body may conduct more frequent
16 inspections when necessary to carry out an ongoing investigation. If it
17 is found that any such licensee is violating any provision of the
18 Nebraska Medical Cannabis Regulation Act or the rules and regulations of
19 the commission adopted and promulgated under the act or is failing to
20 observe in good faith the purposes of the act, the license may be
21 subjected to sanctions as provided in section 140 of this act after the
22 licensee is given notice and an opportunity to be heard.

23 **Sec. 138.** (1) In the discharge of any duty under the Nebraska
24 Medical Cannabis Regulation Act, the commission may issue subpoenas and
25 compel the attendance of witnesses and the production of any papers,
26 books, accounts, documents, and testimony.

27 (2) In case of disobedience on the part of any person to any
28 subpoena issued by the commission or the refusal of any witness to
29 testify on any matters regarding which such witness may be lawfully
30 interrogated, it shall be the duty of the district court for the county
31 in which such hearing was convened, on the application of a commissioner,

1 to compel obedience by proceedings for contempt as in the case of
2 disobedience to the requirements of a subpoena issued from such court or
3 a refusal to testify therein.

4 **Sec. 139.** (1) The commission may, on its own motion or on
5 complaint, after investigation and opportunity for a hearing at which the
6 licensee must be afforded an opportunity to be heard, sanction a licensee
7 for a violation by the licensee or by its agents or employees of the
8 Nebraska Medical Cannabis Regulation Act, any rules and regulations
9 adopted and promulgated thereunder, any ordinance regulating cannabis, or
10 any of the terms, conditions, or provisions of the license.

11 (2) The commission shall provide written notice of the hearing, by
12 mailing the notice to the licensee at the address contained in the
13 license and, if different, at the last address furnished to the
14 commission by the licensee.

15 (3) All proceedings for the suspension, cancellation, or revocation
16 of a license or imposition of other sanction against a licensee shall be
17 before the commission, and the proceedings shall be in accordance with
18 rules and regulations adopted and promulgated by the commission.

19 (4) No licensee shall be subject to sanctions except after a hearing
20 by the commission with reasonable notice to the licensee and opportunity
21 to appear and defend.

22 (5) In conducting a hearing under this section, the commission may
23 administer oaths and issue subpoenas to require the presence of persons
24 and the production of papers, books, and records necessary to the
25 determination of any hearing.

26 (6) If a licensee is convicted of a violation of the Nebraska
27 Medical Cannabis Regulation Act, any rule or regulation adopted and
28 promulgated thereunder, or any ordinance regulating cannabis, the court
29 shall promptly notify the commission and the local governing body.

30 **Sec. 140.** Upon the completion of any hearing held regarding
31 discipline of a license, the director may dismiss the action or impose

1 any of the following sanctions:

2 (1) Censure;

3 (2) Probation;

4 (3) Limitation;

5 (4) Civil penalty;

6 (5) Suspension for up to six months;

7 (6) Seizure of cannabis that is the subject of a violation of the

8 Nebraska Medical Cannabis Regulation Act;

9 (7) Cancellation; or

10 (8) Revocation.

11 **Sec. 141.** (1) If a civil penalty is imposed pursuant to section 140
12 of this act, it shall not exceed twenty thousand dollars.

13 (2) Any fine or civil penalty assessed and unpaid shall constitute a
14 debt to the State of Nebraska which may be collected in the manner of a
15 lien foreclosure or sued for and recovered in a proper form of action in
16 the name of the state in the district court of the county in which the
17 violation resides or owns property. In such action the commission may also
18 collect attorney's fees and costs incurred in the collection of the civil
19 penalty. The commission shall, within thirty days after receipt, remit
20 any collected civil penalty to the State Treasurer to be disposed of in
21 accordance with Article VII, section 5, of the Constitution of Nebraska.

22 **Sec. 142.** (1) Following a hearing under section 139 of this act, if
23 the commission determines that cannabis in the possession of a licensee
24 is involved in a violation of the Nebraska Medical Cannabis Regulation
25 Act, the rules and regulations adopted and promulgated thereunder, an
26 ordinance regulating cannabis, or any terms or conditions of a license,
27 the commission may declare such cannabis to be contraband and seize and
28 destroy or dispose of it in accordance with rules and regulations of the
29 commission.

30 (2) Following issuance of a final decision by the commission
31 authorizing seizure and destruction of cannabis of a licensee, the

1 licensee shall have fifteen days to file a petition for a stay. The
2 petition shall be filed in the district court of Lancaster County. The
3 district court shall expeditiously issue a preliminary ruling upon the
4 petition determining whether the licensee has a substantial likelihood of
5 success on judicial review so as to warrant a temporary stay of the
6 seizure and destruction or disposal of the cannabis. If the court grants
7 a temporary stay, the court shall issue an order setting forth terms and
8 conditions pursuant to which the licensee may maintain possession of the
9 cannabis pending a final decision on the merits of the licensee's
10 petition. Such order shall prohibit the licensee from using,
11 distributing, or disposing of the cannabis.

12 (3) If the licensee fails to timely file a petition under subsection
13 (2) of this section, the commission may destroy or dispose of the seized
14 cannabis.

15 (4) A county attorney shall notify the commission if the county
16 attorney begins investigating a licensee for violations of the Nebraska
17 Medical Cannabis Regulation Act. Upon receipt of such a notification, the
18 commission shall not destroy or dispose of any cannabis of such licensee
19 until the county attorney has completed such investigation.

20 **Sec. 143.** During suspension or similar order to temporarily cease
21 operations by the commission:

22 (1) A cultivator may continue to grow, harvest, and maintain
23 finished inventory on the licensed premises, but shall not sell or
24 transfer any finished cannabis until the conclusion of the suspension or
25 other final disposition of the commission; and

26 (2) A products manufacturer may continue to manufacture cannabis
27 products that are in-process, but shall not sell or transfer any finished
28 cannabis products until the conclusion of the suspension or other final
29 disposition of the commission.

30 **Sec. 144.** The state, local governments, and any state or local
31 agency shall not be required to cultivate or care for any cannabis seized

1 for a violation of the Nebraska Medical Cannabis Regulation Act.

2 **Sec. 145.** (1) A copy of the rule, regulation, order, or decision of
3 the commission denying an application or suspending, cancelling,
4 revoking, or imposing another sanction against a licensee or of any
5 notice required by any proceeding before it, certified under the seal of
6 the commission, shall be served upon each party of record to the
7 proceeding before the commission. Service upon any attorney of record for
8 any such party shall be deemed to be service upon such party. Each party
9 appearing before the commission shall enter the party's appearance and
10 indicate to the commission the party's address for such service. The
11 mailing of a copy of any rule, regulation, order, or decision of the
12 commission or of any notice by the commission, in the proceeding, to such
13 party at such address shall be deemed to be service upon such party.

14 (2) Within thirty days after the service described in subsection (1)
15 of this section, such party may apply for a rehearing with respect to any
16 matters determined by the commission. The commission shall receive and
17 consider such application for a rehearing within thirty days after its
18 filing with the executive director of the commission. If such application
19 for rehearing is granted, the commission shall proceed as promptly as
20 possible to consider the matters presented by such application. No appeal
21 shall be allowed from any decision of the commission except as provided
22 in section 146 of this act.

23 (3) Upon final disposition of any proceeding, costs shall be paid by
24 the party or parties against whom a final decision is rendered. Only one
25 rehearing referred to in subsection (2) of this section shall be granted
26 by the commission on application of any one party.

27 (4) For purposes of this section, party of record means:

28 (a) The applicant or licensee;

29 (b) The local governing body if it is entering an appearance to
30 protest or requesting a hearing; and

31 (c) The commission.

1 **Sec. 146.** Any order or decision by the commission granting or
2 denying issuance or renewal of a license, a request to transfer ownership
3 of a license, or a request to relocate a licensed premises; suspending,
4 cancelling, revoking, or imposing another sanction against a licensee; or
5 refusing to suspend, cancel, revoke, or impose another sanction against a
6 licensee may be appealed. The appeal shall be in accordance with the
7 Administrative Procedure Act.

8 **Sec. 147.** (1) If a licensee wishes to surrender a license, the
9 licensee shall notify the commission at least fourteen days prior to the
10 date the surrender will be effective. Such notification and surrender
11 shall be done in a form and manner prescribed by the commission.

12 (2) No later than twenty-four hours following the date the surrender
13 will be effective, the licensee shall:

14 (a) Transfer any remaining cannabis or cannabis accessories to
15 another eligible licensee; or

16 (b) Destroy any remaining cannabis or cannabis accessories.

17 **Sec. 148.** Nothing in the Nebraska Medical Cannabis Regulation Act
18 shall be construed to limit a law enforcement agency's ability to
19 investigate unlawful activity in relation to a licensee.

20 **Sec. 149.** A local governing body shall have the following powers,
21 functions, and duties with respect to licenses within its jurisdiction:

22 (1) To enter or to authorize any law enforcement officer to enter at
23 any time upon any licensed premises to determine whether any provision of
24 the Nebraska Medical Cannabis Regulation Act, any rule or regulation
25 adopted and promulgated pursuant to the act, or any ordinance has been or
26 is being violated and at such time examine the premises of such licensee
27 in connection with such determination. Any law enforcement officer who
28 determines that any such violation has occurred or is occurring shall
29 report such violation in writing to the executive director of the
30 commission within thirty days after the latest of the following:

31 (a) Determining that such violation has occurred;

1 (b) The conclusion of an ongoing police investigation; or

2 (c) The verdict in a prosecution related to such an ongoing police
3 investigation if the prosecuting attorney determines that reporting such
4 violation prior to the verdict would jeopardize such prosecution;

5 (2) To examine or cause to be examined any applicant or any
6 licensee, upon whom notice of cancellation or revocation has been served
7 as provided in the act, to examine or cause to be examined the books and
8 records of any applicant or licensee, and to hear testimony and to take
9 proof for its information in the performance of its duties. For purposes
10 of obtaining any of the information desired, the local governing body may
11 authorize its agent or attorney to take action on its behalf;

12 (3) To cancel or revoke, on the local governing body's own motion,
13 any license if the local governing body determines, following notice and
14 a hearing, that the licensee has willfully or repeatedly violated the
15 Nebraska Medical Cannabis Regulation Act or the rules and regulations
16 adopted and promulgated thereunder, particularly if such violations
17 adversely affect public health or safety. The notice and hearing shall be
18 conducted and given in a manner prescribed by the commission's rules and
19 regulations. Such order of cancellation or revocation may be appealed to
20 the commission within thirty days after the date of the order by filing a
21 notice of appeal with the commission. The commission shall adopt and
22 promulgate rules and regulations for processing and hearing such appeals;

23 (4) To impose an occupation tax on a dispensary, not to exceed an
24 annual limit of the greater of five thousand dollars or two percent of
25 the licensee's gross receipts; and

26 (5) To impose a fee on any licensee, other than a dispensary, for
27 initial issuance or renewal of a license. Such fee shall be in an amount
28 set by the local governing body, not to exceed five thousand dollars.
29 Each local governing body imposing such a fee shall annually adjust the
30 fee to an amount necessary to cover the local governing body's direct and
31 indirect administrative costs of handling applications for evaluating and

1 responding to applications for issuance or renewal of a license.

2 **Sec. 150.** (1)(a) Subject to section 99 of this act, a local
3 governing body may regulate by ordinance the business of all licensees
4 operating within the jurisdiction of the local governing body.

5 (b) Such ordinances may be more strict than those set forth in the
6 Nebraska Medical Cannabis Regulation Act. Such standards may include:

7 (i) Reasonable distance restrictions between licensed premises of
8 any type or the same type;

9 (ii) Reasonable restrictions on the size of a licensed premises; and

10 (iii) Any other requirements necessary to ensure the local control
11 of licensees to aid enforcement of the Nebraska Medical Cannabis
12 Regulation Act, ordinances, or the terms and conditions of a license.

13 (2) Except as provided in subsection (5) of section 123 of this act,
14 any ordinance regulating conduct authorized by the Nebraska Medical
15 Cannabis Regulation Act shall not make it unreasonably impracticable to
16 operate as a licensee.

17 **Sec. 151.** (1) No licensee shall:

18 (a) Sell or transfer cannabis to any individual younger than
19 eighteen years of age;

20 (b) Allow any individual younger than eighteen years of age on its
21 premises; or

22 (c) Employ or retain any individual younger than eighteen years of
23 age.

24 (2) A licensee other than a dispensary shall not sell or transfer
25 cannabis to any person other than:

26 (a) A licensee, to the extent permitted by the Nebraska Medical
27 Cannabis Regulation Act;

28 (b) The commission; or

29 (c) A person designated by the commission.

30 (3) A dispensary shall not sell or transfer cannabis products to any
31 person other than:

1 (a) A licensee, to the extent permitted by the Nebraska Medical
2 Cannabis Regulation Act;

3 (b) A qualified patient or registered caregiver; or

4 (c) A person designated by the commission.

5 **Sec. 152.** (1) For purposes of this section:

6 (a) Escorted means appropriately checked into the limited access
7 area and accompanied by a person authorized by the commission, except
8 that trade craftspeople not normally engaged in the business of
9 cultivating, processing, testing, or selling cannabis need not be
10 accompanied on a full-time basis, but only reasonably monitored; and

11 (b) Limited access area means a building, room, or other contiguous
12 area upon a licensed premises where cannabis is cultivated, processed,
13 stored, weighed, packaged, or tested, under control of the licensee.

14 (2) Only those employees of the licensee and those visitors escorted
15 by a person authorized by the licensee may enter a limited access area.
16 All areas of ingress or egress to limited access areas shall be clearly
17 identified as such by a sign as designated by the commission.

18 **Sec. 153.** All cultivation, processing, and manufacture of cannabis
19 shall:

20 (1) Take place at a licensed premises approved by the commission and
21 within an area that is enclosed and locked in a manner that restricts
22 access to only authorized persons. The area may be uncovered only if it
23 is enclosed with security fencing that is designed to prevent
24 unauthorized entry and that is at least ten feet high; and

25 (2) Take place on property in the licensee's lawful possession or
26 with the consent of the person in lawful physical possession of the
27 property.

28 **Sec. 154.** Each licensee shall:

29 (1) Secure every entrance to the licensed premises so that access to
30 areas containing cannabis is restricted to persons authorized to possess
31 cannabis; and

1 (2) Secure the inventory and equipment of the licensed premises
2 during and after operating hours to deter and prevent theft of cannabis.

3 **Sec. 155.** A licensee shall not permit the consumption of cannabis
4 on any licensed premises.

5 **Sec. 156.** (1) Each licensee shall keep a complete set of all
6 records necessary to fully document the business transactions of the
7 licensee, all of which shall be open at all times during regular business
8 hours for the inspection and examination by the commission or its
9 designee.

10 (2) The commission may require any licensee to furnish such
11 information as the commission considers necessary for the proper
12 administration of the Nebraska Medical Cannabis Regulation Act and may
13 require an audit to be made of the books of account and records on such
14 occasions as the commission may consider necessary by an auditor to be
15 selected by the commission who shall likewise have access to all books
16 and records of the licensee. Any such audit expense shall be paid by the
17 licensee.

18 (3) The commission or its designee may examine and inspect or
19 provide for the examination and inspection of any licensee, licensed
20 premises, or the records or operations of any licensee in such manner and
21 at such times as provided in rules and regulations adopted and
22 promulgated by the commission. The commission shall issue an examination
23 and inspection report and provide a copy of the report to the licensee
24 within ten working days after the completion of an examination and
25 inspection.

26 (4) The refusal, impediment, obstruction, or interference with an
27 inspection of the licensed premises or records of a licensee by a
28 licensee or its agent or employee is a violation of the Nebraska Medical
29 Cannabis Regulation Act.

30 (5) If a licensee or an agent or employee of a licensee fails to
31 maintain or provide the records required pursuant to the Nebraska Medical

1 Cannabis Regulation Act, the licensee shall be subject to a citation and
2 fine in an amount determined by the commission pursuant to its schedule
3 of penalties. A separate fine may be assessed for each individual
4 violation.

5 **Sec. 157.** (1) Every sale or transfer of cannabis from one licensee
6 to another licensee shall be recorded on a sales invoice or receipt.
7 Sales invoices and receipts may be maintained electronically, including
8 in the seed-to-sale tracking system. Sales invoices and receipts shall:

9 (a) Be entered into the seed-to-sale tracking system;

10 (b) Be filed in such manner as to be readily accessible for
11 examination by employees of the commission; and

12 (c) Not be commingled with invoices covering other commodities.

13 (2) Each sales invoice or receipt shall include the seller's name,
14 license number, and address and shall include the following information:

15 (a) Name and address of the purchaser;

16 (b) Date of sale and invoice number;

17 (c) Item, category, and quantity of cannabis sold;

18 (d) The cost to the purchaser, together with any discount applied to
19 the price as shown on the invoice;

20 (e) The place from which transport of the cannabis was made unless
21 transport or delivery was made from the premises of the licensee; and

22 (f) Any other information specified by the commission.

23 **Sec. 158.** Any licensee may provide a sample of its cannabis or
24 cannabis products to a testing facility for testing and research
25 purposes. The licensee shall maintain a record of what was provided to
26 the testing facility, the identity of the testing facility, and the
27 testing results.

28 **Sec. 159.** (1)(a) On or before January 1, 2026, the commission shall
29 procure, maintain, and control a centralized computer software seed-to-
30 sale tracking system that tracks cannabis from seed or immature plant
31 stage to sale and allows real-time, twenty-four-hour access by the

1 commission to data from each licensee. The seed-to-sale tracking system
2 must uniquely identify and track each cannabis plant and wholesale
3 product. Records entered into the system shall include:

4 (i) When seeds are planted;

5 (ii) When plants are in vegetative state, harvested, transferred,
6 transported, processed, remediated, destroyed, and sold; and

7 (iii) Any other data the commission deems necessary.

8 (b) The commission shall maintain the confidentiality of information
9 in the seed-to-sale tracking system as provided in section 103 of this
10 act.

11 (2) Each licensee shall, in accordance with the commission's rules
12 and regulations, use the seed-to-sale tracking system.

13 (3) A licensee may use a separate, secondary tracking system to
14 collect information to be used by the licensee.

15 (4) A licensee shall ensure that all relevant seed-to-sale tracking
16 system data is accurately transferred to and from the seed-to-sale
17 tracking system for the purpose of reconciliation with any secondary
18 tracking system.

19 (5) A licensee shall preserve original seed-to-sale tracking system
20 data when transferred to and from a secondary tracking system. A
21 secondary system shall use the seed-to-sale tracking system data as the
22 primary source of data and shall be compatible with updating to the seed-
23 to-sale tracking system.

24 (6) A secondary tracking system shall be capable of:

25 (a) Interfacing with the seed-to-sale tracking system so a licensee
26 may enter and access information in the seed-to-sale tracking system as
27 required for inventory control and tracking and for purchase limitations;

28 (b) Providing the commission with access to all information stored
29 in the system's database;

30 (c) Maintaining confidentiality of qualified patient and registered
31 caregiver data and records so that persons other than the commission may

1 only access the information in the system that they are authorized by law
2 to access; and

3 (d) Producing analytical reports to the commission regarding:

4 (i) Total quantity of daily, monthly, and yearly sales at the
5 licensed premises per product type;

6 (ii) Average prices of daily, monthly, and yearly sales at the
7 licensed premises per product type; and

8 (iii) Total inventory or sales record adjustments at the licensed
9 premises.

10 **Sec. 160.** (1) A licensee shall use seed-to-sale tracking system
11 tags from a commission-approved vendor. Each licensee is responsible for
12 the cost of all tags and any associated vendor fees.

13 (2) A licensee shall ensure its inventory is properly tagged and
14 that a seed-to-sale tracking system tag is properly assigned to cannabis
15 and cannabis waste as required by the commission.

16 (3) A licensee shall ensure it has an adequate supply of seed-to-
17 sale tracking system tags at all times. If a licensee is unable to
18 account for unused tags, the licensee shall report to the commission and
19 the system vendor within forty-eight hours.

20 (4) Seed-to-sale tracking system tags shall contain the legal name
21 and license number of the associated licensee. A licensee shall not use
22 another licensee's tags.

23 (5)(a) A seed-to-sale tracking system tag shall be placed on each
24 container holding a cannabis plant and shall remain physically near and
25 clearly associated with the cannabis plant until the plant reaches
26 fifteen inches in height. Clones shall be tracked in the seed-to-sale
27 tracking system and shall be associated with a wholesale package tag,
28 whether cut from a mother plant or transferred from another licensee,
29 prior to reaching fifteen inches in height.

30 (b) When the plant reaches fifteen inches in height, the seed-to-
31 sale tracking system tag shall be securely fastened to a lower supporting

1 branch. The tag shall remain affixed for the entire life of the plant
2 until disposal. If the plant changes forms, is removed from the original
3 planting location after harvest, or is being trimmed, dried, or cured by
4 the cultivator, the tag shall be placed on the container holding the
5 cannabis plants or must remain physically near and clearly associated
6 with the cannabis plants until the plant is placed into a package in both
7 the seed-to-sale tracking system and physically packaged and affixed with
8 the tag.

9 (c) Mother plants shall be tagged before any cuttings or clones are
10 generated from such plants.

11 (6) If a seed-to-sale tracking system tag is destroyed, stolen, or
12 falls off of a cannabis plant, the licensee shall ensure a new tag is
13 placed on the cannabis plant and the change of the tag is properly
14 reflected in the system.

15 (7) A licensee shall not reuse any seed-to-sale tracking system tag
16 that has already been affixed to any cannabis.

17 **Sec. 161.** (1) No person shall add harmful additives to any
18 cannabis, including, but not limited to, those that are toxic, designed
19 to make the product addictive, designed to make the product appealing to
20 children, or misleading to consumers. This section does not prohibit the
21 addition of common baking or cooking ingredients.

22 (2) No person shall sell cannabis mixed with nicotine or alcohol.

23 **Sec. 162.** (1) For purposes of this section:

24 (a) Hemp-derived means a cannabinoid extracted from hemp, including
25 a cannabinoid with a chemical makeup that is changed after extraction to
26 create a different cannabinoid or other chemical compound by applying a
27 catalyst other than heat or light;

28 (b)(i) Intoxicating cannabinoid means a cannabinoid, including an
29 artificially derived cannabinoid, that when introduced into the human
30 body, impairs the central nervous system or impairs the human audio,
31 visual, or mental processes. Intoxicating cannabinoid includes, but is

1 not limited to, any form of THC, including but not limited to:

2 (A) Delta-10 THC and its isomers;

3 (B) Delta-9 THC and its isomers;

4 (C) Delta-8 THC and its isomers;

5 (D) Delta-7 THC and its isomers;

6 (E) Delta-6a10a THC and its isomers;

7 (F) Exo-tetrahydrocannabinol;

8 (G) Metabolites of THC, including 11-hydroxy-THC, 3-hydroxy-THC, or
9 7-hydroxy-THC;

10 (H) Hydrogenated forms of THC, including hexahydrocannabinol,
11 hexahydrocannabiphorol, and hexahydrocannabihexol;

12 (I) Synthetic forms of THC, including dronabinol;

13 (J) Ester forms of THC, including delta-8 THC-0-acetate, delta-9
14 THC-0-acetate, and hexahydrocannabinol-0-acetate;

15 (K) Varin forms of THC, including delta-8 tetrahydrocannabivarin but
16 excluding delta-9 tetrahydrocannabivarin;

17 (L) Analogues of tetrahydrocannabinols with an alkyl chain of four
18 or more carbon atoms, including tetrahydrocannabiphorols,
19 tetrahydrocannabioctyls, tetrahydrocannabihexols, or
20 tetrahydrocannabutols; and

21 (M) Any combination of such compounds, including
22 hexahydrocannabiphorol-0-ester.

23 (ii) Intoxicating cannabinoid does not include a nonintoxicating
24 cannabinoid;

25 (c) Nonintoxicating cannabinoid means a cannabinoid that, when
26 introduced into the human body, does not impair the central nervous
27 system and does not impair the human audio, visual, or mental processes.
28 Nonintoxicating cannabinoid includes, but is not limited to, cannabidiol
29 (CBD), cannabichromene (CBC), cannabielsoin (CBE), cannabigerol (CBG),
30 cannabidivarin (CBDV), and cannabinol (CBN);

31 (d)(i) Semi-synthetic cannabinoid means a substance that is created

1 by a chemical reaction that converts one cannabinoid extracted from a
2 cannabis plant directly into a different cannabinoid.

3 (ii) Semi-synthetic cannabinoid includes cannabinoids, such as
4 cannabinol, that are produced by the conversion of cannabidiol.

5 (iii) Semi-synthetic cannabinoid does not include cannabinoids
6 produced via decarboxylation of naturally occurring acidic forms of
7 cannabinoids, such as tetrahydrocannabinolic acid, into the corresponding
8 neutral cannabinoid, such as THC, through the use of heat or light,
9 without the use of chemical reagents or catalysts, and that results in no
10 other chemical change; and

11 (e)(i) Synthetic cannabinoid means cannabinoid-like compounds
12 produced through chemical synthesis or modification.

13 (ii) Synthetic cannabinoid does not include semi-synthetic
14 cannabinoids or cannabinoids produced by decarboxylation.

15 (2) No licensee shall cultivate, manufacture, sell, or otherwise
16 transact business with any products containing cannabinoids other than
17 those that were produced and distributed in compliance with the Nebraska
18 Medical Cannabis Regulation Act or the Nebraska Hemp Farming Act.

19 (3) A cannabis product:

20 (a) May include cannabinoids extracted or derived from cannabis
21 cultivated and processed in accordance with the Nebraska Medical Cannabis
22 Regulation Act; and

23 (b) Shall only include semi-synthetic or synthetic cannabinoids as
24 provided in subsection (5) of this section.

25 (4) A cannabis product may include hemp-derived nonintoxicating
26 cannabinoids but shall not include hemp-derived intoxicating
27 cannabinoids.

28 (5)(a) A licensee shall not manufacture, produce, sell, or offer to
29 sell a semi-synthetic or synthetic cannabinoid or a product containing a
30 semi-synthetic or synthetic cannabinoid unless the commission has by rule
31 and regulation authorized such conduct.

1 (b) The commission, in coordination with the Department of Health
2 and Human Services, may adopt and promulgate rules and regulations
3 providing standards and requirements for the manufacture and production
4 of semi-synthetic or synthetic cannabinoids in Nebraska. The rules and
5 regulations shall include a requirement that cannabis products
6 manufactured or produced in Nebraska that contain a semi-synthetic or
7 synthetic cannabinoid as an ingredient are produced, labeled, and tested
8 in accordance with rules and regulations adopted and promulgated pursuant
9 to this subsection.

10 (6) The commission, in coordination with the Department of Health
11 and Human Services, may adopt and promulgate rules and regulations to:

12 (a) Classify a cannabis-derived compound or cannabinoid that is not
13 classified in this section as an intoxicating cannabinoid, a
14 nonintoxicating cannabinoid, a semi-synthetic cannabinoid, or a synthetic
15 cannabinoid; or

16 (b) Reclassify a cannabis-derived compound or cannabinoid classified
17 in this section as an intoxicating cannabinoid, a nonintoxicating
18 cannabinoid, a semi-synthetic cannabinoid, or a synthetic cannabinoid if:

19 (i) Nebraska or federal law has established a process to review and
20 approve cannabis-derived compounds or cannabinoids, this process
21 evaluates the intoxicating potential of the cannabis-derived compound or
22 cannabinoid, and the reclassification is based on the findings of the
23 process and evaluation; and

24 (ii) The reclassification is either:

25 (A) Supported by peer-reviewed research or clinical trials
26 establishing to a reasonable degree of scientific certainty that the
27 cannabis-derived compound or cannabinoid or the product containing a
28 cannabis-derived compound or cannabinoid should be reclassified; or

29 (B) Based on a threat to human health, including substantial reports
30 of intoxication or adverse health event reports.

31 (7) The commission may adopt and promulgate rules and regulations to

1 carry out this section, including, but not limited to, rules and
2 regulations that:

3 (a) Authorize or prohibit chemical modification, conversion, or
4 synthetic derivation of cannabinoids or cannabis-derived compounds,
5 unless otherwise permitted by this act; and

6 (b) Authorize, prohibit, or regulate cannabis-derived ingredients in
7 cannabis products that are compounds other than cannabinoids.

8 **Sec. 163.** The commission shall adopt and promulgate rules and
9 regulations for the packaging of cannabis products which shall include:

10 (1) Child-resistant packaging requirements to protect children from
11 ingesting or consuming cannabis products;

12 (2) For edible cannabis products, requirements for dividing each
13 serving within a package containing multiple servings, as established in
14 the products manufacturer's standard operating procedures, in a manner
15 that allows qualified patients and registered caregivers to easily
16 identify a single serving; and

17 (3) Requirements to ensure that packaging and labels are not
18 attractive to children.

19 **Sec. 164.** (1) Except as provided in subsection (2) of this section,
20 prior to transfer or sale to a qualified patient or registered caregiver
21 by a dispensary, all cannabis products shall be labeled and placed in an
22 opaque, resealable, and child-resistant package in accordance with the
23 Nebraska Medical Cannabis Regulation Act and the rules and regulations
24 adopted and promulgated thereunder.

25 (2) Non-ingestible cannabis products, such as topical creams or
26 patches, are exempt from the requirements concerning resealable and
27 child-resistant packaging of this section.

28 (3) For purposes of this section:

29 (a) Opaque means that the packaging does not allow the product to be
30 seen without opening the packaging material; and

31 (b) Resealable means that the package continues to function within

1 effectiveness specifications, which shall be established by the
2 commission, similar to the federal Poison Prevention Packaging Act of
3 1970, 15 U.S.C. 1471 et seq., as such act existed on January 1, 2025, for
4 the number of opening and closings customary for its size and contents,
5 which shall be determined by the commission.

6 **Sec. 165.** The label required by section 164 of this act shall
7 include the following information prominently displayed in a clear and
8 legible fashion and in a font size no smaller than six-point Arial or
9 nine-point Times New Roman:

10 (1) The cannabis product name, license number of the products
11 manufacturer, and package date;

12 (2) Text warning of the unidentified health risks that reads: "This
13 product has intoxicating effects. There may be health risks associated
14 with consumption of this product.";

15 (3) Text that reads: "For medical use by qualified patients only.";

16 (4) Text warning of the risks to vulnerable populations that reads:
17 "There may be additional health risks associated with the consumption of
18 this product for women who are pregnant, breastfeeding, or planning on
19 becoming pregnant.";

20 (5) Text that reads: "Not for resale or transfer.";

21 (6) Text that reads: "Use of cannabis may impair your ability to
22 drive a car or operate machinery.";

23 (7) For cannabis concentrate, a list of any solvents that were used
24 in the manufacture of such cannabis concentrate;

25 (8) A batch or lot number;

26 (9) A description of the intended use of the product;

27 (10) A list of the total THC and total cannabinoids of the product;
28 and

29 (11) Any other information or statement required by the commission.

30 **Sec. 166.** The principal display area of any packaging or label
31 required by section 164 of this act shall:

1 (1) Include a universal symbol, as defined in the American Society
2 for Testing and Materials' (ASTM) publication ASTM D8441/D8441M,
3 indicating the package contains cannabis; and

4 (2) Have text that reads: "Contains cannabis. Keep away from
5 children.".

6 **Sec. 167.** The label required under section 164 of this act shall,
7 for edible cannabis products:

8 (1) Have text that reads: "Caution: This product is infused with
9 cannabis. The intoxicating effects of this product may be delayed by two
10 or more hours.";

11 (2) List all ingredients and disclose nutritional information in the
12 same manner as the federal nutritional labeling requirements in 21 C.F.R.
13 101.9, as such section existed on January 1, 2025; and

14 (3) Include a warning if nuts or other allergens are used.

15 **Sec. 168.** A licensee shall not market, advertise, sell, or cause to
16 be sold a cannabis product if the product's container, packaging, or
17 advertising:

18 (1) Depicts a cartoon-like fictional character that mimics a
19 character primarily aimed at entertaining minors;

20 (2) Imitates or mimics trademarks or trade dress of products that
21 are or have been primarily marketed to minors;

22 (3) Includes a symbol that is primarily used to market products to
23 minors; or

24 (4) Includes an image of a celebrity.

25 **Sec. 169.** The commission shall adopt and promulgate rules and
26 regulations governing labels for cannabis transferred between licensees.
27 The rules and regulations shall require, at a minimum, that such labels
28 include the license number of the transferring licensee and the net
29 contents. Such rules shall cover transfers between:

30 (1) Cultivators and product manufacturers; and

31 (2) Transfers between other licensees, other than transfers to

1 dispensaries.

2 **Sec. 170.** (1) Subject to the Nebraska Medical Cannabis Regulation
3 Act and the rules and regulations adopted and promulgated thereunder, a
4 cultivator may cultivate and process cannabis plants for sale and
5 transfer to products manufacturers and to other cultivators, but not to
6 qualified patients or registered caregivers.

7 (2) A cultivator shall track the cannabis it cultivates and
8 distributes from seed or planting to the point the cannabis is
9 transferred to a licensee.

10 (3) A cultivator may cultivate cannabis outdoors and indoors
11 pursuant to rules and regulations of the commission. The commission shall
12 not impose any restrictions on the number of plants cultivated within the
13 canopy area designated by the licensee if all plants remain within the
14 designated space limits and are tracked in the seed-to-sale tracking
15 system.

16 (4) A cultivator may provide a sample of its cannabis to a testing
17 facility for testing and research and development purposes. A cultivator
18 shall maintain a record of what was provided to the testing facility, the
19 identity of the testing facility, and the results of the testing.

20 (5) Subject to the commission's rules and regulations, a cultivator
21 may obtain immature plants, cannabis seeds, and cannabis genetic material
22 from:

23 (a) Another cultivator;

24 (b) A person licensed or otherwise approved to operate in another
25 jurisdiction; or

26 (c) Any other source permitted by rule of the commission.

27 (6) The commission shall adopt and promulgate rules and regulations
28 concerning the cultivation of cannabis, which shall include:

29 (a) Permitted and prohibited pesticides;

30 (b) Testing requirements for pesticide residues and other hazardous
31 substances;

- 1 (c) Destruction requirements and protocols for cannabis failing to
- 2 meet pesticide or hazardous substance requirements;
- 3 (d) Record-keeping requirements;
- 4 (e) Waste disposal requirements and procedures;
- 5 (f) A definition of cannabis genetic material and requirements; and
- 6 (g) Requirements for cultivators that are transferring immature
- 7 plants, cannabis seeds, and cannabis genetic material as provided in
- 8 subsection (5) of this section, including tracking, reporting, and
- 9 recordkeeping requirements.

10 **Sec. 171.** (1) Subject to the Nebraska Medical Cannabis Regulation

11 Act and the rules and regulations adopted and promulgated thereunder, a

12 products manufacturer may process cannabis, conduct extractions, and may

13 manufacture cannabis products intended for use by qualified patients.

14 (2) These products may include, but are not limited to:

- 15 (a) Edible cannabis products;
- 16 (b) Topical formulations, such as creams, balms, and lotions;
- 17 (c) Concentrates, such as oils, waxes, shatter, and distillates;
- 18 (d) Transdermal patches;
- 19 (e) Suppositories; and
- 20 (f) Pre-filled vaporizer cartridges.

21 (3) A products manufacturer shall not manufacture cannabis products

22 intended for use by smoking.

23 (4) A products manufacturer may purchase or obtain cannabis or

24 cannabis products from a cultivator or another products manufacturer. A

25 products manufacturer may obtain cannabis products from a dispensary. A

26 products manufacturer shall track all of its cannabis from to the point

27 it is obtained to the point when it is transferred to another licensee.

28 (5) A products manufacturer may sell or transfer cannabis products

29 to dispensaries and to cultivators and other products manufacturers.

30 (6) A products manufacturer may provide a sample of its cannabis to

31 a testing facility for testing and research and development purposes. A

1 products manufacturer shall maintain a record of what was provided to the
2 testing facility, the identity of the testing facility, and the results
3 of the testing.

4 **Sec. 172.** A products manufacturer shall:

5 (1) Process and prepare cannabis into cannabis products allowable
6 under the Nebraska Medical Cannabis Regulation Act prior to distribution
7 to any dispensary;

8 (2) Ensure that any facility in which cannabis products are
9 manufactured meets sanitary requirements of the commission's rules and
10 regulations;

11 (3) Ensure that cannabis products are sealed and conspicuously
12 labeled in compliance with the Nebraska Medical Cannabis Regulation Act
13 and the rules and regulations of the commission;

14 (4) Contract with an independent testing facility, subject to
15 approval by the commission, for purposes of testing products made by the
16 products manufacturer as to chemical composition, contamination, and
17 consistency; and

18 (5) Enter cannabis purchased and sold, distributed, transferred, or
19 disposed of into the seed-to-sale tracking system.

20 **Sec. 173.** (1) A products manufacturer may use any extraction method
21 or solvent that complies with state and federal safety standards and the
22 rules and regulations of the commission. Approved solvents may include,
23 but are not limited to, ethanol, carbon dioxide, hydrocarbons such as
24 butane and propane, and water-based methods.

25 (2) A products manufacturer shall:

26 (a) Conduct all extraction processes using equipment certified for
27 safety by a nationally recognized testing laboratory or an equivalent
28 accredited certification entity;

29 (b) Implement and maintain ventilation, fire suppression, and other
30 safety measures appropriate to the extraction method used; and

31 (c) If using volatile solvents, conduct operations in commission-

1 approved Class 1, Division 1 (C1D1) or equivalent explosion-proof rooms,
2 equipped with proper ventilation, gas detection, and fire suppression
3 systems. Prior to commencing operations, the licensee shall obtain
4 written sign-off from the local fire department, if applicable, and the
5 State Fire Marshal to confirm compliance with local and state building,
6 fire, and hazardous material handling codes.

7 (3) The commission shall adopt and promulgate rules and regulations
8 to carry out this section. Such rules and regulations shall:

9 (a) Allow for the use of proprietary or emerging extraction
10 technologies. Licensees shall submit documentation of safety and efficacy
11 for commission review and approval;

12 (b) Provide for processes and requirements for local fire
13 departments and the State Fire Marshal to carry out this section;

14 (c) Include requirements to ensure that equipment and processes meet
15 stringent safety and engineering standards; and

16 (d) Provide for flexibility for innovation and efficiency while
17 maintaining rigorous public health and worker safety standards.

18 **Sec. 174.** A products manufacturer that uses any hemp-derived
19 cannabinoid, as defined in section 162 of this act, as an ingredient in a
20 cannabis product shall ensure that the hemp-derived cannabinoid has
21 passed all testing required by the rules and regulations of the
22 commission at a testing facility.

23 **Sec. 175.** (1) For purposes of this section, branded food product
24 means a food product for which a person other than the product
25 manufacturer holds a trademark.

26 (2) A products manufacturer shall not:

27 (a) Add any cannabis to a branded food product, except that a
28 products manufacturer may use a branded food product as a component of a
29 recipe if the products manufacturer does not state or advertise that the
30 final cannabis product contains a branded food product;

31 (b) Intentionally or knowingly label or package a cannabis product

1 in a manner that would reasonably cause confusion as to whether the
2 cannabis product was a branded food product; or

3 (c) Label or package a cannabis product in a manner that violates
4 any state or federal trademark law or regulation.

5 **Sec. 176.** (1) A dispensary may sell cannabis products to qualified
6 patients and registered caregivers and may sell or transfer cannabis
7 products to cultivators, products manufacturers, and other dispensaries
8 pursuant to the requirements and restrictions of the Nebraska Medical
9 Cannabis Regulation Act.

10 (2) A dispensary may purchase cannabis products from a cultivator, a
11 products manufacturer, or another dispensary.

12 (3) A dispensary shall only sell cannabis products acquired from a
13 licensee.

14 (4) A dispensary shall not sell:

15 (a) Cannabis products intended for use by smoking; or

16 (b) Cannabis flower or bud.

17 (5) A dispensary shall enter into the seed-to-sale tracking system
18 all cannabis products purchased, sold, or transferred from acquisition
19 until transferred to another licensee, a qualified patient, or a
20 registered caregivers or otherwise disposed of.

21 **Sec. 177.** (1) A dispensary shall do the following for every sale of
22 cannabis products to a registered caregiver or qualified patient:

23 (a) Receive the transaction order at the dispensary directly from
24 the qualified patient or registered caregiver and not from a third party.
25 This may be done in person, by telephone, or via the Internet;

26 (b) Prior to sale, ensure that the qualified patient or registered
27 caregiver possesses a valid, unexpired registry card. The dispensary
28 shall ensure the card's validity using a method prescribed by the
29 commission. A copy of an application shall not be sufficient proof for
30 purposes of this subdivision;

31 (c) Verify through the seed-to-sale tracking system that the

1 qualified patient or registered caregiver is currently authorized to
2 purchase the amount of cannabis products requested; and

3 (d) Immediately record each sales transaction in the seed-to-sale
4 tracking system. The dispensary shall maintain the confidentiality of
5 data collected concerning qualified patients and registered caregivers
6 pursuant to the commission's rules and regulations.

7 (2) Each dispensary shall daily submit information regarding each
8 dispensation of cannabis products to the prescription drug monitoring
9 system established in section 71-2454.

10 **Sec. 178.** A dispensary shall not engage in sales transactions to
11 the same qualified patient or registered caregiver during the same
12 business day when the dispensary or its employee knows or reasonably
13 should have known that the sales transaction would result in the
14 qualified patient or registered caregiver possessing more than an
15 allowable amount of cannabis products.

16 **Sec. 179.** The commission may adopt and promulgate rules and
17 regulations that limit the amount of cannabis products inventory that a
18 dispensary may have on hand. Any such limitation shall be commercially
19 reasonable and consider factors including a dispensary's sales history,
20 the number of qualified patients served by such dispensary and in the
21 area, and, in the case of a vertical licensee, the number of other
22 licenses held by such licensee.

23 **Sec. 180.** A display case in a dispensary containing cannabis
24 concentrate shall include the potency of the cannabis concentrate next to
25 the name of the product.

26 **Sec. 181.** A dispensary that sells any cannabis product containing
27 any hemp-derived cannabinoid, as defined in section 162 of this act,
28 shall ensure that the hemp-derived cannabinoid has passed all testing
29 required by the rules and regulations of the commission at a testing
30 facility.

31 **Sec. 182.** A dispensary shall not give away cannabis products as

1 part of a promotional event.

2 **Sec. 183.** A dispensary shall report any theft or attempted theft of
3 cannabis products to law enforcement within twenty-four hours after
4 discovery.

5 **Sec. 184.** The licensed premises of a dispensary shall be designed
6 in order to accomplish the following:

7 (1) The general public, qualified patients, and registered
8 caregivers may only enter the dispensary through one access point into an
9 area where licensee agents shall screen individuals for qualified patient
10 or registered caregiver status. No cannabis shall be accessible in this
11 area; and

12 (2) Only qualified patients, registered caregivers, and, if
13 requested by a qualified patient, up to two additional persons to support
14 the qualified patient, may enter any areas beyond the access point area.

15 **Sec. 185.** Subject to rules and regulations of the commission, a
16 dispensary may donate cannabis products to a qualified patient who is
17 indigent or who is in hospice care.

18 **Sec. 186.** (1) For purposes of this section, private residence means
19 a private premises where an individual lives, such as a private dwelling
20 place or place of habitation, but does not include any premises located
21 at a school or on the campus of an institution of higher education or any
22 other public property.

23 (2) Subject to the Nebraska Medical Cannabis Regulation Act and the
24 rules and regulations adopted and promulgated thereunder, a dispensary
25 may deliver an order of cannabis products to the private residence of a
26 qualified patient or registered caregiver as provided in this section.

27 (3) Delivery shall be made only:

28 (a) To the qualified patient or registered caregiver who placed the
29 order;

30 (b) To the address provided in the order; and

31 (c) To a private residence.

1 (4) When taking an order for delivery, the dispensary shall:

2 (a) Receive the order directly from the qualified patient or
3 registered caregiver, and not from a third party. This may be done by
4 telephone or via the Internet;

5 (b) Verify that the person placing the order is eighteen years of
6 age or older;

7 (c) Verify that the person placing the order possesses a valid,
8 unexpired registry card. The dispensary shall ensure the card's validity
9 using a method prescribed by the commission. A copy of an application
10 shall not be sufficient proof for purposes of this subdivision;

11 (d) Verify through the seed-to-sale tracking system that the person
12 is currently authorized to purchase the amount of cannabis products
13 requested; and

14 (e) Immediately record each sales transaction in the seed-to-sale
15 tracking system. The dispensary shall maintain the confidentiality of
16 data collected concerning qualified patients and registered caregivers
17 pursuant to the commission's rules and regulations.

18 (5) The dispensary may receive payment before the cannabis products
19 leave the dispensary, subject to refund if the delivery cannot be
20 completed.

21 (6)(a) A dispensary may contract with a transporter to make
22 deliveries or may use its own employees. Any dispensary employees shall
23 have undergone commission-approved training, including, but not limited
24 to, training regarding proof-of-age identification and verification of
25 registry card status.

26 (b) A dispensary shall not make deliveries of cannabis products
27 under this section using a vehicle that is also transporting cannabis
28 between licensed premises.

29 (c) Prior to transferring possession of the order to the qualified
30 patient or registered caregiver, the person delivering the order shall
31 inspect the person's registry card and verify that the information

1 provided at the time of the order matches the information on the registry
2 card.

3 (7) A law enforcement agency may request commission reports,
4 including complaints, investigative actions, and final agency action
5 orders, related to criminal activity materially related to delivery of
6 cannabis in the law enforcement agency's jurisdiction, and the commission
7 shall promptly provide any such reports.

8 **Sec. 187.** (1) Subject to the Nebraska Medical Cannabis Regulation
9 Act and the rules and regulations adopted and promulgated thereunder, a
10 transporter may transport cannabis and cannabis accessories between
11 licensees, provide logistical services for licensees, and store cannabis.

12 (2)(a) A transporter may contract with multiple licensees.

13 (b) A licensee other than a transporter may transport, store, and
14 distribute its own cannabis without engaging the services of a
15 transporter.

16 (c) A transporter is responsible for cannabis and cannabis
17 accessories upon taking possession.

18 (3) A transporter may maintain one or more storage facilities as
19 licensed premises to temporarily store cannabis and cannabis accessories.
20 The commission shall adopt and promulgate rules and regulations providing
21 security requirements for such storage facilities.

22 (4) A transporter shall use the seed-to-sale tracking system to
23 create transport manifests documenting the transport of cannabis
24 throughout the state.

25 **Sec. 188.** (1) For purposes of this section, private residence has
26 the same meaning as in section 186 of this act.

27 (2) Subject to the Nebraska Medical Cannabis Regulation Act and the
28 rules and regulations adopted and promulgated thereunder, a transporter
29 may deliver an order of cannabis products on behalf of a dispensary under
30 section 186 of this act to the private residence of a qualified patient
31 or registered caregiver as provided in this section.

1 (3) Delivery shall be made only:

2 (a) To the qualified patient or registered caregiver who placed the
3 order;

4 (b) To the address provided in the order; and

5 (c) To a private residence.

6 (4)(a) Any transporter employee making a delivery under this section
7 shall have undergone commission-approved training, including, but not
8 limited to, training regarding proof-of-age identification and
9 verification of registry card status.

10 (b) A transporter shall not make deliveries of cannabis products
11 under this section using a vehicle that is also transporting cannabis
12 between licensed premises.

13 (c) Prior to transferring possession of the order to the qualified
14 patient or registered caregiver, the person delivering the order shall
15 inspect the person's registry card and verify that the information
16 provided at the time of the order matches the information on the registry
17 card.

18 (5) A law enforcement agency may request commission reports,
19 including complaints, investigative actions, and final agency action
20 orders, related to criminal activity materially related to delivery of
21 cannabis in the law enforcement agency's jurisdiction, and the commission
22 shall promptly provide any such reports.

23 **Sec. 189.** (1) Subject to the Nebraska Medical Cannabis Regulation
24 Act and the rules and regulations adopted and promulgated thereunder, a
25 testing facility may analyze, test, and certify cannabis and hemp-derived
26 cannabinoids as defined in section 162 of this act.

27 (2) A testing facility shall only accept cannabis from licensees.

28 (3) When a testing facility has completed testing a sample of
29 cannabis, the sample shall be disposed of in accordance with the rules
30 and regulations of the commission.

31 (4) A testing facility shall track all cannabis from its receipt

1 until its disposal using the seed-to-sale tracking system.

2 **Sec. 190.** (1) Except as provided in subsection (2) of this section,
3 a license shall not be issued or renewed for a testing facility unless
4 the facility is accredited by a body that is recognized by the
5 International Laboratory Accreditation Cooperation in an appropriate
6 category of testing pursuant to the International Organization for
7 Standardization.

8 (2) The commission may by rule and regulation establish conditions
9 for providing extensions to a newly licensed testing facility to obtain
10 accreditation required by this section for a period not to exceed twelve
11 months. Extensions may be granted for good cause, which includes, but
12 shall not be limited to, when an application for accreditation has been
13 submitted and is pending with a recognized accrediting body.

14 **Sec. 191.** The commission shall adopt and promulgate rules and
15 regulations for testing facilities relating to testing, standards,
16 quality control analysis, equipment certification and calibration,
17 chemical identification, and substances that may be used in bona fide
18 research methods. The commission may adopt standards based on those of
19 the International Organization for Standardization. The testing
20 requirements shall include:

21 (1) Determining accurately, with respect to cannabis:

22 (a) The concentration of delta-9 THC, exo-THC, delta-10 THC,
23 cannabidiol, and other cannabinoids;

24 (b) The presence and identification of mold and fungus;

25 (c) The composition; and

26 (d) The presence of chemicals, including, but not limited to,
27 pesticides, herbicides, or growth regulators; and

28 (2) Demonstrating the validity and accuracy of the methods used to
29 test cannabis.

30 **Sec. 192.** (1) A person who has an interest in a testing facility
31 shall not have any interest in any dispensary, cultivator, or products

1 manufacturer.

2 (2) A person that has an interest in a dispensary, cultivator, or
3 products manufacturer shall not have any interest in a testing facility.

4 **Sec. 193.** The state or any political subdivision shall not employ
5 or use the results of any test of cannabis conducted by a laboratory
6 unless such laboratory is a testing facility or otherwise accredited for
7 the particular field of testing in accordance with the rules and
8 regulations of the commission.

9 **Sec. 194.** If the owner of the licensed premises or any person from
10 whom the licensee derives the right to possession of such premises, or
11 the agent of such owner or person, knowingly permits the licensee to use
12 such licensed premises in violation of the terms of the Nebraska Medical
13 Cannabis Regulation Act, such owner, agent, or other person shall be
14 deemed guilty of a violation of the act to the same extent as such
15 licensee and be subject to the same punishment.

16 **Sec. 195.** Every act or omission of whatsoever nature constituting a
17 violation of any of the provisions of the Nebraska Medical Cannabis
18 Regulation Act by any officer, director, manager, or other agent or
19 employee of any licensee, if such act is committed or omission is made
20 with the authorization, knowledge, or approval of the licensee, shall be
21 deemed and held to be the act of such employer or licensee, and such
22 employer or licensee shall be punishable in the same manner as if such
23 act or omission had been done or omitted by him or her personally.

24 **Sec. 196.** Section 28-416, Revised Statutes Cumulative Supplement,
25 2024, is amended to read:

26 28-416 (1) Except as authorized by the Uniform Controlled Substances
27 Act or the Nebraska Medical Cannabis Regulation Act, it shall be unlawful
28 for any person knowingly or intentionally: (a) To manufacture,
29 distribute, deliver, dispense, or possess with intent to manufacture,
30 distribute, deliver, or dispense a controlled substance; or (b) to
31 create, distribute, or possess with intent to distribute a counterfeit

1 controlled substance.

2 (2) Except as provided in subsections (4), (5), (7), (8), (9), and
3 (10) of this section, any person who violates subsection (1) of this
4 section with respect to: (a) A controlled substance classified in
5 Schedule I, II, or III of section 28-405 which is an exceptionally
6 hazardous drug shall be guilty of a Class II felony; (b) any other
7 controlled substance classified in Schedule I, II, or III of section
8 28-405 shall be guilty of a Class IIA felony; or (c) a controlled
9 substance classified in Schedule IV or V of section 28-405 shall be
10 guilty of a Class IIIA felony.

11 (3) A person knowingly or intentionally possessing a controlled
12 substance, except marijuana or any substance containing a quantifiable
13 amount of the substances, chemicals, or compounds described, defined, or
14 delineated in subdivision (c)(27) of Schedule I of section 28-405, unless
15 such substance was obtained directly or pursuant to a medical order
16 issued by a practitioner authorized to prescribe while acting in the
17 course of his or her professional practice, or except as otherwise
18 authorized by the act, shall be guilty of a Class IV felony. A person
19 shall not be in violation of this subsection if section 28-472 or 28-1701
20 applies.

21 (4)(a) Except as authorized by the Uniform Controlled Substances
22 Act, any person eighteen years of age or older who knowingly or
23 intentionally manufactures, distributes, delivers, dispenses, or
24 possesses with intent to manufacture, distribute, deliver, or dispense a
25 controlled substance or a counterfeit controlled substance (i) to a
26 person under the age of eighteen years, (ii) in, on, or within one
27 thousand feet of the real property comprising a public or private
28 elementary, vocational, or secondary school, a community college, a
29 public or private college, junior college, or university, or a
30 playground, or (iii) within one hundred feet of a public or private youth
31 center, public swimming pool, or video arcade facility shall be punished

1 by the next higher penalty classification than the penalty prescribed in
2 subsection (2), (7), (8), (9), or (10) of this section, depending upon
3 the controlled substance involved, for the first violation and for a
4 second or subsequent violation shall be punished by the next higher
5 penalty classification than that prescribed for a first violation of this
6 subsection, but in no event shall such person be punished by a penalty
7 greater than a Class IB felony.

8 (b) For purposes of this subsection:

9 (i) Playground means any outdoor facility, including any parking lot
10 appurtenant to the facility, intended for recreation, open to the public,
11 and with any portion containing three or more apparatus intended for the
12 recreation of children, including sliding boards, swingsets, and
13 teeterboards;

14 (ii) Video arcade facility means any facility legally accessible to
15 persons under eighteen years of age, intended primarily for the use of
16 pinball and video machines for amusement, and containing a minimum of ten
17 pinball or video machines; and

18 (iii) Youth center means any recreational facility or gymnasium,
19 including any parking lot appurtenant to the facility or gymnasium,
20 intended primarily for use by persons under eighteen years of age which
21 regularly provides athletic, civic, or cultural activities.

22 (5)(a) Except as authorized by the Uniform Controlled Substances
23 Act, it shall be unlawful for any person eighteen years of age or older
24 to knowingly and intentionally employ, hire, use, cause, persuade, coax,
25 induce, entice, seduce, or coerce any person under the age of eighteen
26 years to manufacture, transport, distribute, carry, deliver, dispense,
27 prepare for delivery, offer for delivery, or possess with intent to do
28 the same a controlled substance or a counterfeit controlled substance.

29 (b) Except as authorized by the Uniform Controlled Substances Act,
30 it shall be unlawful for any person eighteen years of age or older to
31 knowingly and intentionally employ, hire, use, cause, persuade, coax,

1 induce, entice, seduce, or coerce any person under the age of eighteen
2 years to aid and abet any person in the manufacture, transportation,
3 distribution, carrying, delivery, dispensing, preparation for delivery,
4 offering for delivery, or possession with intent to do the same of a
5 controlled substance or a counterfeit controlled substance.

6 (c) Any person who violates subdivision (a) or (b) of this
7 subsection shall be punished by the next higher penalty classification
8 than the penalty prescribed in subsection (2), (7), (8), (9), or (10) of
9 this section, depending upon the controlled substance involved, for the
10 first violation and for a second or subsequent violation shall be
11 punished by the next higher penalty classification than that prescribed
12 for a first violation of this subsection, but in no event shall such
13 person be punished by a penalty greater than a Class IB felony.

14 (6) It shall not be a defense to prosecution for violation of
15 subsection (4) or (5) of this section that the defendant did not know the
16 age of the person through whom the defendant violated such subsection.

17 (7) Any person who violates subsection (1) of this section with
18 respect to cocaine or any mixture or substance containing a detectable
19 amount of cocaine in a quantity of:

20 (a) One hundred forty grams or more shall be guilty of a Class IB
21 felony;

22 (b) At least twenty-eight grams but less than one hundred forty
23 grams shall be guilty of a Class IC felony; or

24 (c) At least ten grams but less than twenty-eight grams shall be
25 guilty of a Class ID felony.

26 (8) Any person who violates subsection (1) of this section with
27 respect to base cocaine (crack) or any mixture or substance containing a
28 detectable amount of base cocaine in a quantity of:

29 (a) One hundred forty grams or more shall be guilty of a Class IB
30 felony;

31 (b) At least twenty-eight grams but less than one hundred forty

1 grams shall be guilty of a Class IC felony; or

2 (c) At least ten grams but less than twenty-eight grams shall be
3 guilty of a Class ID felony.

4 (9) Any person who violates subsection (1) of this section with
5 respect to heroin or any mixture or substance containing a detectable
6 amount of heroin in a quantity of:

7 (a) One hundred forty grams or more shall be guilty of a Class IB
8 felony;

9 (b) At least twenty-eight grams but less than one hundred forty
10 grams shall be guilty of a Class IC felony; or

11 (c) At least ten grams but less than twenty-eight grams shall be
12 guilty of a Class ID felony.

13 (10) Any person who violates subsection (1) of this section with
14 respect to amphetamine, its salts, optical isomers, and salts of its
15 isomers, or with respect to methamphetamine, its salts, optical isomers,
16 and salts of its isomers, in a quantity of:

17 (a) One hundred forty grams or more shall be guilty of a Class IB
18 felony;

19 (b) At least twenty-eight grams but less than one hundred forty
20 grams shall be guilty of a Class IC felony; or

21 (c) At least ten grams but less than twenty-eight grams shall be
22 guilty of a Class ID felony.

23 (11) Except as provided in the Nebraska Medical Cannabis Regulation
24 Act, any Any person knowingly or intentionally possessing marijuana
25 weighing more than one ounce but not more than one pound shall be guilty
26 of a Class III misdemeanor.

27 (12) Except as provided in the Nebraska Medical Cannabis Regulation
28 Act, any Any person knowingly or intentionally possessing marijuana
29 weighing more than one pound shall be guilty of a Class IV felony.

30 (13) Except as provided in the Nebraska Medical Cannabis Regulation
31 Act or section 28-1701, any person knowingly or intentionally possessing

1 marijuana weighing one ounce or less or any substance containing a
2 quantifiable amount of the substances, chemicals, or compounds described,
3 defined, or delineated in subdivision (c)(27) of Schedule I of section
4 28-405 shall:

5 (a) For the first offense, be guilty of an infraction, receive a
6 citation, be fined three hundred dollars, and be assigned to attend a
7 course as prescribed in section 29-433 if the judge determines that
8 attending such course is in the best interest of the individual
9 defendant;

10 (b) For the second offense, be guilty of a Class IV misdemeanor,
11 receive a citation, and be fined four hundred dollars and may be
12 imprisoned not to exceed five days; and

13 (c) For the third and all subsequent offenses, be guilty of a Class
14 IIIA misdemeanor, receive a citation, be fined five hundred dollars, and
15 be imprisoned not to exceed seven days.

16 (14) Any person convicted of violating this section, if placed on
17 probation, shall, as a condition of probation, satisfactorily attend and
18 complete appropriate treatment and counseling on drug abuse provided by a
19 program authorized under the Nebraska Behavioral Health Services Act or
20 other licensed drug treatment facility.

21 (15) Any person convicted of violating this section, if sentenced to
22 the Department of Correctional Services, shall attend appropriate
23 treatment and counseling on drug abuse.

24 (16) Any person knowingly or intentionally possessing a firearm
25 while in violation of subsection (1) of this section shall be punished by
26 the next higher penalty classification than the penalty prescribed in
27 subsection (2), (7), (8), (9), or (10) of this section, but in no event
28 shall such person be punished by a penalty greater than a Class IB
29 felony.

30 (17) A person knowingly or intentionally in possession of money used
31 or intended to be used to facilitate a violation of subsection (1) of

1 this section shall be guilty of a Class IV felony.

2 (18) In addition to the existing penalties available for a violation
3 of subsection (1) of this section, including any criminal attempt or
4 conspiracy to violate subsection (1) of this section, a sentencing court
5 may order that any money, securities, negotiable instruments, firearms,
6 conveyances, or electronic communication devices as defined in section
7 28-833 or any equipment, components, peripherals, software, hardware, or
8 accessories related to electronic communication devices be forfeited as a
9 part of the sentence imposed if it finds by clear and convincing evidence
10 adduced at a separate hearing in the same prosecution, following
11 conviction for a violation of subsection (1) of this section, and
12 conducted pursuant to section 28-1601, that any or all such property was
13 derived from, used, or intended to be used to facilitate a violation of
14 subsection (1) of this section.

15 (19) In addition to the penalties provided in this section:

16 (a) If the person convicted or adjudicated of violating this section
17 is eighteen years of age or younger and has one or more licenses or
18 permits issued under the Motor Vehicle Operator's License Act:

19 (i) For the first offense, the court may, as a part of the judgment
20 of conviction or adjudication, (A) impound any such licenses or permits
21 for thirty days and (B) require such person to attend a drug education
22 class;

23 (ii) For a second offense, the court may, as a part of the judgment
24 of conviction or adjudication, (A) impound any such licenses or permits
25 for ninety days and (B) require such person to complete no fewer than
26 twenty and no more than forty hours of community service and to attend a
27 drug education class; and

28 (iii) For a third or subsequent offense, the court may, as a part of
29 the judgment of conviction or adjudication, (A) impound any such licenses
30 or permits for twelve months and (B) require such person to complete no
31 fewer than sixty hours of community service, to attend a drug education

1 class, and to submit to a drug assessment by a licensed alcohol and drug
2 counselor; and

3 (b) If the person convicted or adjudicated of violating this section
4 is eighteen years of age or younger and does not have a permit or license
5 issued under the Motor Vehicle Operator's License Act:

6 (i) For the first offense, the court may, as part of the judgment of
7 conviction or adjudication, (A) prohibit such person from obtaining any
8 permit or any license pursuant to the act for which such person would
9 otherwise be eligible until thirty days after the date of such order and
10 (B) require such person to attend a drug education class;

11 (ii) For a second offense, the court may, as part of the judgment of
12 conviction or adjudication, (A) prohibit such person from obtaining any
13 permit or any license pursuant to the act for which such person would
14 otherwise be eligible until ninety days after the date of such order and
15 (B) require such person to complete no fewer than twenty hours and no
16 more than forty hours of community service and to attend a drug education
17 class; and

18 (iii) For a third or subsequent offense, the court may, as part of
19 the judgment of conviction or adjudication, (A) prohibit such person from
20 obtaining any permit or any license pursuant to the act for which such
21 person would otherwise be eligible until twelve months after the date of
22 such order and (B) require such person to complete no fewer than sixty
23 hours of community service, to attend a drug education class, and to
24 submit to a drug assessment by a licensed alcohol and drug counselor.

25 A copy of an abstract of the court's conviction or adjudication
26 shall be transmitted to the Director of Motor Vehicles pursuant to
27 sections 60-497.01 to 60-497.04 if a license or permit is impounded or a
28 juvenile is prohibited from obtaining a license or permit under this
29 subsection.

30 **Sec. 197.** Section 28-439, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 28-439 (1) As used in sections 28-101, 28-431, and 28-439 to 28-444,
2 unless the context otherwise requires, drug paraphernalia shall mean all
3 equipment, products, and materials of any kind which are used, intended
4 for use, or designed for use, in manufacturing, injecting, ingesting,
5 inhaling, or otherwise introducing into the human body a controlled
6 substance in violation of sections 28-101, 28-431, and 28-439 to 28-444
7 or the Uniform Controlled Substances Act. It shall include, but not be
8 limited to, the following:

9 (a) ~~(1)~~ Diluents and adulterants, such as quinine hydrochloride,
10 mannitol, mannite, dextrose, and lactose, used, intended for use, or
11 designed for use in cutting controlled substances;

12 (b) ~~(2)~~ Separation gins and sifters used, intended for use, or
13 designed for use in removing twigs and seeds from, or in otherwise
14 cleaning or refining, marijuana;

15 (c) ~~(3)~~ Hypodermic syringes, needles, and other objects used,
16 intended for use, and designed for use in parenterally injecting
17 controlled substances into the human body; and

18 (d) ~~(4)~~ Objects used, intended for use, or designed for use in
19 ingesting, inhaling, or otherwise introducing marijuana, cocaine,
20 hashish, or hashish oil into the human body, which shall include but not
21 be limited to the following:

22 (i) ~~(a)~~ Metal, wooden, acrylic, glass, stone, plastic, or ceramic
23 pipes with or without screens, permanent screens, hashish heads, or
24 punctured metal bowls;

25 (ii) ~~(b)~~ Water pipes;

26 (iii) ~~(c)~~ Carburetion tubes and devices;

27 (iv) ~~(d)~~ Smoking and carburetion masks;

28 (v) ~~(e)~~ Roach clips, meaning objects used to hold burning material,
29 such as a marijuana cigarette, which has become too small or too short to
30 be held in the hand;

31 (vi) ~~(f)~~ Miniature cocaine spoons, and cocaine vials;

- 1 ~~(vii) (g)~~ Chamber pipes;
- 2 ~~(viii) (h)~~ Carburetor pipes;
- 3 ~~(ix) (i)~~ Electric pipes;
- 4 ~~(x) (j)~~ Air-driven pipes;
- 5 ~~(xi) (k)~~ Chillums;
- 6 ~~(xii) (l)~~ Bongs; and
- 7 ~~(xiii) (m)~~ Ice pipes or chillers.

8 (2) This section does not apply to conduct involving cannabis
9 accessories as defined in section 8 of this act when such conduct is
10 lawful under the Nebraska Medical Cannabis Regulation Act.

11 **Sec. 198.** Section 53-105, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 53-105 There is hereby created the Nebraska Liquor Control
14 Commission, consisting of three members to be appointed by the Governor,
15 subject to confirmation by a majority of the members elected to the
16 Legislature, no more than two of whom shall be members of the same
17 political party, and no two shall be citizens of the same congressional
18 district. The members of the Nebraska Liquor Control Commission shall
19 also serve as members of the Nebraska Medical Cannabis Commission as
20 provided in section 79 of this act.

21 **Sec. 199.** Section 53-106, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 53-106 The Governor shall appoint three members of the commission,
24 one of whom the Governor ~~he~~ shall designate as chairperson ~~chairman~~. One
25 member shall be appointed every two years and shall hold office for a
26 period of six years. Any appointee may be removed by the Governor, after
27 an opportunity to be heard, for malfeasance, misfeasance, or neglect in
28 office. No person shall be appointed to the commission, or continue to
29 hold that office after appointment, while holding any other office or
30 position under the laws of this state, any other state, or of the United
31 States, except that the commissioners shall also serve as members of the

1 Nebraska Medical Cannabis Commission as provided in section 79 of this
2 act.

3 **Sec. 200.** Section 53-110, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 53-110 (1) For purposes of this section:

6 (a) Cannabis has the same meaning as in section 7 of this act;

7 (b) Cannabis products has the same meaning as in section 11 of this
8 act;

9 (c) Commission means the Nebraska Liquor Control Commission and the
10 Nebraska Medical Cannabis Commission;

11 (d) Conviction includes a plea or verdict of guilty or a conviction
12 following a plea of nolo contendere, payment of a fine or penalty in
13 settlement of any prosecution, or forfeiture of a bond to appear in court
14 to answer charges; and

15 (e) Covered offense means:

16 (i) A felony; or

17 (ii) A violation of any federal or state law concerning the
18 manufacture or sale of alcoholic liquor or cannabis.

19 (2) (1) No person shall be appointed as a commissioner, the
20 executive director of the commission, or an employee of the commission
21 who is not a citizen of the United States and who has not resided within
22 the State of Nebraska successively for two years next preceding the date
23 of his or her appointment.

24 (3) (2) No person (a) convicted of a covered offense or who has
25 pleaded guilty to a felony or any violation of any federal or state law
26 concerning the manufacture or sale of alcoholic liquor prior or
27 subsequent to the passage of the Nebraska Liquor Control Act, (b) who has
28 paid a fine or penalty in settlement of any prosecution against him or
29 her for any violation of such laws, or (c) who has forfeited his or her
30 bond to appear in court to answer charges for any such violation shall be
31 appointed commissioner.

1 ~~(4)(a) (3)(a)~~ Except as otherwise provided in subdivision (b) of
2 this subsection, ~~a~~ ~~no~~ commissioner or employee of the commission shall
3 not ~~may~~, directly or indirectly, individually, as a member of a
4 partnership, as a member of a limited liability company, or as a
5 shareholder of a corporation; ~~have~~

6 (i) Have any interest whatsoever in the manufacture, sale, or
7 distribution of alcoholic liquor or cannabis; ~~have~~

8 (ii) Receive ~~receive~~ any compensation or profit from such
9 manufacture, sale, or distribution; ~~have~~

10 (iii) Have ~~or have~~ any interest whatsoever in the purchases or sales
11 made by the persons authorized by the Nebraska Liquor Control Act ~~act~~ to
12 purchase or to sell alcoholic liquor; or ~~have~~

13 (iv) Have any interest whatsoever in the purchases or sales made by
14 the persons authorized by the Nebraska Medical Cannabis Regulation Act to
15 purchase or to sell cannabis.

16 (b) With the written approval of the executive director, an employee
17 of the commission, other than the executive director or a division
18 manager, may accept part-time or seasonal employment with a person
19 licensed or regulated by the commission under the Nebraska Liquor Control
20 Act. No such employment shall be approved if the licensee receives more
21 than fifty percent of the licensee's gross revenue from the sale or
22 dispensing of alcoholic liquor.

23 (5) (4) This section shall not prevent any commissioner, the
24 executive director, or any employee from purchasing and keeping in his or
25 her possession for the use of himself, herself, or members of his or her
26 family or guests any;

27 (a) Alcoholic ~~alcoholic~~ liquor which may be purchased or kept by any
28 person pursuant to the Nebraska Liquor Control Act; ~~or act~~.

29 (b) Cannabis products which may be purchased or kept by any
30 qualified patient or registered caregiver pursuant to the Nebraska
31 Medical Cannabis Regulation Act.

1 **Sec. 201.** Section 71-2454, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 71-2454 (1) An entity described in section 71-2455 shall establish a
4 system of prescription drug monitoring for the purposes of (a) preventing
5 the misuse of controlled substances that are prescribed, (b) allowing
6 prescribers and dispensers, other than cannabis dispensaries, to monitor
7 the care and treatment of patients for whom such a prescription drug is
8 prescribed to ensure that such prescription drugs are used for medically
9 appropriate purposes, (c) providing information to improve the health and
10 safety of patients, and (d) ensuring that the State of Nebraska remains
11 on the cutting edge of medical information technology.

12 (2) Such system of prescription drug monitoring shall be implemented
13 as follows: Except as provided in subsection (4) of this section, all
14 prescription drug information shall be reported to the prescription drug
15 monitoring system. The prescription drug monitoring system shall include,
16 but not be limited to, provisions that:

17 (a) Prohibit any patient from opting out of the prescription drug
18 monitoring system;

19 (b) Require any prescription drug that is dispensed in this state or
20 to an address in this state to be entered into the system by the
21 dispenser or his or her delegate no less frequently than daily after such
22 prescription drug is sold, including prescription drugs for patients
23 paying cash or otherwise not relying on a third-party payor for payment,
24 except that prescriptions labeled "for emergency use" or "for use in
25 immunizations" are not required to be reported;

26 (c) Allow all prescribers or dispensers of prescription drugs to
27 access the system at no cost to such prescriber or dispenser;

28 (d) Ensure that such system includes information relating to all
29 payors, including, but not limited to, the medical assistance program
30 established pursuant to the Medical Assistance Act; and

31 (e) Make the prescription drug information available to the

1 statewide health information exchange described in section 71-2455 for
2 access by its participants if such access is in compliance with the
3 privacy and security protections set forth in the provisions of the
4 federal Health Insurance Portability and Accountability Act of 1996,
5 Public Law 104-191, and regulations promulgated thereunder, except that
6 if a patient opts out of the statewide health information exchange, the
7 prescription drug information regarding that patient shall not be
8 accessible by the participants in the statewide health information
9 exchange.

10 (3) Except as provided in subsection (4) of this section,
11 prescription drug information that shall be submitted electronically to
12 the prescription drug monitoring system shall be determined by the entity
13 described in section 71-2455 and shall include, but not be limited to:

14 (a) The patient's name, address, telephone number, if a telephone
15 number is available, gender, and date of birth;

16 (b) A patient identifier such as:

17 (i) A military identification number, driver's license number,
18 state identification card number, or other valid government-issued
19 identification number;

20 (ii) An insurance identification number, pharmacy software-
21 generated patient-specific identifier, or other identifier associated
22 specifically with the patient; or

23 (iii) For a qualified patient or registered caregiver being
24 dispensed cannabis products pursuant to the Nebraska Medical Cannabis
25 Regulation Act, the unique identification number assigned to his or her
26 registry card;

27 (c) The name and address of the pharmacy or cannabis dispensary
28 dispensing the prescription drug;

29 (d) The date the prescription is issued;

30 (e) The date the prescription is filled;

31 (f) The date the prescription is sold to the patient;

1 (g) The number of refills authorized;

2 (h) The prescription number of the prescription drug;

3 (i) The National Drug Code number as published by the federal Food
4 and Drug Administration of the prescription drug;

5 (j) The strength of the prescription drug prescribed;

6 (k) The quantity of the prescription drug prescribed and the number
7 of days' supply;

8 (l) The prescriber's name and National Provider Identifier number or
9 Drug Enforcement Administration number when reporting a controlled
10 substance; and

11 (m) Additional information as determined by the Health Information
12 Technology Board and as published in the submitter guide for the
13 prescription drug monitoring system.

14 (4) Beginning July 1, 2018, a veterinarian licensed under the
15 Veterinary Medicine and Surgery Practice Act shall be required to report
16 the dispensing of prescription drugs which are controlled substances
17 listed on Schedule II, Schedule III, Schedule IV, or Schedule V pursuant
18 to section 28-405. Each such veterinarian shall indicate that the
19 prescription is an animal prescription and shall include the following
20 information in such report:

21 (a) The first and last name and address, including city, state, and
22 zip code, of the individual to whom the prescription drug is dispensed in
23 accordance with a valid veterinarian-client-patient relationship;

24 (b) Reporting status;

25 (c) The first and last name of the prescribing veterinarian and his
26 or her federal Drug Enforcement Administration number;

27 (d) The National Drug Code number as published by the federal Food
28 and Drug Administration of the prescription drug and the prescription
29 number;

30 (e) The date the prescription is written and the date the
31 prescription is filled;

1 (f) The number of refills authorized, if any; and

2 (g) The quantity of the prescription drug and the number of days'
3 supply.

4 (5)(a) All prescription drug information submitted pursuant to this
5 section, all data contained in the prescription drug monitoring system,
6 and any report obtained from data contained in the prescription drug
7 monitoring system are confidential, are privileged, are not public
8 records, and may be withheld pursuant to section 84-712.05 except for
9 information released as provided in subsection (9) or (10) of this
10 section.

11 (b) No patient-identifying data as defined in section 81-664,
12 including the data collected under subsection (3) of this section, shall
13 be disclosed, made public, or released to any public or private person or
14 entity except to the statewide health information exchange described in
15 section 71-2455 and its participants, to prescribers and dispensers as
16 provided in subsection (2) of this section, or as provided in subsection
17 (7), (9), or (10) of this section. A cannabis dispensary shall only be
18 granted access to view confidential information as necessary to carry out
19 its duties under this section.

20 (c) All other data is for the confidential use of the department and
21 the statewide health information exchange described in section 71-2455
22 and its participants, other than cannabis dispensaries. The department,
23 or the statewide health information exchange in accordance with policies
24 adopted by the Health Information Technology Board and in collaboration
25 with the department, may release such information in accordance with the
26 privacy and security provisions set forth in the federal Health Insurance
27 Portability and Accountability Act of 1996, Public Law 104-191, and
28 regulations promulgated thereunder, as Class I, Class II, or Class IV
29 data in accordance with section 81-667, except for purposes in accordance
30 with subsection (9) or (10) of this section, to the private or public
31 persons or entities that the department or the statewide health

1 information exchange, in accordance with policies adopted by the Health
2 Information Technology Board, determines may view such records as
3 provided in sections 81-663 to 81-675. In addition, the department, or
4 the statewide health information exchange in accordance with policies
5 adopted by the Health Information Technology Board and in collaboration
6 with the department, may release such information as provided in
7 subsection (9) or (10) of this section.

8 (6) The statewide health information exchange described in section
9 71-2455, in accordance with policies adopted by the Health Information
10 Technology Board and in collaboration with the department, shall
11 establish the minimum administrative, physical, and technical safeguards
12 necessary to protect the confidentiality, integrity, and availability of
13 prescription drug information.

14 (7) If the entity receiving the prescription drug information has
15 privacy protections at least as restrictive as those set forth in this
16 section and has implemented and maintains the minimum safeguards required
17 by subsection (6) of this section, the statewide health information
18 exchange described in section 71-2455, in accordance with policies
19 adopted by the Health Information Technology Board and in collaboration
20 with the department, may release the prescription drug information and
21 any other data collected pursuant to this section to:

22 (a) Other state prescription drug monitoring programs;

23 (b) State and regional health information exchanges;

24 (c) The medical director and pharmacy director of the Division of
25 Medicaid and Long-Term Care of the department, or their designees;

26 (d) The medical directors and pharmacy directors of medicaid-managed
27 care entities, the state's medicaid drug utilization review board, and
28 any other state-administered health insurance program or its designee if
29 any such entities have a current data-sharing agreement with the
30 statewide health information exchange described in section 71-2455, and
31 if such release is in accordance with the privacy and security provisions

1 of the federal Health Insurance Portability and Accountability Act of
2 1996, Public Law 104-191, and all regulations promulgated thereunder;

3 (e) Organizations which facilitate the interoperability and mutual
4 exchange of information among state prescription drug monitoring programs
5 or state or regional health information exchanges; or

6 (f) Electronic health record systems or pharmacy-dispensing software
7 systems for the purpose of integrating prescription drug information into
8 a patient's medical record.

9 (8) The department, or the statewide health information exchange
10 described in section 71-2455, in accordance with policies adopted by the
11 Health Information Technology Board and in collaboration with the
12 department, may release to patients their prescription drug information
13 collected pursuant to this section. Upon request of the patient, such
14 information may be released directly to the patient or a personal health
15 record system designated by the patient which has privacy protections at
16 least as restrictive as those set forth in this section and that has
17 implemented and maintains the minimum safeguards required by subsection
18 (6) of this section.

19 (9) In accordance with the privacy and security provisions set forth
20 in the federal Health Insurance Portability and Accountability Act of
21 1996, Public Law 104-191, and regulations promulgated thereunder, the
22 department, or the statewide health information exchange described in
23 section 71-2455 under policies adopted by the Health Information
24 Technology Board, may release data collected pursuant to this section for
25 statistical, public policy, or educational purposes after removing
26 information which identifies or could reasonably be used to identify the
27 patient, prescriber, dispenser, or other person who is the subject of the
28 information, except as otherwise provided in subsection (10) of this
29 section.

30 (10) In accordance with the privacy and security provisions set
31 forth in the federal Health Insurance Portability and Accountability Act

1 of 1996, Public Law 104-191, and regulations promulgated thereunder, the
2 department, or statewide health information exchange described in section
3 71-2455 under policies adopted by the Health Information Technology
4 Board, may release data collected pursuant to this section for quality
5 measures as approved or regulated by state or federal agencies or for
6 patient quality improvement or research initiatives approved by the
7 Health Information Technology Board.

8 (11) The statewide health information exchange described in section
9 71-2455, entities described in subsection (7) of this section, or the
10 department may request and receive program information from other
11 prescription drug monitoring programs for use in the prescription drug
12 monitoring system in this state in accordance with the privacy and
13 security provisions set forth in the federal Health Insurance Portability
14 and Accountability Act of 1996, Public Law 104-191, and regulations
15 promulgated thereunder.

16 (12) The statewide health information exchange described in section
17 71-2455, in collaboration with the department, shall implement
18 technological improvements to facilitate the secure collection of, and
19 access to, prescription drug information in accordance with this section.

20 (13) Before accessing the prescription drug monitoring system, any
21 user shall undergo training on the purpose of the system, access to and
22 proper usage of the system, and the law relating to the system, including
23 confidentiality and security of the prescription drug monitoring system.
24 Such training shall be administered by the statewide health information
25 exchange described in section 71-2455 or the department. The statewide
26 health information exchange described in section 71-2455 shall have
27 access to the prescription drug monitoring system for training
28 operations, maintenance, and administrative purposes. Users who have been
29 trained prior to May 10, 2017, or who are granted access by an entity
30 receiving prescription drug information pursuant to subsection (7) of
31 this section, are deemed to be in compliance with the training

1 requirement of this subsection.

2 (14) For purposes of this section:

3 (a) Deliver or delivery means to actually, constructively, or
4 attempt to transfer a drug or device from one person to another, whether
5 or not for consideration;

6 (b) Department means the Department of Health and Human Services;

7 (c) Delegate means any licensed or registered health care
8 professional credentialed under the Uniform Credentialing Act designated
9 by a prescriber or dispenser to act as an agent of the prescriber or
10 dispenser for purposes of submitting or accessing data in the
11 prescription drug monitoring system and who is supervised by such
12 prescriber or dispenser;

13 (d) Prescription drug or drugs means a prescription drug or drugs
14 dispensed by delivery to the ultimate user or caregiver by or pursuant to
15 the lawful order of a prescriber, including cannabis products dispensed
16 pursuant to the Nebraska Medical Cannabis Regulation Act, but does not
17 include (i) the delivery of such prescription drug for immediate use for
18 purposes of inpatient hospital care or emergency department care, (ii)
19 the administration of a prescription drug by an authorized person upon
20 the lawful order of a prescriber, (iii) a wholesale distributor of a
21 prescription drug monitored by the prescription drug monitoring system,
22 or (iv) the dispensing to a nonhuman patient of a prescription drug which
23 is not a controlled substance listed in Schedule II, Schedule III,
24 Schedule IV, or Schedule V of section 28-405;

25 (e) Dispenser means a person authorized in the jurisdiction in which
26 he or she is practicing to deliver a prescription drug to the ultimate
27 user or caregiver by or pursuant to the lawful order of a prescriber.
28 Dispenser also includes a cannabis dispensary;

29 (f) Participant means an individual or entity that has entered into
30 a participation agreement with the statewide health information exchange
31 described in section 71-2455 which requires the individual or entity to

1 comply with the privacy and security protections set forth in the
2 provisions of the federal Health Insurance Portability and Accountability
3 Act of 1996, Public Law 104-191, and regulations promulgated thereunder;
4 and

5 (g) Prescriber means a health care professional authorized to
6 prescribe in the profession which he or she practices and includes a
7 health care practitioner as defined in section 25 of this act acting
8 pursuant to the Nebraska Medical Cannabis Regulation Act; and -

9 (h) Cannabis dispensary means a dispensary as defined in section 17
10 of this act.

11 **Sec. 202.** Section 71-5727, Revised Statutes Cumulative Supplement,
12 2024, is amended to read:

13 71-5727 (1) Smoke or smoking means inhaling, exhaling, burning, or
14 carrying any lighted or heated cigar, cigarette, pipe, hookah, or any
15 other lighted or heated tobacco or plant product intended for inhalation,
16 whether natural or synthetic, in any manner or in any form.

17 (2) The term includes the use of an electronic smoking device or
18 similar device for cannabis which creates an aerosol or vapor, in any
19 manner or in any form.

20 **Sec. 203.** Section 77-2701.48, Reissue Revised Statutes of Nebraska,
21 is amended to read:

22 77-2701.48 (1) Bundled transaction means the retail sale of two or
23 more products, except real property and services to real property, when
24 (a) the products are otherwise distinct and identifiable and (b) the
25 products are sold for one non-itemized price. Bundled transaction does
26 not include the sale of any products in which the sales price varies, or
27 is negotiable, based on the selection by the purchaser of the products
28 included in the transaction.

29 (2) Distinct and identifiable products do not include:

30 (a) Packaging, such as containers, boxes, sacks, bags, and bottles
31 or other materials such as wrapping, labels, tags, and instruction guides

1 that accompany the retail sale of the products and are incidental or
2 immaterial to the retail sale thereof. Examples of packaging that are
3 incidental or immaterial include grocery sacks, shoeboxes, dry cleaning
4 garment bags, and express delivery envelopes and boxes;

5 (b) A product provided free of charge with the required purchase of
6 another product. A product is provided free of charge if the sales price
7 of the product purchased does not vary depending on the inclusion of the
8 product provided free of charge; and

9 (c) Items included in the definition of sales price pursuant to
10 section 77-2701.35.

11 (3) One non-itemized price does not include a price that is
12 separately identified by product on binding sales or other supporting
13 sales-related documentation made available to the customer in paper or
14 electronic form, including, but not limited to, an invoice, bill of sale,
15 receipt, contract, service agreement, lease agreement, periodic notice of
16 rates and services, rate card, or price list.

17 (4) A transaction that otherwise meets the definition of a bundled
18 transaction is not a bundled transaction if it is (a) the retail sale of
19 tangible personal property and a service where the tangible personal
20 property is essential to the use of the service, and is provided
21 exclusively in connection with the service, and the true object of the
22 transaction is the service, (b) the retail sale of services when one
23 service is provided that is essential to the use or receipt of a second
24 service and the first service is provided exclusively in connection with
25 the second service and the true object of the transaction is the second
26 service, or (c) a transaction that includes taxable products and
27 nontaxable products and the purchase price or sales price of the taxable
28 products is de minimus. De minimus means the seller's purchase price or
29 sales price of the taxable products is ten percent or less of the total
30 purchase price or sales price of the bundled products. Sellers shall use
31 either the purchase price or the sales price of the products to determine

1 if the taxable products are de minimus. Sellers may not use a combination
2 of the purchase price and sales price of the products to determine if the
3 taxable products are de minimus. Sellers shall use the full term of a
4 service contract to determine if the taxable products are de minimus.

5 (5) Bundled transaction does not include the retail sale of exempt
6 tangible personal property and taxable tangible personal property if (a)
7 the transaction includes food and food ingredients, drugs, durable
8 medical equipment, mobility enhancing equipment, over-the-counter drugs,
9 prosthetic devices, or medical supplies as such terms are defined in
10 section 77-2704.09 and (b) the seller's purchase price or sales price of
11 the taxable tangible personal property is fifty percent or less of the
12 total purchase price or sales price of the bundled tangible personal
13 property. Sellers may not use a combination of the purchase price and
14 sales price of the tangible personal property when making the fifty-
15 percent determination for a transaction.

16 **Sec. 204.** Section 77-2704.09, Reissue Revised Statutes of Nebraska,
17 is amended to read:

18 77-2704.09 (1) Sales and use taxes shall not be imposed on the gross
19 receipts from the sale, lease, or rental of and the storage, use, or
20 other consumption in this state of (a) insulin, (b) mobility enhancing
21 equipment and drugs, not including over-the-counter drugs, when sold for
22 a patient's use under a prescription, and (c) the following when sold for
23 a patient's use under a prescription and which are of the type eligible
24 for coverage under the medical assistance program established pursuant to
25 the Medical Assistance Act: Durable medical equipment; home medical
26 supplies; prosthetic devices; oxygen; and oxygen equipment.

27 (2) For purposes of this section:

28 (a)(i) ~~(a)~~ Drug means a compound, substance, preparation, and
29 component of a compound, substance, or preparation, other than food and
30 food ingredients, dietary supplements, or alcoholic beverages:

31 (A) ~~(i)~~ Recognized in the official United States Pharmacopoeia,

1 official Homeopathic Pharmacopoeia of the United States, or official
2 National Formulary, and any supplement to any of them;

3 (B) ~~(ii)~~ Intended for use in the diagnosis, cure, mitigation,
4 treatment, or prevention of disease; or

5 (C) ~~(iii)~~ Intended to affect the structure or any function of the
6 body; and

7 (ii) Drug does not include cannabis obtained pursuant to the
8 Nebraska Medical Cannabis Regulation Act;

9 (b) Durable medical equipment means equipment which can withstand
10 repeated use, is primarily and customarily used to serve a medical
11 purpose, generally is not useful to a person in the absence of illness or
12 injury, is appropriate for use in the home, and is not worn in or on the
13 body. Durable medical equipment includes repair and replacement parts for
14 such equipment;

15 (c) Home medical supplies means supplies primarily and customarily
16 used to serve a medical purpose which are appropriate for use in the home
17 and are generally not useful to a person in the absence of illness or
18 injury;

19 (d) Mobility enhancing equipment means equipment which is primarily
20 and customarily used to provide or increase the ability to move from one
21 place to another, which is not generally used by persons with normal
22 mobility, and which is appropriate for use either in a home or a motor
23 vehicle. Mobility enhancing equipment includes repair and replacement
24 parts for such equipment. Mobility enhancing equipment does not include
25 any motor vehicle or equipment on a motor vehicle normally provided by a
26 motor vehicle manufacturer;

27 (e) Over-the-counter drug means a drug that contains a label that
28 identifies the product as a drug as required by 21 C.F.R. 201.66, as such
29 regulation existed on January 1, 2003. The over-the-counter drug label
30 includes a drug facts panel or a statement of the active ingredients with
31 a list of those ingredients contained in the compound, substance, or

1 preparation;

2 (f) Oxygen equipment means oxygen cylinders, cylinder transport
3 devices including sheaths and carts, cylinder studs and support devices,
4 regulators, flowmeters, tank wrenches, oxygen concentrators, liquid
5 oxygen base dispensers, liquid oxygen portable dispensers, oxygen tubing,
6 nasal cannulas, face masks, oxygen humidifiers, and oxygen fittings and
7 accessories;

8 (g) Prescription means an order, formula, or recipe issued in any
9 form of oral, written, electronic, or other means of transmission by a
10 duly licensed practitioner authorized under the Uniform Credentialing
11 Act; and

12 (h) Prosthetic devices means a replacement, corrective, or
13 supportive device worn on or in the body to artificially replace a
14 missing portion of the body, prevent or correct physical deformity or
15 malfunction, or support a weak or deformed portion of the body, and
16 includes any supplies used with such device and repair and replacement
17 parts.

18 **Sec. 205.** Section 77-27,132, Revised Statutes Cumulative Supplement,
19 2024, is amended to read:

20 77-27,132 (1) There is hereby created a fund to be designated the
21 Revenue Distribution Fund which shall be set apart and maintained by the
22 Tax Commissioner. Revenue not required to be credited to the General Fund
23 or any other specified fund may be credited to the Revenue Distribution
24 Fund. Credits and refunds of such revenue shall be paid from the Revenue
25 Distribution Fund. The balance of the amount credited, after credits and
26 refunds, shall be allocated as provided by the statutes creating such
27 revenue.

28 (2) The Tax Commissioner shall pay to a depository bank designated
29 by the State Treasurer all amounts collected under the Nebraska Revenue
30 Act of 1967. The Tax Commissioner shall present to the State Treasurer
31 bank receipts showing amounts so deposited in the bank, and of the

1 amounts so deposited the State Treasurer shall:

2 (a)(i) For transactions occurring on or after October 1, 2014, and
3 before July 1, 2024, credit to the Game and Parks Commission Capital
4 Maintenance Fund all of the proceeds of the sales and use taxes imposed
5 pursuant to section 77-2703 on the sale or lease of motorboats as defined
6 in section 37-1204, personal watercraft as defined in section 37-1204.01,
7 all-terrain vehicles as defined in section 60-103, and utility-type
8 vehicles as defined in section 60-135.01; and

9 (ii) For transactions occurring on or after July 1, 2024, credit to
10 the Game and Parks Commission Capital Maintenance Fund all of the
11 proceeds of the sales and use taxes imposed pursuant to section 77-2703
12 on the sale or lease of motorboats as defined in section 37-1204,
13 personal watercraft as defined in section 37-1204.01, all-terrain
14 vehicles as defined in section 60-103, and utility-type vehicles as
15 defined in section 60-135.01, and from such proceeds, transfers shall be
16 made to the Nebraska Emergency Medical System Operations Fund as provided
17 in section 37-327.02;

18 (b) Credit to the Highway Trust Fund all of the proceeds of the
19 sales and use taxes derived from the sale or lease for periods of more
20 than thirty-one days of motor vehicles, trailers, and semitrailers,
21 except that the proceeds equal to any sales tax rate provided for in
22 section 77-2701.02 that is in excess of five percent derived from the
23 sale or lease for periods of more than thirty-one days of motor vehicles,
24 trailers, and semitrailers shall be credited to the Highway Allocation
25 Fund;

26 (c) For transactions occurring on or after July 1, 2013, and before
27 July 1, 2042, of the proceeds of the sales and use taxes derived from
28 transactions other than those listed in subdivisions (2)(a), (b), and
29 (e), and (f) of this section from a sales tax rate of one-quarter of one
30 percent, credit monthly eighty-five percent to the Highway Trust Fund and
31 fifteen percent to the Highway Allocation Fund;

1 (d) Of the proceeds of the sales and use taxes derived from
2 transactions other than those listed in subdivisions (2)(a), (b), and
3 (e), and (f) of this section, credit to the Property Tax Credit Cash Fund
4 the amount certified under section 77-27,237, if any such certification
5 is made; ~~and~~

6 (e) For transactions occurring on or after July 1, 2023, credit to
7 the Department of Transportation Aeronautics Capital Improvement Fund all
8 of the proceeds of the sales and use taxes imposed pursuant to section
9 77-2703 on the sale or lease of aircraft as defined in section 3-101;
10 and -

11 (f) Credit to the School District Property Tax Relief Credit Fund
12 all of the proceeds of the sales and use taxes imposed pursuant to
13 section 77-2703 on the sale of cannabis products by dispensaries to
14 qualified patients and registered caregivers under the Nebraska Medical
15 Cannabis Regulation Act.

16 The balance of all amounts collected under the Nebraska Revenue Act
17 of 1967 shall be credited to the General Fund.

18 **Sec. 206.** Section 77-4303, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 77-4303 (1) A tax is hereby imposed on marijuana and controlled
21 substances at the following rates:

22 (a) On each ounce of marijuana or each portion of an ounce, one
23 hundred dollars;

24 (b) On each gram or portion of a gram of a controlled substance that
25 is customarily sold by weight or volume, one hundred fifty dollars; or

26 (c) On each fifty dosage units or portion thereof of a controlled
27 substance that is not customarily sold by weight, five hundred dollars.

28 (2) For purposes of calculating the tax under this section,
29 marijuana or any controlled substance that is customarily sold by weight
30 or volume shall be measured by the weight of the substance in the
31 dealer's possession. The weight shall be the actual weight, if known, or

1 the estimated weight as determined by the Nebraska State Patrol or other
2 law enforcement agency. Such determination shall be presumed to be the
3 weight of such marijuana or controlled substances for purposes of
4 sections 77-4301 to 77-4316.

5 (3) The tax shall not be imposed upon a person registered or
6 otherwise lawfully in possession of marijuana or a controlled substance
7 pursuant to Chapter 28, article 4, or lawfully in possession of cannabis
8 under the Nebraska Medical Cannabis Regulation Act.

9 **Sec. 207.** Section 81-2,239, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 81-2,239 Sections 81-2,239 to 81-2,292 and section 209 of this act
12 and the provisions of the Food Code and the Current Good Manufacturing
13 Practice In Manufacturing, Packing, or Holding Human Food adopted by
14 reference in sections 81-2,257.01 and 81-2,259, shall be known and may be
15 cited as the Nebraska Pure Food Act.

16 **Sec. 208.** Section 81-2,263, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 81-2,263 If there is an inconsistency between sections 81-2,239 to
19 81-2,292 and section 209 of this act and any code adopted by reference,
20 the requirements of the sections shall control.

21 **Sec. 209.** Edible cannabis products sold under the Nebraska Medical
22 Cannabis Regulation Act are subject to the Nebraska Pure Food Act to the
23 same extent as other items of food.

24 **Sec. 210.** Section 81-1021, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 81-1021 (1) All motor vehicles acquired by the State of Nebraska
27 except any vehicle rented as a bureau fleet vehicle shall be indelibly
28 and conspicuously lettered, in plain letters of a contrasting color or
29 reflective material:

30 (a) On each side thereof with the words State of Nebraska and
31 following such words the name of whatever board, department, bureau,

1 division, institution, including the University of Nebraska or state
2 college, office, or other state expending agency of the state to which
3 the motor vehicle belongs; and

4 (b) On the back thereof with the words State of Nebraska.

5 (2) This section shall not apply to motor vehicles used or
6 controlled by:

7 (a) The Nebraska State Patrol, the Public Service Commission, the
8 Game and Parks Commission, deputy state sheriffs employed by the Nebraska
9 Brand Committee and State Fire Marshal for state law enforcement
10 purposes, inspectors employed by the Nebraska Liquor Control Commission
11 or the Nebraska Medical Cannabis Commission, and persons employed by the
12 Tax Commissioner for state revenue enforcement purposes, the exemption
13 for state law enforcement purposes and state revenue enforcement purposes
14 being confined strictly to the seven agencies specifically named;

15 (b) The Department of Health and Human Services or the Department of
16 Correctional Services for the purpose of apprehending and returning
17 escaped offenders or parole violators to facilities in the Department of
18 Correctional Services and transporting offenders and personnel of the
19 Department of Correctional Services and patients and personnel of the
20 Department of Health and Human Services who are engaged in off-campus
21 program activities;

22 (c) The Military Department;

23 (d) Vocational rehabilitation counselors and the Department of
24 Health and Human Services for the purposes of communicable disease
25 control, for the prevention and control of those communicable diseases
26 which endanger the public health, or used by the Department of Health and
27 Human Services in the enforcement of drug control laws or for other
28 investigation purposes;

29 (e) The Department of Agriculture for special investigative
30 purposes;

31 (f) The Nebraska Motor Vehicle Industry Licensing Board for

1 investigative purposes;

2 (g) The Insurance Fraud Prevention Division of the Department of
3 Insurance for investigative purposes; and

4 (h) The Department of Justice.

5 **Sec. 211.** Original sections 28-439, 53-105, 53-106, 53-110,
6 77-2701.48, 77-2704.09, 77-4303, 81-2,239, 81-2,263, and 81-1021, Reissue
7 Revised Statutes of Nebraska, sections 28-416, 71-2454, 71-5727, and
8 77-27,132, Revised Statutes Cumulative Supplement, 2024, section 3,
9 Initiative Law 2024, No. 437, and sections 1, 3, 4, and 5, Initiative Law
10 2024, No. 438, are repealed.

11 **Sec. 212.** The following sections are outright repealed: Sections
12 28-463, 28-464, 28-465, 28-466, 28-467, 28-468, and 28-469, Reissue
13 Revised Statutes of Nebraska, sections 1 and 2, Initiative Law 2024, No.
14 437, and sections 2 and 6, Initiative Law 2024, No. 438.

15 **Sec. 213.** Since an emergency exists, this act takes effect when
16 passed and approved according to law.