

AMENDMENTS TO LB677

Introduced by Hansen, 16.

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 means up to five ounces of

1 cannabis.

2 (2) Allowable amount of cannabis does not include the weight of any
3 other ingredient combined with cannabis as part of topical or oral
4 administrations, food, drink, or other preparations.

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

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

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

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

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

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

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

28 **Sec. 9.** (1) Cannabis concentrate means a subset of cannabis product
29 that is made by separating cannabinoids from cannabis and that results in
30 a higher concentration of cannabinoids than naturally occur in the
31 cannabis plant.

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

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

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

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

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

18 (2) Cannabis product does not include any product intended for use
19 by smoking.

20 **Sec. 12.** Caregiver means:

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

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

25 (b) Has been designated by a qualified patient in a signed
26 affidavit;

27 (2) In the case of a qualified patient who is younger than eighteen
28 years of age or a qualified patient under the protection of a legal
29 guardian:

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

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

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

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

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

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

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

19 (1) Follows a failed test; and

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

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

22 (1) Purchase cannabis from cultivators, products manufacturers, and
23 other dispensaries; and

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

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

29 (a) A violent offense; or

30 (b) A violation of subdivision (4)(a)(i) or subsection (5) of
31 section 28-416 or a violation of a substantially equivalent law of

1 another jurisdiction in the United States.

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

4 (3) For purposes of this section:

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

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

8 (c) Violent offense means:

9 (i) A felony violation of any of the following: Section 28-303,
10 28-304, 28-305, 28-306, 28-308, 28-309, 28-310.01, 28-311, 28-311.01,
11 28-311.03, 28-311.08, 28-313, 28-314, 28-316.01, 28-319, 28-319.01,
12 28-320, 28-320.01, 28-320.02, 28-322.02, 28-322.03, 28-322.04, 28-322.05,
13 28-323, 28-324, 28-386, 28-391, 28-392, 28-393, 28-394, 28-397, 28-398,
14 28-502, 28-503, 28-507, 28-703, 28-707, 28-813.01, 28-831, 28-833,
15 28-904, 28-905, 28-912, 28-929, 28-930, 28-931, 28-931.01, 28-932,
16 28-933, 28-934, 28-1005, 28-1009, 28-1105.01, 28-1205, 28-1212.02,
17 28-1212.04, 28-1221, 28-1222, 28-1223, 28-1224, 28-1351, 28-1463.03,
18 28-1463.05, or 42-924;

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

21 (A) Sexual contact or sexual penetration; or

22 (B) The threat to inflict serious bodily injury or death on another
23 person, the infliction of serious bodily injury on another person, or
24 causing the death of another person;

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

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

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

4 **Sec. 20.** Entity means:

5 (1) A domestic or foreign corporation, cooperative, general
6 partnership, limited liability partnership, limited liability company,
7 limited partnership, limited liability limited partnership, limited
8 partnership association, nonprofit association, or nonprofit corporation;
9 or

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

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

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

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

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

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

26 **Sec. 24.** Health care facility has the same meaning as in section
27 71-413.

28 **Sec. 25.** Health care practitioner means a physician, an osteopathic
29 physician, a physician assistant, or a nurse practitioner who is licensed
30 under the Uniform Credentialing Act or who is licensed in any state and
31 practicing in compliance with the Uniform Credentialing Act.

1 **Sec. 26.** Home health agency has the same meaning as in section
2 71-417.

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

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

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

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

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

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

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

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

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

30 **Sec. 36.** Premises means a distinctly identified and definite
31 location, as required by the commission, and may include a building, a

1 part of a building, a room, or any other definite contiguous area.

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

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

5 (a) Provides documented evidence showing that a specific process
6 consistently produces results meeting predetermined quality
7 specifications;

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

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

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

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

23 (1) Any amount of cannabis concentrate of the same category that is
24 produced:

25 (a) Using the same extraction methods and standard operating
26 procedures; and

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

28 (2) Any amount of cannabis products of the same exact type that is
29 produced:

30 (a) Using the same ingredients and standard operating procedures;
31 and

1 (b) From the same harvest batches of harvested cannabis (single
2 strain or multiple strains) or production batches of cannabis
3 concentrate.

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

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

10 (a) That has a class of securities registered pursuant to 15 U.S.C.
11 77a et seq.; and

12 (b) Such securities either:

13 (i) Constitute covered securities; or

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

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

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

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

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

29 (1) Has been diagnosed with a qualifying medical condition;

30 (2) Has a written recommendation from a health care practitioner;

31 (3) In the case of an individual younger than eighteen years of age,

1 has the written permission of a legal guardian or parent with authority
2 to make health care decisions for the individual;

3 (4) In the case of an individual eighteen years of age or older who
4 is under the protection of a legal guardian, has the written permission
5 of such guardian;

6 (5) In the case of an individual eighteen years of age or older, is
7 a resident of Nebraska;

8 (6) In the case of an individual under eighteen years of age, either
9 such individual is a resident of Nebraska or the legal guardian or parent
10 described in subdivision (3) of this section is a resident of Nebraska;
11 and

12 (7) Is enrolled in the registry program by the commission.

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

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

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

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

26 (a) Amyotrophic lateral sclerosis;

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

28 (c) Cancer;

29 (d) Crohn's disease or ulcerative colitis;

30 (e) Epilepsy or epileptic seizures;

31 (f) Hepatitis C that causes moderate to severe nausea or cachexia;

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

18 **Sec. 44.** Registered caregiver means a caregiver who is enrolled in
19 the registry program.

20 **Sec. 45.** Registry card means a document issued by the commission
21 pursuant to section 73 of this act that identifies a person as a
22 qualified patient or registered caregiver.

23 **Sec. 46.** Registry program means the registry of qualified patients
24 and registered caregivers operated by the commission under section 69 of
25 this act.

26 **Sec. 47.** Remediation means the process of neutralization or removal
27 of dangerous substances or other contaminants from cannabis:

- 28 (1) That follows a failed test; and
29 (2) That changes the product type of the cannabis.

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

- 31 (1) A chief executive officer or chief operating officer of a health

1 care facility or a home health agency; or

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

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

7 **Sec. 50.** Secondary tracking system means an inventory tracking
8 system that:

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

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

13 (3) Is approved by the commission.

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

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

21 (2) Fractional undivided interest in oil, gas, or other mineral
22 rights;

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

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

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

29 (6) Certificate of interest or participation in, temporary or
30 interim certificate for, receipt for, guarantee of, or warrant or right
31 to subscribe to or purchase, any of the foregoing.

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

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

5 (2) Smoke or smoking does not include:

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

8 (b) The use of an aerosol inhaler.

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

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

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

18 **Sec. 57.** THC means tetrahydrocannabinol.

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

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

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

26 (2) The percentage by weight of delta-8 tetrahydrocannabinol (D8-
27 THC);

28 (3) The percentage by weight of delta-9 tetrahydrocannabinol (D9-
29 THC);

30 (4) The percentage by weight of exo-tetrahydrocannabinol (Exo-THC);
31 and

1 (5) The percentage by weight of delta-10 tetrahydrocannabinol (D10-
2 THC).

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

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

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

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

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

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

16 (a) Transport cannabis, cannabis products, and cannabis accessories
17 from one licensee to another licensee or from a dispensary to a qualified
18 patient or registered caregiver; and

19 (b) Temporarily store cannabis, cannabis products, and cannabis
20 accessories being transported at its licensed premises.

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

23 **Sec. 62.** Unreasonably impracticable means that the measures
24 necessary to comply with the rules and regulations adopted and
25 promulgated pursuant to the Nebraska Medical Cannabis Regulation Act or
26 the ordinances enacted by a local governing body pursuant to the act
27 would subject a licensee to unreasonable risk or require such a large
28 investment of risk, money, time, or any other resource or asset that a
29 reasonably prudent businessperson would not operate as a licensee.

30 **Sec. 63.** Written recommendation means a valid signed and dated
31 declaration from a health care practitioner that complies with section 68

1 of this act.

2 **Sec. 64** (1) Subject to the requirements of the Nebraska Medical
3 Cannabis Regulation Act, a qualified patient or registered caregiver
4 shall not be subject to citation, arrest, prosecution, or penalty in any
5 manner, or denied any right or privilege, including, but not limited to,
6 being subjected to any civil penalty or disciplinary action by a court or
7 occupational or professional licensing board, for engaging in conduct
8 protected by this section.

9 (2) A qualified patient may use, possess, and acquire an allowable
10 amount of cannabis and cannabis accessories for the alleviation of a
11 qualifying medical condition, its symptoms, or side effects of the
12 condition's treatment.

13 (3) A registered caregiver may assist a qualified patient with the
14 activities set forth in subsection (2) of this section by possessing and
15 acquiring an allowable amount of cannabis and cannabis accessories on
16 behalf of the qualified patient, delivering an allowable amount of
17 cannabis and cannabis accessories to the qualified patient, and providing
18 assistance in administering or consuming such cannabis.

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

21 (5) There is a presumption that a qualified patient or registered
22 caregiver is engaged in conduct protected by the act if the person
23 possesses an amount of cannabis that does not exceed the allowable amount
24 of cannabis. The presumption may be rebutted by evidence that conduct
25 relating to cannabis was not for the purpose of treating or alleviating a
26 qualified patient's qualifying medical condition.

27 (6) If a qualified patient or registered caregiver is cited,
28 arrested, or prosecuted for possession or consumption of an allowable
29 amount of cannabis pursuant to the act at a time when the person does not
30 have the registry card in his or her possession, the prosecution, civil
31 offense, or disciplinary proceeding shall be immediately dismissed upon

1 production and verification of the registry card.

2 (7) Conduct protected by the Nebraska Medical Cannabis Regulation
3 Act shall not be subject to the Uniform Controlled Substances Act.

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

8 (1) Being in the presence or vicinity of the use or possession of
9 cannabis that is permitted under the Nebraska Medical Cannabis Regulation
10 Act; or

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

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

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

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

19 (i) On a school bus or van;

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

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

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

26 (c) Inhaling cannabis by means of vaporization:

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

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

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

1 (e) Operating, navigating, or being in actual physical control of
2 any motor vehicle, aircraft, train, or motorboat or working on
3 transportation property, equipment, or facilities while under the
4 influence of cannabis.

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

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

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

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

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

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

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

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

22 (c) Prohibit a person, an employer, a corporation, or any other
23 entity which occupies, owns, or controls property from prohibiting or
24 otherwise regulating the growing, possession, consumption, use,
25 distribution, display, transfer, transportation, or sale of cannabis, on
26 or in that property; or

27 (d) Prohibit an employer from establishing and enforcing a drug-
28 testing policy, drug-free workplace policy, or zero-tolerance drug
29 policy.

30 (4) An employee who is discharged from employment for misconduct
31 relating to (a) the consumption or use of cannabis, (b) working while

1 under the influence of cannabis, or (c) testing positive for a controlled
2 substance shall be disqualified from receiving benefits under the
3 Employment Security Law as provided in section 48-628.10.

4 **Sec. 67.** (1) Any school, health care facility or health care
5 service licensed pursuant to the Health Care Facility Licensure Act,
6 licensed child care facility as defined in section 43-4308, or foster
7 care facility as defined in section 43-1301 may adopt reasonable
8 restrictions on the use of cannabis by students, residents, or persons
9 receiving care or services, including that:

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

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

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

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

19 (3) A school, facility, or service listed in subsection (1) of this
20 section shall not unreasonably limit a qualified patient's access to or
21 use of cannabis authorized under the Nebraska Medical Cannabis Regulation
22 Act unless failing to do so would cause the school, facility, or service
23 to lose a monetary or license-related benefit under federal law or
24 regulations.

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

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

31 (a) Either:

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

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

6 (iii) If the individual is eighteen years of age or older and has a
7 legal guardian, the individual has the written permission of such
8 guardian;

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

10 (c) Either:

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

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

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

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

20 (5) A practitioner may issue a written recommendation that is valid
21 only for a limited period of time. A practitioner may also issue a
22 written recommendation without an end date. However, a qualified patient
23 wishing to renew a registry card is still subject to the requirements of
24 subsection (3) of section 70 of this act.

25 (6) For the purposes of this section, the term written shall be
26 construed to include electronic records, documents, or communications
27 generated, transmitted, or stored using software applications or digital
28 platforms that are customarily utilized within the health care industry.
29 Such electronic documentation shall be deemed equivalent to traditional
30 paper documents, provided that it complies with all applicable standards
31 for security, confidentiality, authenticity, and integrity as prescribed

1 by the commission by rule and regulation.

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

8 **Sec. 69.** (1) The commission shall establish and maintain a registry
9 program for qualified patients and registered caregivers. The registry
10 shall include:

11 (a) The name, mailing address, telephone number, email address,
12 digital photograph, and date of birth of each qualified patient and
13 registered caregiver and the unique identification number assigned to
14 each such individual;

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

16 (c) The allowable amount of cannabis each qualified patient or
17 registered caregiver, on behalf of the qualified patient, may possess;
18 and

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

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

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

30 **Sec. 70.** (1) An individual may apply to the commission to be
31 enrolled in the registry program as a qualified patient by submitting an

1 application to the commission in the form and manner prescribed by the
2 commission. The application shall be accompanied by a fee in an amount
3 determined by the commission, not to exceed forty-five dollars.

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

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

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

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

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

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

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

18 (i) Written permission of such guardian; and

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

21 (e) Proof that the applicant or the applicant's parent or guardian
22 satisfies the residency requirements of subdivision (5) or (6) of section
23 42 of this act. The commission shall prescribe by rule and regulation the
24 permissible forms of such proof. These may include, but are not limited
25 to, proof that the individual holds a Nebraska motor vehicle operator's
26 license or state identification card or copies of utility bills for a
27 Nebraska address;

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

30 (g) If the individual requests more than one registered caregiver at
31 any given time, documentation demonstrating that additional caregivers

1 are needed due to the individual's age or medical condition;

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

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

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

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

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

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

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

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

30 (a)(i) If the applicant is an individual, the name, mailing address,
31 telephone number, email address, current photograph, and date of birth of

1 the individual; or

2 (ii) If the applicant is a health care facility or a home health
3 agency:

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

5 (B) The name, mailing address, telephone number, email address,
6 current photograph, and date of birth of the designated responsible
7 individual;

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

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

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

18 (3) Enrollment in the registry program as a registered caregiver
19 shall be valid for a period of two years. A qualified patient may renew
20 such registration by submitting a renewal application in a form and
21 manner prescribed by the commission within ninety days before the
22 registration will expire. The application shall be accompanied by a fee
23 in an amount determined by the commission, not to exceed forty-five
24 dollars.

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

29 (5)(a) Except as provided in subdivision (5)(b) of this section, an
30 individual who is a qualified patient may also serve as a registered
31 caregiver for other qualified patients. In such case, the individual

1 shall submit separate applications under sections 70 and 71 of this act
2 and obtain separate qualified patient and registered caregiver registry
3 cards.

4 (b) An individual who is a qualified patient and who has a
5 registered caregiver shall not serve as a registered caregiver for other
6 qualified patients.

7 **Sec. 72.** (1) Within thirty days after receipt of an application for
8 initial enrollment or renewal of enrollment in the registry under section
9 70 or 71 of this act, the commission shall either enroll the person as a
10 qualified patient or registered caregiver, renew such enrollment, or give
11 written notice of denial.

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

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

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

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

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

21 **Sec. 73.** (1) Upon granting an application under section 72 of this
22 act, the commission shall issue the qualified patient or registered
23 caregiver a registry card or renew such card.

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

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

26 (b) A digital photograph of the patient;

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

28 (d) If the patient has a registered caregiver, the name and date of
29 birth of the caregiver and the unique identification number assigned to
30 the caregiver; and

31 (e) The date the registration will expire.

- 1 (3) A registry card for a registered caregiver shall include:
2 (a) The caregiver's name and date of birth, if applicable;
3 (b) A digital photograph of the caregiver;
4 (c) The unique identification number assigned to the caregiver;
5 (d) The name, date of birth, and unique identification number for
6 each qualified patient the caregiver is authorized to serve; and
7 (e) The date the registration will expire.

8 **Sec. 74.** A registered caregiver may possess cannabis, cannabis
9 products, and cannabis accessories on behalf of one or more qualified
10 patients served by the registered caregiver. The registered caregiver may
11 possess a separate allowable amount of cannabis for each such patient,
12 including the registered caregiver, if the registered caregiver is also a
13 qualified patient. The caregiver shall separately store cannabis,
14 cannabis products, and cannabis accessories for each such patient.

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

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

22 (b) Destroy any cannabis in compliance with rules and regulations of
23 the commission.

24 (2) If a registered caregiver dies, any cannabis that had been in
25 the caregiver's possession shall, within thirty days after such death:

26 (a) Be turned over to the qualified patient, if the patient may
27 possess such cannabis;

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

30 (c) Be destroyed in compliance with rules and regulations of the
31 commission.

1 **Sec. 76.** A health care practitioner that issues written
2 recommendations shall not:

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

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

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

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

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

15 **Sec. 77.** A health care practitioner shall not be subject to
16 citation, arrest, prosecution, or penalty in any manner, or denied any
17 right or privilege, including, but not limited to, being subjected to any
18 civil penalty or disciplinary action by the Department of Health and
19 Human Services or by any other occupational or professional licensing
20 board, solely for providing a written recommendation or for stating that,
21 in the health care practitioner's professional opinion, a patient is
22 likely to receive therapeutic or palliative benefit from use of cannabis
23 to treat or alleviate the patient's qualifying medical condition.

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

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

31 Sec. 4. (1) For purposes of providing the necessary licensure

1 ~~registration~~ and regulation of persons that possess, cultivate, process,
2 manufacture, distribute, transport, sell, deliver, and test ~~dispense~~
3 cannabis for medical purposes pursuant to the Nebraska Medical Cannabis
4 Regulation Act, the Nebraska Medical Cannabis Commission is created.

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

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

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

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

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

20 Sec. 5. The power to regulate all phases of the control of the
21 possession, cultivation, processing, manufacture, distribution,
22 transportation, selling, delivery, and testing ~~dispensing~~ of cannabis for
23 medical purposes by licensees ~~registered cannabis establishments~~ in the
24 state pursuant to the Nebraska Medical Cannabis Regulation Act is vested
25 exclusively in the commission.

26 **Sec. 81.** A majority of the members of the commission shall
27 constitute a quorum to transact business, but no vacancy shall impair the
28 right of the remaining commissioners to exercise all of the powers of the
29 commission. Every act of a majority of the commissioners shall be deemed
30 to be the act of the commission.

31 **Sec. 82.** (1) The commission shall have an executive director, to be

1 appointed by the commission. The executive director of the Nebraska
2 Liquor Control Commission may also serve as the executive director of the
3 Nebraska Medical Cannabis Commission, or the Nebraska Medical Cannabis
4 Commission may appoint a separate individual to serve as its executive
5 director. If the commission appoints a separate individual, such
6 appointment shall be subject to the approval of the Governor.

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

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

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

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

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

26 **Sec. 85.** The commissioners, the executive director of the
27 commission, and all employees of the commission shall be reimbursed for
28 expenses incurred in the discharge of their official duties as provided
29 in sections 81-1174 to 81-1177. The commission may also incur necessary
30 expenses for office furniture and other incidental expenses. No
31 commissioner, executive director, or employee of the commission shall

1 request or be allowed mileage or other traveling expenses unless such
2 sections are strictly complied with.

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

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

9 (3) The commission may, for authentication of its records, process,
10 and proceedings, adopt, keep, and use a common seal, of which seal
11 judicial notice shall be taken in all of the courts of the state. Any
12 process, notice, or other paper which the commission is authorized by law
13 to issue shall be deemed sufficient if signed by the chairperson and
14 executive director of the commission and authenticated by such seal. All
15 acts, orders, proceedings, rules, regulations, entries, minutes, and
16 other records of the commission and all reports and documents filed with
17 the commission may be proved in any court of this state by copy thereof
18 certified to by the executive director attached.

19 **Sec. 87.** The Attorney General shall designate an assistant attorney
20 general or assistant attorneys general, when requested by the commission
21 and directed by the Governor, and the services of such assistant attorney
22 general or assistant attorneys general shall be available to the
23 commission whenever demanded. The compensation of such assistant attorney
24 general or assistant attorneys general as are assigned to the commission
25 shall be paid by the office of the Attorney General.

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

28 (a) Directly or indirectly, individually, as a member of a
29 partnership, as a member of a limited liability company, or as a
30 shareholder of a corporation, have any interest whatsoever in the
31 cultivation, processing, manufacture, distribution, transportation, sale,

1 delivery, or testing of cannabis or hemp; or

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

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

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

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

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

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

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

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

31 **Sec. 91.** On or before January 1, 2027, and annually thereafter, the

1 commission shall publish a report of its actions during the preceding
2 year, including a comprehensive description of its activities and
3 including the number of licenses of each type issued; enforcement actions
4 in which fines, suspensions, revocations, or other disciplinary sanctions
5 were issued; and a statement of revenue and expenses of the commission.

6 **Sec. 92.** The commission and the Department of Agriculture,
7 Department of Revenue, and Department of Health and Human Services shall
8 work collaboratively in furtherance of the intent of the Nebraska Medical
9 Cannabis Regulation Act and to ensure that the cultivation, processing,
10 manufacture, distribution, transportation, sale, delivery, and testing of
11 cannabis in this state is conducted in accordance with the act.

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

18 (1) Procedures and requirements for the issuance and renewal of
19 licenses, payment of fees, investigating and deciding disciplinary
20 proceedings, and imposing sanctions for violations of the Nebraska
21 Medical Cannabis Regulation Act or rules and regulations adopted and
22 promulgated thereunder;

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

25 (3) Rules relating to acceptable testing and research practices,
26 including, but not limited to, research methods, standards, quality
27 control analysis, equipment certification and calibration, and chemical
28 identification;

29 (4) Specifications of duties of officers and employees of the
30 commission;

31 (5) Instructions for local governing bodies and law enforcement

1 officers;

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

5 (7) Documentation for identifying licensees and their owners,
6 officers, managers, and employees;

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

10 (9) Requirements for the security of licensed premises, including,
11 at a minimum, lighting, physical security, video, and alarm requirements,
12 and other minimum procedures for internal control as deemed necessary by
13 the commission to properly administer and enforce the Nebraska Medical
14 Cannabis Regulation Act, including reporting requirements for changes,
15 alterations, or modifications to the licensed premises. Such requirements
16 shall not prohibit the cultivation of cannabis outdoors or in
17 greenhouses;

18 (10) Regulation of the storage of, warehouses for, and
19 transportation of cannabis, including procedures for placing an
20 administrative hold on cannabis in order to conduct an investigation or
21 address a threat to public safety. When cannabis is placed on
22 administrative hold, a licensee shall immediately place all affected
23 cannabis in quarantine in a manner prescribed by the commission, and
24 shall not move or alter such cannabis in any way until the administrative
25 hold has been lifted. Such rules and regulations shall include
26 establishing the following standards and processes to resolve
27 administrative holds in a timely manner:

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

1 (b) Reasonable timeframes and actions for the expedient resolution
2 of an administrative hold issued to preserve evidence and standards by
3 which the commission would have reasonable grounds to extend an
4 administrative hold due to the nature of the investigation or a threat to
5 public safety;

6 (c) Reasonable expectations and timelines for notices of
7 administrative holds and subsequent processes; and

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

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

12 (12) Rules regarding the records to be kept by licensees to ensure
13 that licensees keep complete and accurate electronic records for all
14 transactions involving cannabis, including, but not limited to, rules
15 regarding the types of records each licensee shall maintain, retention
16 schedules, the required availability of the records, and inspection
17 procedures;

18 (13) Rules concerning disposal of cannabis by licensees, qualified
19 patients, registered caregivers, and others as deemed necessary or
20 appropriate by the commission;

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

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

25 (16) Sanitary requirements for dispensaries;

26 (17) Limitations on the display of cannabis in dispensaries;

27 (18) Rules for transporters, including, but not limited to,
28 insurance requirements; acceptable timeframes for transport, storage, and
29 delivery; and requirements for transport vehicles;

30 (19) Acceptable forms of identification that a dispensary may accept
31 when verifying that a customer is the qualified patient or registered

1 caregiver listed on the registry card presented;

2 (20) Requirements to prevent the sale or diversion of cannabis or
3 cannabis accessories to individuals other than qualified patients or
4 registered caregivers;

5 (21) Requirements for consumer delivery of cannabis and cannabis
6 accessories by dispensaries or transporters to qualified patients and
7 registered caregivers, including:

8 (a) Training requirements for delivery personnel;

9 (b) Procedures for verifying registry card validity and the identity
10 of the customer;

11 (c) Security requirements;

12 (d) Delivery vehicle requirements;

13 (e) Record-keeping requirements;

14 (f) Inventory tracking system requirements;

15 (g) Health and safety requirements;

16 (h) Confidentiality requirements to ensure that delivery personnel
17 do not disclose personal identifying information to any person other than
18 those who need that information in order to take, process, or deliver the
19 order or as otherwise required or authorized by the Nebraska Medical
20 Cannabis Regulation Act; and

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

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

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

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

2 (a) Contaminants injurious to human health include:

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

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

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

10 (c) Related batch means a production batch, harvest batch, or other
11 batch of cannabis that is likely to contain similar levels of
12 contaminants injurious to human health as the test batch that has
13 received a failed test result, as prescribed by the commission's rules
14 and regulations according to the type of cannabis, cannabis product, or
15 contaminants involved or other relevant factors as determined by the
16 commission; and

17 (d) Unacceptable levels means a level the commission has determined,
18 for the particular contaminant at issue, to be unacceptably dangerous.

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

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

28 (4)(a) Upon learning of a failed test, a licensee shall immediately
29 quarantine any related batch of cannabis. The licensee may request the
30 testing facility that originally conducted the testing to test the
31 provided reserve sample. If the retest is not a failed test, the

1 quarantine may be lifted. If the retest is again a failed test, the
2 licensee shall destroy the cannabis in accordance with the commission's
3 rules and regulations.

4 (b) In lieu of requesting a retest, a licensee may remediate or
5 decontaminate the cannabis using methods approved by the commission. The
6 remediated or decontaminated cannabis shall be tested again in accordance
7 with the commission's rules and regulations. If a failed test again
8 results, the licensee shall destroy the cannabis in accordance with the
9 commission's rules and regulations.

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

11 (a) Requiring that a test of cannabis shall verify THC purity
12 representations and homogeneity for correct labeling and provide a
13 cannabinoid profile for edible cannabis products and products intended
14 for topical application;

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

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

21 (d) Establishing minimum test batch sizes by category or type of
22 production batch or harvest batch size. However, this subdivision shall
23 not be construed to authorize the commission to limit harvest batch or
24 production batch sizes;

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

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

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

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

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

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

9 (2) On and after October 1, 2026, the commission shall engage in
10 annual rulemaking proceedings to address the evolving needs of the
11 commission, qualified patients, registered caregivers, health care
12 practitioners, and licensees, thereby ensuring the viability and
13 effective enforcement of the act.

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

17 **Sec. 97.** The commission may develop such forms, applications, and
18 other documentation as are necessary or convenient in the discretion of
19 the commission for the administration of the Nebraska Medical Cannabis
20 Regulation Act or any rules and regulations adopted and promulgated
21 thereunder.

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

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

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

30 (b) Require testing of cannabis before the commission has licensed
31 any testing facilities or, if such facilities have been licensed, before

1 such facilities are capable of performing any required tests in a timely
2 manner;

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

6 (d) Prohibit cultivation of cannabis using inorganic cultivation
7 methods.

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

9 (a) Prohibit the manufacture of cannabis products approved by the
10 commission or prohibit manufacturing methods approved by the commission;
11 or

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

16 **Sec. 100.** (1) The commission shall provide without charge to any
17 licensee a copy of the Nebraska Medical Cannabis Regulation Act, any
18 rules and regulations adopted and promulgated thereunder, and any other
19 information which the commission deems important in the area of cannabis
20 control in the State of Nebraska.

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

23 (3) The commission may update such material as often as it deems
24 necessary.

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

29 **Sec. 101.** The commission may call upon other departments of the
30 state, political subdivisions, law enforcement agencies, and prosecutors
31 for such information and assistance as the commission deems necessary in

1 the performance of its duties.

2 **Sec. 102.** The commission may request the State Fire Marshal to
3 inspect any licensed premises or premises for which a license is sought
4 for fire safety pursuant to section 81-502. The State Fire Marshal shall
5 assess a fee for such inspection pursuant to section 81-505.01 payable by
6 such licensee or applicant. The State Fire Marshal may delegate the
7 authority to make such inspections to qualified local fire prevention
8 personnel pursuant to section 81-502.

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

11 (a) Containing any individualized data, information, or records
12 related to the licensee or its operation, including sales information,
13 financial records, tax returns, credit reports, cultivation information,
14 information concerning cannabis product manufacturing, testing results,
15 or security information and plans;

16 (b) Which reveals any qualified patient or registered caregiver
17 information; or

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

20 (2) Confidential information and reports shall only be used for
21 purposes authorized by the Nebraska Medical Cannabis Regulation Act or
22 for any other state or local law enforcement purpose. Any qualified
23 patient or registered caregiver information shall only be used for
24 purposes authorized by the Nebraska Medical Cannabis Regulation Act.

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

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

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

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

11 (4) Any money in the Medical Cannabis Control Fund available for
12 investment shall be invested by the state investment officer pursuant to
13 the Nebraska Capital Expansion Act and the Nebraska State Funds
14 Investment Act.

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

17 Sec. 3. (1) Subject to the requirements of the Nebraska Medical
18 Cannabis Regulation Act, it shall not be an offense under state law for a
19 licensee registered cannabis establishment, its employees, and its agents
20 to possess, cultivate, process, manufacture, distribute, transport, sell,
21 deliver, and test dispense cannabis for medical purposes, provided such
22 conduct complies with applicable rules and regulations adopted and
23 promulgated by the commission pursuant to the act Nebraska Medical
24 Cannabis Regulation Act.

25 (2) Conduct protected by the Nebraska Medical Cannabis Regulation
26 Act this section shall not be subject to the Uniform Controlled
27 Substances Act.

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

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

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

12 (2) For purposes of this section, financial institution means a
13 bank, savings bank, credit card bank, savings and loan association,
14 building and loan association, trust company, or credit union organized
15 under the laws of any state or organized under the laws of the United
16 States.

17 **Sec. 109.** (1) There shall be the following types of licenses under
18 the Nebraska Medical Cannabis Regulation Act:

- 19 (a) Cultivator;
20 (b) Dispensary;
21 (c) Products manufacturer;
22 (d) Testing facility;
23 (e) Transporter; and
24 (f) Vertical license.

25 (2)(a) The commission may issue a vertical license that authorizes
26 the licensee to operate an integrated medical cannabis business. Each
27 vertical license shall allow the licensee to operate the following
28 sublicenses:

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

31 (ii) One products manufacturer license; and

1 (iii) One cultivation license.

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

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

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

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

16 (3) In addition to any dispensary, products manufacturer, and
17 cultivation licenses issued as part of a vertical license, until January
18 1, 2030, the commission may issue the following standalone licenses,
19 subject to the following limits:

20 (a) Ten dispensary licenses;

21 (b) Five cultivator licenses;

22 (c) Five product manufacturer licenses; and

23 (d) Five testing facility licenses.

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

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

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

30 (6) Following the initial application period under subsection (1) of
31 this section and prior to January 1, 2030, if the commission has issued

1 fewer licenses than the limits in this section allow, or if a license is
2 surrendered, cancelled, or revoked, the commission may issue licenses,
3 subject to such limits, to qualified applicants.

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

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

7 (b) Accompanied by the fee required by section 115 of this act; and

8 (c) Verified by oath or affirmation of the persons prescribed by the
9 commission.

10 (2) An application for issuance or renewal of a license shall
11 include:

12 (a) The name and address of the applicant and how long the applicant
13 has resided in Nebraska;

14 (b) The names and addresses of the applicant's officers, directors,
15 or managers;

16 (c) The particular premises for which a license is desired,
17 designating the premises by street and number, if practicable, or by such
18 other description as definitively locates the premises;

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

21 (e) A statement that:

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

25 (ii) The applicant is not disqualified under section 114 of this
26 act;

27 (f) A statement that the applicant intends to operate the business
28 authorized by the license on the applicant's own behalf and not as the
29 agent of any other person and that if licensed the applicant will operate
30 such business on the applicant's own behalf and not as the agent for any
31 other person;

1 (g) A statement that the applicant intends to superintend in person
2 the management of the business licensed and that, if so licensed, the
3 applicant will superintend in person the management of the business;

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

5 (i) Such other information as the commission may from time to time
6 direct.

7 (3)(a) An applicant for initial issuance shall also submit two
8 legible sets of fingerprints to be furnished to the Federal Bureau of
9 Investigation through the Nebraska State Patrol for a national criminal
10 history record information check and the fee for such record check
11 payable to the patrol. The applicant shall authorize release of the
12 national criminal history record information check to the commission.

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

16 (4)(a) An application for issuance of a license shall be accompanied
17 by plans and specifications for the interior of any building on the
18 licensed premises, if the building to be occupied is in existence at the
19 time of the application. If such building is yet to be constructed, the
20 applicant shall file a plot plan and a detailed sketch for the interior
21 and submit an architect's drawing of the building to be constructed.

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

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

31 **Sec. 112.** (1) An initial application for licensure shall also

1 include the following as required by this section: An operating plan
2 summary, a summary of the applicant's safety and security plans and
3 procedures, and a summary of the applicant's business experience.

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

8 (a) State-authorized cultivation of cannabis;

9 (b) Conventional horticulture or agriculture and familiarity with
10 good agricultural practices;

11 (c) Quality control and quality assurance;

12 (d) Recall plans;

13 (e) Corrective action and preventative action plans;

14 (f) Packaging and labeling;

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

17 (h) Analytical testing of cannabis;

18 (i) Water management practices;

19 (j) Onsite and offsite recordkeeping;

20 (k) Strain variety, breeding, and plant genetics;

21 (l) Pest control and disease management practices, including plans
22 for the use of pesticides, nutrients, and other agricultural chemicals;

23 (m) Waste disposal procedures; and

24 (n) Compliance with applicable laws and regulations.

25 (3) For an application for a products manufacturer license, the
26 operating plan summary shall include a written description concerning the
27 applicant's qualifications for, experience in, and knowledge of each of
28 the following topics:

29 (a) State-authorized manufacture, production, and creation of
30 cannabis products using appropriate extraction methods, including
31 intended use and sourcing of extraction equipment and associated solvents

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

1 of cannabis and cannabis products;

2 (h) Verification of cannabis and cannabis product testing;

3 (i) Onsite and offsite recordkeeping;

4 (j) Waste disposal procedures; and

5 (k) Compliance with applicable laws and regulations.

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

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

11 (b) Relevant certifications or degrees;

12 (c) Accreditation under the International Organization for
13 Standardization and International Electrotechnical Commission (ISO/IEC)
14 17025:2017 Standard, or any subsequent superseding ISO/IEC Standard;

15 (d) Assurance of employee competency;

16 (e) State proficiency testing;

17 (f) Quality control and quality assurance;

18 (g) Recall plans;

19 (h) Corrective action and preventative action plans;

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

22 (j) Onsite and offsite recordkeeping;

23 (k) Waste disposal procedures; and

24 (l) Compliance with applicable laws and regulations.

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

29 (a) State-authorized transport of cannabis and cannabis products to
30 state-authorized purchasers;

31 (b) Quality control as it relates to cannabis and cannabis product

1 storage;

2 (c) Corrective action and preventative action plans;

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

5 (e) Onsite and offsite recordkeeping;

6 (f) Waste disposal procedures; and

7 (g) Compliance with applicable laws and regulations.

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

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

13 (i) Security and surveillance features, including descriptions of
14 any alarm systems, video surveillance systems, and access and visitor
15 management systems, along with drawings identifying the proposed
16 locations for surveillance cameras and other security features;

17 (ii) Plans for the storage of cannabis, including any safes, vaults,
18 and climate control systems that will be utilized for this purpose;

19 (iii) A diversion prevention plan;

20 (iv) Procedures for screening, monitoring, and performing criminal
21 history record information background checks of employees;

22 (v) Cybersecurity procedures;

23 (vi) Workplace safety plans and the applicant's familiarity with
24 federal Occupational Safety and Health Administration regulations;

25 (vii) The applicant's history of workers' compensation claims and
26 safety assessments;

27 (viii) Procedures for reporting adverse events; and

28 (ix) A sanitation practices plan;

29 (b) A summary of the applicant's business experience, including the
30 following, if applicable:

31 (i) The applicant's experience operating businesses in highly

1 regulated industries; and

2 (ii) The applicant's experience in operating lawful cannabis
3 establishments, with greater weight given to operation of establishments
4 similar to the license which is sought; and

5 (c) An executive summary of the applicant's business plan.

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

7 (1) The commission shall not issue or renew a license unless at
8 least fifty-one percent of the ownership of the applicant is comprised of
9 natural persons who have been residents of Nebraska for at least four
10 years; and

11 (2) It shall be unlawful to operate as a licensee unless at least
12 fifty-one percent of the ownership of the licensee is comprised of
13 natural persons who have been residents of Nebraska for at least four
14 years.

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

17 (1) Any person who has been convicted of a disqualifying offense
18 within the preceding ten years;

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

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

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

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

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

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

31 (6) Any state, county, municipality, or other political subdivision,

1 any branch, department, agency, or subdivision of any of the foregoing,
2 or any corporation or other body established by law to carry out any
3 governmental function;

4 (7) A peace officer, an employee of a jail or the Department of
5 Correctional Services, or an official or employee of a local governing
6 body;

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

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

10 (10) A publicly traded company.

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

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

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

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

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

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

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

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

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

31 (4) Application fees paid to the commission shall be remitted to the

1 State Treasurer for credit to the Medical Cannabis Control Fund.

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

5 (2) If, for a type of license, there are fewer qualified applicants
6 than there are licenses available under the limits provided in section
7 110 of this act, the commission shall issue a license to each qualified
8 applicant.

9 (3) If, for a type of license, there are more qualified applicants
10 than there are licenses available under the limits provided in section
11 110 of this act, the commission shall issue the licenses to the
12 applicants with the highest score on the scoring system developed under
13 subsection (4) of this section. If two or more qualified applicants with
14 equal scores are seeking the last available license or licenses, the
15 commission shall determine the recipient of such license or licenses
16 using a public lottery method developed by the commission.

17 (4)(a) The commission shall develop a method of scoring and
18 reviewing applicants using a point scale. The commission shall determine
19 the amount of points, the point categories, and the system of point
20 distribution. When subsection (2) of this section does not apply, the
21 commission shall review all qualified applicants and assign points using
22 such system.

23 (b) In developing the point system, the commission shall consider
24 the following criteria:

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

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

31 (c) In evaluating an applicant's business experience under

1 subdivision (7)(b) of section 112 of this act, the commission shall
2 afford the greatest weight to the experience of the applicant itself,
3 controlling owners, and entities with common ownership, control, or
4 affiliation with the applicant; followed by the experience of those with
5 a fifteen percent or greater ownership interest in the applicant's
6 organization; followed by interest holders in the applicant's
7 organization; followed by other officers, directors, and bona fide full-
8 time employees of the applicant as of the submission date of the
9 application.

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

14 (2) On or before January 1, 2030, the commission shall adopt and
15 promulgate rules and regulations concerning the issuance and renewal of
16 licenses under the act. The commission shall determine whether the limits
17 under section 110 of this act should be maintained, adjusted, or
18 eliminated. In making such determination, the commission shall take into
19 consideration the demand for medical cannabis; whether qualified patients
20 are being adequately served throughout the state; changes to state or
21 federal law concerning medical cannabis or that affect licensees or the
22 commission; successes, challenges, and failures the commission has faced
23 in enforcing the act; the extent of competition in the medical cannabis
24 industry; and any other matters the commission deems appropriate.

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

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

31 **Sec. 119.** (1)(a) During the initial licensing process pursuant to

1 section 110 of this act, the commission shall approve or deny all
2 applications for initial issuance of a license on or before March 16,
3 2026.

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

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

10 **Sec. 120.** Upon receiving an application for a license, the
11 commission shall notify the clerk of the city or village in which such
12 license is sought or, if the license sought is not sought within a city
13 or village, the county clerk of the county in which such license is
14 sought, of the receipt of the application and shall include one copy of
15 the application with the notice. During the period of forty-five days
16 after the date of receipt by mail or electronic delivery of such
17 application from the commission, the local governing body of such city,
18 village, or county may make and submit to the commission recommendations
19 relative to the granting or denial of such license to the applicant.

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

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

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

31 (b) The applicant can conform to all provisions and requirements of

1 the Nebraska Medical Cannabis Regulation Act and rules and regulations
2 adopted and promulgated thereunder;

3 (c) The applicant has demonstrated that the type of management and
4 control to be exercised over the premises described in the application
5 will be sufficient to ensure that the licensed business can conform to
6 all provisions and requirements of the Nebraska Medical Cannabis
7 Regulation Act and rules and regulations adopted and promulgated
8 thereunder; and

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

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

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

16 (a) The clerk of the city, village, or county who shall deliver the
17 same to the licensee upon receipt from the licensee of proof of payment
18 of:

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

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

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

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

28 (5) The commission shall assign each licensee a unique license
29 number.

30 **Sec. 122.** (1) In addition to the other factors and requirements set
31 forth in the Nebraska Medical Cannabis Regulation Act, the commission may

1 deny issuance or renewal of a license for good cause.

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

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

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

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

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

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

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

18 (b) Covered location means any college campus, any alcohol or drug
19 treatment facility, any school, or any child care facility or day care;
20 and

21 (c) School means any public or private elementary or secondary
22 school.

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

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

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

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

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

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

9 (i) Cultivation facilities may operate in industrial or agricultural
10 zones;

11 (ii) Products manufacturer facilities may operate in industrial
12 zones; and

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

15 (5) A local governing body may prohibit the operation of any type of
16 licensed premises other than dispensaries.

17 **Sec. 124.** (1) The commission shall hold a hearing on an application
18 for initial issuance or renewal of a license if, within forty-five days
19 after the date the application was received by the city, village, or
20 county clerk, the commission receives a recommendation of denial from the
21 city, village, or county.

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

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

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

29 (b) At least fifteen days prior to such hearing, the commission
30 shall by mail or electronic delivery provide notice indicating the time
31 and place of such hearing to the applicant, the local governing body, and

1 each resident objector. The notice shall state that the commission will
2 receive evidence for the purpose of determining whether to approve or
3 deny the application. Mailing or electronic delivery to the attorney of
4 record of a party shall be deemed to fulfill the purposes of this
5 section.

6 (c) The commission may receive evidence, including testimony and
7 documentary evidence, and may hear and question witnesses concerning the
8 application.

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

12 **Sec. 125.** (1) When a local governing body receives from the
13 commission the notice and copy of application as provided in section 120
14 of this act for a license within the jurisdiction of the local governing
15 body, or following issuance of a notice of renewal of such license, the
16 local governing body may fix a time and place for a hearing at which the
17 local governing body shall receive evidence, either orally or by
18 affidavit from the applicant and any other person, bearing upon the
19 propriety of the issuance or renewal of a license.

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

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

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

1 (2)(a) A license issued by the commission and outstanding may be
2 automatically renewed by the commission without formal application upon
3 payment of the renewal fee prior to or within thirty days after the
4 expiration of the license. The payment shall be an affirmative
5 representation and certification by the licensee that all answers
6 contained in an application, if submitted, would be the same in all
7 material respects as the answers contained in the last previous
8 application.

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

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

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

16 (ii) For a dispensary, the licensee has paid, as of the submission
17 of the application for renewal, all state and local taxes due. The
18 commission shall not renew a dispensary license if the licensee is not
19 current on all such taxes.

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

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

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

30 NOTICE OF RENEWAL OF MEDICAL CANNABIS LICENSE

31 Notice is hereby given pursuant to section 127 of this act that a

1 [list type of license] license may be automatically renewed for two years
2 from May 1, 20...., for the following licensee:

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

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

10 (Name)

11 (City, village, or county) Clerk

12 **Sec. 128.** Upon the conclusion of any renewal hearing under section
13 125 of this act, the local governing body may request a licensee to
14 submit an application as provided in section 126 of this act.

15 **Sec. 129.** (1) Except as provided in subsections (2) and (3) of this
16 section, a license is valid until the second May 1 following the date of
17 issuance unless revoked, cancelled, suspended, or voluntarily surrendered
18 pursuant to the Nebraska Medical Cannabis Regulation Act or the rules and
19 regulations adopted and promulgated thereunder.

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

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

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

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

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

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

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

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

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

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

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

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

23 (c) Verified by oath or affirmation of the persons prescribed by the
24 commission.

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

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

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

30 (c) The particular premises of the licensed premises, designating
31 the premises by street and number if practicable or, if not, 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, that 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 transferee intends to operate the business
11 authorized by the license on its own behalf and not as the agent of any
12 other persons and that, if licensed, the transferee will operate such
13 business on its own behalf and not as the agent for any other person;

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

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

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

22 (4) Upon receipt of an application, the transfer shall be considered
23 in the same manner as provided for applications for issuance or renewal
24 of a license under the Nebraska Medical Cannabis Regulation Act, except
25 that the commission may by rule or regulation modify or streamline the
26 procedures or requirements, or the factors to be considered, in granting
27 transfer of ownership in light of the fact that the licensed premises is
28 already in operation.

29 **Sec. 134.** (1) A licensee shall not relocate the licensed premises
30 from the place specified in the license without approval of the
31 commission as provided in this section. An application for relocation of

1 a licensed premises shall be:

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

3 (b) Accompanied by a nonrefundable fee of one thousand dollars; and

4 (c) Verified by oath or affirmation of the persons prescribed by the
5 commission.

6 (2) An application for relocation of a licensed premises shall
7 include:

8 (a) The name and address of the applicant;

9 (b) The names and addresses of the applicant's officers, directors,
10 or managers;

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

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

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

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

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

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

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

30 (2) A license shall not:

31 (a) Constitute property;

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

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

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

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

8 (a) Personal representatives of the estate of any deceased licensee,
9 when such estate consists in part of a licensed operation, or a
10 partnership or limited liability company upon the death of one or more of
11 the partners or members, may continue the business of the licensee under
12 order of the appropriate court and may exercise the privileges of the
13 deceased or deceased partner or member after the death of such decedent
14 until the expiration of such license, but if such license would have
15 expired within two months following the death of the licensee, the
16 license may be renewed by the personal representatives with the approval
17 of the appropriate court for a period not to exceed one additional year;
18 and

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

22 (4) The trustee of any insolvent or bankrupt licensee, when such
23 estate consists in part of a licensed operation, may continue the
24 business of the licensed operation under order of the appropriate court
25 and may exercise the privileges of the insolvent or bankrupt licensee
26 until the expiration of such license.

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

30 **Sec. 137.** The commission shall, and local governing bodies may,
31 cause an annual inspection to be made on the premises of all licensees.

1 The commission or a local governing body may conduct more frequent
2 inspections when necessary to carry out an ongoing investigation. If it
3 is found that any such licensee is violating any provision of the
4 Nebraska Medical Cannabis Regulation Act or the rules and regulations of
5 the commission adopted and promulgated under the act or is failing to
6 observe in good faith the purposes of the act, the license may be
7 subjected to sanctions as provided in section 140 of this act after the
8 licensee is given notice and an opportunity to be heard.

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

13 (2) In case of disobedience on the part of any person to any
14 subpoena issued by the commission or the refusal of any witness to
15 testify on any matters regarding which such witness may be lawfully
16 interrogated, it shall be the duty of the district court for the county
17 in which such hearing was convened, on the application of a commissioner,
18 to compel obedience by proceedings for contempt as in the case of
19 disobedience to the requirements of a subpoena issued from such court or
20 a refusal to testify therein.

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

28 (2) The commission shall provide written notice of the hearing, by
29 mailing the notice to the licensee at the address contained in the
30 license and, if different, at the last address furnished to the
31 commission by the licensee.

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

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

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

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

16 **Sec. 140.** Upon the completion of any hearing held regarding
17 discipline of a license, the director may dismiss the action or impose
18 any of the following sanctions:

19 (1) Censure;

20 (2) Probation;

21 (3) Limitation;

22 (4) Civil penalty;

23 (5) Suspension for up to six months;

24 (6) Seizure of cannabis that is the subject of a violation of the
25 Nebraska Medical Cannabis Regulation Act;

26 (7) Cancellation; or

27 (8) Revocation.

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

30 (2) Any fine or civil penalty assessed and unpaid shall constitute a
31 debt to the State of Nebraska which may be collected in the manner of a

1 lien foreclosure or sued for and recovered in a proper form of action in
2 the name of the state in the district court of the county in which the
3 violation resides or owns property. In such action the commission may also
4 collect attorney's fees and costs incurred in the collection of the civil
5 penalty. The commission shall, within thirty days after receipt, remit
6 any collected civil penalty to the State Treasurer to be disposed of in
7 accordance with Article VII, section 5, of the Constitution of Nebraska.

8 **Sec. 142.** (1) Following a hearing under section 139 of this act, if
9 the commission determines that cannabis in the possession of a licensee
10 is involved in a violation of the Nebraska Medical Cannabis Regulation
11 Act, the rules and regulations adopted and promulgated thereunder, an
12 ordinance regulating cannabis, or any terms or conditions of a license,
13 the commission may declare such cannabis to be contraband and seize and
14 destroy or dispose of it in accordance with rules and regulations of the
15 commission.

16 (2) Following issuance of a final decision by the commission
17 authorizing seizure and destruction of cannabis of a licensee, the
18 licensee shall have fifteen days to file a petition for a stay. The
19 petition shall be filed in the district court of Lancaster County. The
20 district court shall expeditiously issue a preliminary ruling upon the
21 petition determining whether the licensee has a substantial likelihood of
22 success on judicial review so as to warrant a temporary stay of the
23 seizure and destruction or disposal of the cannabis. If the court grants
24 a temporary stay, the court shall issue an order setting forth terms and
25 conditions pursuant to which the licensee may maintain possession of the
26 cannabis pending a final decision on the merits of the licensee's
27 petition. Such order shall prohibit the licensee from using,
28 distributing, or disposing of the cannabis.

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

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

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

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

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

16 **Sec. 144.** The state, local governments, and any state or local
17 agency shall not be required to cultivate or care for any cannabis seized
18 for a violation of the Nebraska Medical Cannabis Regulation Act.

19 **Sec. 145.** (1) A copy of the rule, regulation, order, or decision of
20 the commission denying an application or suspending, cancelling,
21 revoking, or imposing another sanction against a licensee or of any
22 notice required by any proceeding before it, certified under the seal of
23 the commission, shall be served upon each party of record to the
24 proceeding before the commission. Service upon any attorney of record for
25 any such party shall be deemed to be service upon such party. Each party
26 appearing before the commission shall enter the party's appearance and
27 indicate to the commission the party's address for such service. The
28 mailing of a copy of any rule, regulation, order, or decision of the
29 commission or of any notice by the commission, in the proceeding, to such
30 party at such address shall be deemed to be service upon such party.

31 (2) Within thirty days after the service described in subsection (1)

1 of this section, such party may apply for a rehearing with respect to any
2 matters determined by the commission. The commission shall receive and
3 consider such application for a rehearing within thirty days after its
4 filing with the executive director of the commission. If such application
5 for rehearing is granted, the commission shall proceed as promptly as
6 possible to consider the matters presented by such application. No appeal
7 shall be allowed from any decision of the commission except as provided
8 in section 146 of this act.

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

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

14 (a) The applicant or licensee;

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

17 (c) The commission.

18 **Sec. 146.** Any order or decision by the commission granting or
19 denying issuance or renewal of a license, a request to transfer ownership
20 of a license, or a request to relocate a licensed premises; suspending,
21 cancelling, revoking, or imposing another sanction against a licensee; or
22 refusing to suspend, cancel, revoke, or impose another sanction against a
23 licensee may be appealed. The appeal shall be in accordance with the
24 Administrative Procedure Act.

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

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

31 (a) Transfer any remaining cannabis or cannabis accessories to

1 another eligible licensee; or

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

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

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

8 (1) To enter or to authorize any law enforcement officer to enter at
9 any time upon any licensed premises to determine whether any provision of
10 the Nebraska Medical Cannabis Regulation Act, any rule or regulation
11 adopted and promulgated pursuant to the act, or any ordinance has been or
12 is being violated and at such time examine the premises of such licensee
13 in connection with such determination. Any law enforcement officer who
14 determines that any such violation has occurred or is occurring shall
15 report such violation in writing to the executive director of the
16 commission within thirty days after the latest of the following:

17 (a) Determining that such violation has occurred;

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

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

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

29 (3) To cancel or revoke, on the local governing body's own motion,
30 any license if the local governing body determines, following notice and
31 a hearing, that the licensee has willfully or repeatedly violated the

1 Nebraska Medical Cannabis Regulation Act or the rules and regulations
2 adopted and promulgated thereunder, particularly if such violations
3 adversely affect public health or safety. The notice and hearing shall be
4 conducted and given in a manner prescribed by the commission's rules and
5 regulations. Such order of cancellation or revocation may be appealed to
6 the commission within thirty days after the date of the order by filing a
7 notice of appeal with the commission. The commission shall adopt and
8 promulgate rules and regulations for processing and hearing such appeals;

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

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

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

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

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

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

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

30 (2) Except as provided in subsection (5) of section 123 of this act,
31 any ordinance regulating conduct authorized by the Nebraska Medical

1 Cannabis Regulation Act shall not make it unreasonably impracticable to
2 operate as a licensee.

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

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

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

8 (c) Employ or retain any individual younger than eighteen years of
9 age.

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

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

14 (b) The commission; or

15 (c) A person designated by the commission.

16 (3) A dispensary shall not sell or transfer cannabis to any person
17 other than:

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

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

21 (c) A person designated by the commission.

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

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

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

31 (2) Only those employees of the licensee and those visitors escorted

1 by a person authorized by the licensee may enter a limited access area.
2 All areas of ingress or egress to limited access areas shall be clearly
3 identified as such by a sign as designated by the commission.

4 **Sec. 153.** All cultivation, processing, and manufacture of cannabis
5 shall:

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

11 (2) Take place on property in the licensee's lawful possession or
12 with the consent of the person in lawful physical possession of the
13 property.

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

15 (1) Secure every entrance to the licensed premises so that access to
16 areas containing cannabis is restricted to persons authorized to possess
17 cannabis; and

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

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

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

27 (2) The commission may require any licensee to furnish such
28 information as the commission considers necessary for the proper
29 administration of the Nebraska Medical Cannabis Regulation Act and may
30 require an audit to be made of the books of account and records on such
31 occasions as the commission may consider necessary by an auditor to be

1 selected by the commission who shall likewise have access to all books
2 and records of the licensee. Any such audit expense shall be paid by the
3 licensee.

4 (3) The commission or its designee may examine and inspect or
5 provide for the examination and inspection of any licensee, licensed
6 premises, or the records or operations of any licensee in such manner and
7 at such times as provided in rules and regulations adopted and
8 promulgated by the commission. The commission shall issue an examination
9 and inspection report and provide a copy of the report to the licensee
10 within ten working days after the completion of an examination and
11 inspection.

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

16 (5) If a licensee or an agent or employee of a licensee fails to
17 maintain or provide the records required pursuant to the Nebraska Medical
18 Cannabis Regulation Act, the licensee shall be subject to a citation and
19 fine in an amount determined by the commission pursuant to its schedule
20 of penalties. A separate fine may be assessed for each individual
21 violation.

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

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

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

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

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

- 1 (a) Name and address of the purchaser;
- 2 (b) Date of sale and invoice number;
- 3 (c) Item, category, and quantity of cannabis sold;
- 4 (d) The cost to the purchaser, together with any discount applied to
5 the price as shown on the invoice;
- 6 (e) The place from which transport of the cannabis was made unless
7 transport or delivery was made from the premises of the licensee; and
- 8 (f) Any other information specified by the commission.

9 **Sec. 158.** Any licensee may provide a sample of its cannabis or
10 cannabis products to a testing facility for testing and research
11 purposes. The licensee shall maintain a record of what was provided to
12 the testing facility, the identity of the testing facility, and the
13 testing results.

14 **Sec. 159.** (1)(a) On or before January 1, 2026, the commission shall
15 procure, maintain, and control a centralized computer software seed-to-
16 sale tracking system that tracks cannabis from seed or immature plant
17 stage to sale and allows real-time, twenty-four-hour access by the
18 commission to data from each licensee. The seed-to-sale tracking system
19 must uniquely identify and track each cannabis plant and wholesale
20 product. Records entered into the system shall include:

- 21 (i) When seeds are planted;
- 22 (ii) When plants are in vegetative state, harvested, transferred,
23 transported, processed, remediated, destroyed, and sold; and
- 24 (iii) Any other data the commission deems necessary.

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

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

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

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

5 (5) A licensee shall preserve original seed-to-sale tracking system
6 data when transferred to and from a secondary tracking system. A
7 secondary system shall use the seed-to-sale tracking system data as the
8 primary source of data and shall be compatible with updating to the seed-
9 to-sale tracking system.

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

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

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

16 (c) Maintaining confidentiality of qualified patient and registered
17 caregiver data and records so that persons other than the commission may
18 only access the information in the system that they are authorized by law
19 to access; and

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

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

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

25 (iii) Total inventory or sales record adjustments at the licensed
26 premises.

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

30 (2) A licensee shall ensure its inventory is properly tagged and
31 that a seed-to-sale tracking system tag is properly assigned to cannabis

1 and cannabis waste as required by the commission.

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

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

9 (5)(a) A seed-to-sale tracking system tag shall be placed on each
10 container holding a cannabis plant and shall remain physically near and
11 clearly associated with the cannabis plant until the plant reaches
12 fifteen inches in height. Clones shall be tracked in the seed-to-sale
13 tracking system and shall be associated with a wholesale package tag,
14 whether cut from a mother plant or transferred from another licensee,
15 prior to reaching fifteen inches in height.

16 (b) When the plant reaches fifteen inches in height, the seed-to-
17 sale tracking system tag shall be securely fastened to a lower supporting
18 branch. The tag shall remain affixed for the entire life of the plant
19 until disposal. If the plant changes forms, is removed from the original
20 planting location after harvest, or is being trimmed, dried, or cured by
21 the cultivator, the tag shall be placed on the container holding the
22 cannabis plants or must remain physically near and clearly associated
23 with the cannabis plants until the plant is placed into a package in both
24 the seed-to-sale tracking system and physically packaged and affixed with
25 the tag.

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

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

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

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

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

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

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

14 (b)(i) Intoxicating cannabinoid means a cannabinoid, including an
15 artificially derived cannabinoid, that when introduced into the human
16 body, impairs the central nervous system or impairs the human audio,
17 visual, or mental processes. Intoxicating cannabinoid includes, but is
18 not limited to, any form of THC, including but not limited to:

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

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

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

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

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

24 (F) Exo-tetrahydrocannabinol;

25 (G) Metabolites of THC, including 11-hydroxy-THC, 3-hydroxy-THC, or
26 7-hydroxy-THC;

27 (H) Hydrogenated forms of THC, including hexahydrocannabinol,
28 hexahydrocannabiphorol, and hexahydrocannabihexol;

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

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

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

3 (L) Analogues of tetrahydrocannabinols with an alkyl chain of four
4 or more carbon atoms, including tetrahydrocannabiphorols,
5 tetrahydrocannabioctyls, tetrahydrocannabihexols, or
6 tetrahydrocannabutols; and

7 (M) Any combination of such compounds, including
8 hexahydrocannabiphorol-0-ester.

9 (ii) Intoxicating cannabinoid does not include a nonintoxicating
10 cannabinoid;

11 (c) Nonintoxicating cannabinoid means a cannabinoid that, when
12 introduced into the human body, does not impair the central nervous
13 system and does not impair the human audio, visual, or mental processes.
14 Nonintoxicating cannabinoid includes, but is not limited to, cannabidiol
15 (CBD), cannabichromene (CBC), cannabielsoin (CBE), cannabigerol (CBG),
16 cannabidivarin (CBDV), and cannabinol (CBN);

17 (d)(i) Semi-synthetic cannabinoid means a substance that is created
18 by a chemical reaction that converts one cannabinoid extracted from a
19 cannabis plant directly into a different cannabinoid.

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

22 (iii) Semi-synthetic cannabinoid does not include cannabinoids
23 produced via decarboxylation of naturally occurring acidic forms of
24 cannabinoids, such as tetrahydrocannabinolic acid, into the corresponding
25 neutral cannabinoid, such as THC, through the use of heat or light,
26 without the use of chemical reagents or catalysts, and that results in no
27 other chemical change; and

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

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

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

5 (3) A cannabis product:

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

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

11 (4) A cannabis product may include hemp-derived nonintoxicating
12 cannabinoids but shall not include hemp-derived intoxicating
13 cannabinoids.

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

18 (b) The commission, in coordination with the Department of Health
19 and Human Services, may adopt and promulgate rules and regulations
20 providing standards and requirements for the manufacture and production
21 of semi-synthetic or synthetic cannabinoids in Nebraska. The rules and
22 regulations shall include a requirement that cannabis products
23 manufactured or produced in Nebraska that contain a semi-synthetic or
24 synthetic cannabinoid as an ingredient are produced, labeled, and tested
25 in accordance with rules and regulations adopted and promulgated pursuant
26 to this subsection.

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

29 (a) Classify a cannabis-derived compound or cannabinoid that is not
30 classified in this section as an intoxicating cannabinoid, a
31 nonintoxicating cannabinoid, a semi-synthetic cannabinoid, or a synthetic

1 cannabinoid; or

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

5 (i) Nebraska or federal law has established a process to review and
6 approve cannabis-derived compounds or cannabinoids, this process
7 evaluates the intoxicating potential of the cannabis-derived compound or
8 cannabinoid, and the reclassification is based on the findings of the
9 process and evaluation; and

10 (ii) The reclassification is either:

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

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

17 (7) The commission may adopt and promulgate rules and regulations to
18 carry out this section, including, but not limited to, rules and
19 regulations that:

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

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

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

27 (1) Child-resistant packaging requirements to protect children from
28 ingesting or consuming cannabis;

29 (2) For edible cannabis products, requirements for dividing each
30 serving within a package containing multiple servings, as established in
31 the products manufacturer's standard operating procedures, in a manner

1 that allows qualified patients and registered caregivers to easily
2 identify a single serving; and

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

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

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

14 (3) For purposes of this section:

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

17 (b) Resealable means that the package continues to function within
18 effectiveness specifications, which shall be established by the
19 commission, similar to the federal Poison Prevention Packaging Act of
20 1970, 15 U.S.C. 1471 et seq., as such act existed on January 1, 2025, for
21 the number of opening and closings customary for its size and contents,
22 which shall be determined by the commission.

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

27 (1) For cannabis, the license number of the cultivator who grew the
28 cannabis and the package date, and for cannabis products, the product
29 name, license number of the products manufacturer, and package date;

30 (2) Text warning of the unidentified health risks that reads: "This
31 product has intoxicating effects. There may be health risks associated

1 with consumption of this product.";

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

3 (4) Text warning of the risks to vulnerable populations that reads:

4 "There may be additional health risks associated with the consumption of
5 this product for women who are pregnant, breastfeeding, or planning on
6 becoming pregnant.";

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

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

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

12 (8) A batch or lot number;

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

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

15 and

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

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

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

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

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

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

29 (2) List all ingredients and disclose nutritional information in the
30 same manner as the federal nutritional labeling requirements in 21 C.F.R.
31 101.9, as such section existed on January 1, 2025; and

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

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

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

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

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

11 (4) Includes an image of a celebrity.

12 **Sec. 169.** The commission shall adopt and promulgate rules and
13 regulations governing labels for cannabis transferred between licensees.
14 The rules and regulations shall require, at a minimum, that such labels
15 include the license number of the transferring licensee and the net
16 contents. Such rules shall cover transfers between:

17 (1) Cultivators and product manufacturers; and

18 (2) Transfers between other licensees, other than transfers to
19 dispensaries.

20 **Sec. 170.** (1) Subject to the Nebraska Medical Cannabis Regulation
21 Act and the rules and regulations adopted and promulgated thereunder, a
22 cultivator may cultivate and process cannabis plants for sale and
23 transfer to dispensaries, to products manufacturers, and to other
24 cultivators, but not to qualified patients or registered caregivers.

25 (2) A cultivator shall track the cannabis it cultivates and
26 distributes from seed or planting to the point the cannabis is
27 transferred to a licensee.

28 (3) A cultivator may cultivate cannabis outdoors and indoors
29 pursuant to rules and regulations of the commission. The commission shall
30 not impose any restrictions on the number of plants cultivated within the
31 canopy area designated by the licensee if all plants remain within the

1 designated space limits and are tracked in the seed-to-sale tracking
2 system.

3 (4) A cultivator may provide a sample of its cannabis to a testing
4 facility for testing and research and development purposes. A cultivator
5 shall maintain a record of what was provided to the testing facility, the
6 identity of the testing facility, and the results of the testing.

7 (5) Subject to the commission's rules and regulations, a cultivator
8 may obtain immature plants, cannabis seeds, and cannabis genetic material
9 from:

10 (a) Another cultivator;

11 (b) A person licensed or otherwise approved to operate in another
12 jurisdiction; or

13 (c) Any other source permitted by rule of the commission.

14 (6) The commission shall adopt and promulgate rules and regulations
15 concerning the cultivation of cannabis, which shall include:

16 (a) Permitted and prohibited pesticides;

17 (b) Testing requirements for pesticide residues and other hazardous
18 substances;

19 (c) Destruction requirements and protocols for cannabis failing to
20 meet pesticide or hazardous substance requirements;

21 (d) Record-keeping requirements;

22 (e) Waste disposal requirements and procedures;

23 (f) A definition of cannabis genetic material and requirements; and

24 (g) Requirements for cultivators that are transferring immature
25 plants, cannabis seeds, and cannabis genetic material as provided in
26 subsection (5) of this section, including tracking, reporting, and
27 recordkeeping requirements.

28 **Sec. 171.** (1) Subject to the Nebraska Medical Cannabis Regulation
29 Act and the rules and regulations adopted and promulgated thereunder, a
30 products manufacturer may process cannabis, conduct extractions, and may
31 manufacture cannabis products intended for use by qualified patients.

1 (2) These products may include, but are not limited to:

2 (a) Edible cannabis products;

3 (b) Topical formulations, such as creams, balms, and lotions;

4 (c) Concentrates, such as oils, waxes, shatter, and distillates;

5 (d) Transdermal patches;

6 (e) Suppositories; and

7 (f) Pre-filled vaporizer cartridges.

8 (3) A products manufacturer shall not manufacture cannabis products
9 intended for use by smoking.

10 (4) A products manufacturer may purchase or obtain cannabis from a
11 cultivator, another products manufacturer, or a dispensary. A products
12 manufacturer shall track all of its cannabis from to the point it is
13 obtained to the point when it is transferred to another licensee.

14 (5) A products manufacturer may sell or transfer cannabis products
15 to dispensaries and to cultivators and other products manufacturers.

16 (6) A products manufacturer may provide a sample of its cannabis to
17 a testing facility for testing and research and development purposes. A
18 products manufacturer shall maintain a record of what was provided to the
19 testing facility, the identity of the testing facility, and the results
20 of the testing.

21 **Sec. 172. A products manufacturer shall:**

22 (1) Process and prepare cannabis into a form allowable under the
23 Nebraska Medical Cannabis Regulation Act prior to distribution to any
24 dispensary;

25 (2) Ensure that any facility in which cannabis products are
26 manufactured meets sanitary requirements of the commission's rules and
27 regulations;

28 (3) Ensure that cannabis products are sealed and conspicuously
29 labeled in compliance with the Nebraska Medical Cannabis Regulation Act
30 and the rules and regulations of the commission;

31 (4) Contract with an independent testing facility, subject to

1 approval by the commission, for purposes of testing products made by the
2 products manufacturer as to chemical composition, contamination, and
3 consistency; and

4 (5) Enter cannabis purchased and sold, distributed, transferred, or
5 disposed of into the seed-to-sale tracking system.

6 **Sec. 173.** (1) A products manufacturer may use any extraction method
7 or solvent that complies with state and federal safety standards and the
8 rules and regulations of the commission. Approved solvents may include,
9 but are not limited to, ethanol, carbon dioxide, hydrocarbons such as
10 butane and propane, and water-based methods.

11 (2) A products manufacturer shall:

12 (a) Conduct all extraction processes using equipment certified for
13 safety by a nationally recognized testing laboratory or an equivalent
14 accredited certification entity;

15 (b) Implement and maintain ventilation, fire suppression, and other
16 safety measures appropriate to the extraction method used; and

17 (c) If using volatile solvents, conduct operations in commission-
18 approved Class 1, Division 1 (C1D1) or equivalent explosion-proof rooms,
19 equipped with proper ventilation, gas detection, and fire suppression
20 systems. Prior to commencing operations, the licensee shall obtain
21 written sign-off from the local fire department, if applicable, and the
22 State Fire Marshal to confirm compliance with local and state building,
23 fire, and hazardous material handling codes.

24 (3) The commission shall adopt and promulgate rules and regulations
25 to carry out this section. Such rules and regulations shall:

26 (a) Allow for the use of proprietary or emerging extraction
27 technologies. Licensees shall submit documentation of safety and efficacy
28 for commission review and approval;

29 (b) Provide for processes and requirements for local fire
30 departments and the State Fire Marshal to carry out this section;

31 (c) Include requirements to ensure that equipment and processes meet

1 stringent safety and engineering standards; and

2 (d) Provide for flexibility for innovation and efficiency while
3 maintaining rigorous public health and worker safety standards.

4 **Sec. 174.** A products manufacturer that uses any hemp-derived
5 cannabinoid, as defined in section 162 of this act, as an ingredient in a
6 cannabis product shall ensure that the hemp-derived cannabinoid has
7 passed all testing required by the rules and regulations of the
8 commission at a testing facility.

9 **Sec. 175.** (1) For purposes of this section, branded food product
10 means a food product for which a person other than the product
11 manufacturer holds a trademark.

12 (2) A products manufacturer shall not:

13 (a) Add any cannabis to a branded food product, except that a
14 products manufacturer may use a branded food product as a component of a
15 recipe if the products manufacturer does not state or advertise that the
16 final cannabis product contains a branded food product;

17 (b) Intentionally or knowingly label or package a cannabis product
18 in a manner that would reasonably cause confusion as to whether the
19 cannabis product was a branded food product; or

20 (c) Label or package a cannabis product in a manner that violates
21 any state or federal trademark law or regulation.

22 **Sec. 176.** (1) A dispensary may sell cannabis to qualified patients
23 and registered caregivers and may sell or transfer cannabis to
24 cultivators, products manufacturers, and other dispensaries pursuant to
25 the requirements and restrictions of the Nebraska Medical Cannabis
26 Regulation Act.

27 (2) A dispensary may purchase cannabis from a cultivator, a products
28 manufacturer, or another dispensary.

29 (3) A dispensary shall only sell cannabis acquired from a licensee.

30 (4) A dispensary shall not sell cannabis or cannabis products
31 intended for use by smoking.

1 (5) A dispensary shall enter into the seed-to-sale tracking system
2 all cannabis purchased, sold, or transferred from acquisition until
3 transferred to another licensee, a qualified patient, or a registered
4 caregivers or otherwise disposed of.

5 **Sec. 177.** (1) A dispensary shall do the following for every sale of
6 cannabis to a registered caregiver or qualified patient:

7 (a) Receive the transaction order at the dispensary directly from
8 the qualified patient or registered caregiver and not from a third party.
9 This may be done in person, by telephone, or via the Internet;

10 (b) Prior to sale, ensure that the qualified patient or registered
11 caregiver possesses a valid, unexpired registry card. The dispensary
12 shall ensure the card's validity using a method prescribed by the
13 commission. A copy of an application shall not be sufficient proof for
14 purposes of this subdivision;

15 (c) Verify through the seed-to-sale tracking system that the
16 qualified patient or registered caregiver is currently authorized to
17 purchase the amount of cannabis requested; and

18 (d) Immediately record each sales transaction in the seed-to-sale
19 tracking system. The dispensary shall maintain the confidentiality of
20 data collected concerning qualified patients and registered caregivers
21 pursuant to the commission's rules and regulations.

22 (2) Each dispensary shall daily submit information regarding each
23 dispensation of cannabis to the prescription drug monitoring system
24 established in section 71-2454.

25 **Sec. 178.** A dispensary shall not engage in sales transactions to
26 the same qualified patient or registered caregiver during the same
27 business day when the dispensary or its employee knows or reasonably
28 should have known that the sales transaction would result in the
29 qualified patient or registered caregiver possessing more than an
30 allowable amount of cannabis.

31 **Sec. 179.** The commission may adopt and promulgate rules and

1 regulations that limit the amount of cannabis inventory that a dispensary
2 may have on hand. Any such limitation shall be commercially reasonable
3 and consider factors including a dispensary's sales history, the number
4 of qualified patients served by such dispensary and in the area, and, in
5 the case of a vertical licensee, the number of other licenses held by
6 such licensee.

7 **Sec. 180.** A display case in a dispensary containing cannabis
8 concentrate shall include the potency of the cannabis concentrate next to
9 the name of the product.

10 **Sec. 181.** A dispensary that sells any cannabis product containing
11 any hemp-derived cannabinoid, as defined in section 162 of this act,
12 shall ensure that the hemp-derived cannabinoid has passed all testing
13 required by the rules and regulations of the commission at a testing
14 facility.

15 **Sec. 182.** A dispensary shall not give away cannabis as part of a
16 promotional event.

17 **Sec. 183.** A dispensary shall report any theft or attempted theft of
18 cannabis to law enforcement within twenty-four hours after discovery.

19 **Sec. 184.** The licensed premises of a dispensary shall be designed
20 in order to accomplish the following:

21 (1) The general public, qualified patients, and registered
22 caregivers may only enter the dispensary through one access point into an
23 area where licensee agents shall screen individuals for qualified patient
24 or registered caregiver status. No cannabis shall be accessible in this
25 area; and

26 (2) Only qualified patients, registered caregivers, and, if
27 requested by a qualified patient, up to two additional persons to support
28 the qualified patient, may enter any areas beyond the access point area.

29 **Sec. 185.** Subject to rules and regulations of the commission, a
30 dispensary may donate cannabis to a qualified patient who is indigent or
31 who is in hospice care.

1 **Sec. 186.** (1) For purposes of this section, private residence means
2 a private premises where an individual lives, such as a private dwelling
3 place or place of habitation, but does not include any premises located
4 at a school or on the campus of an institution of higher education or any
5 other public property.

6 (2) Subject to the Nebraska Medical Cannabis Regulation Act and the
7 rules and regulations adopted and promulgated thereunder, a dispensary
8 may deliver an order of cannabis to the private residence of a qualified
9 patient or registered caregiver as provided in this section.

10 (3) Delivery shall be made only:

11 (a) To the qualified patient or registered caregiver who placed the
12 order;

13 (b) To the address provided in the order; and

14 (c) To a private residence.

15 (4) When taking an order for delivery, the dispensary shall:

16 (a) Receive the order directly from the qualified patient or
17 registered caregiver, and not from a third party. This may be done by
18 telephone or via the Internet;

19 (b) Verify that the person placing the order is eighteen years of
20 age or older;

21 (c) Verify that the person placing the order possesses a valid,
22 unexpired registry card. The dispensary shall ensure the card's validity
23 using a method prescribed by the commission. A copy of an application
24 shall not be sufficient proof for purposes of this subdivision;

25 (d) Verify through the seed-to-sale tracking system that the person
26 is currently authorized to purchase the amount of cannabis requested; and

27 (e) Immediately record each sales transaction in the seed-to-sale
28 tracking system. The dispensary shall maintain the confidentiality of
29 data collected concerning qualified patients and registered caregivers
30 pursuant to the commission's rules and regulations.

31 (5) The dispensary may receive payment before the cannabis leaves

1 the dispensary, subject to refund if the delivery cannot be completed.

2 (6)(a) A dispensary may contract with a transporter to make
3 deliveries or may use its own employees. Any dispensary employees shall
4 have undergone commission-approved training, including, but not limited
5 to, training regarding proof-of-age identification and verification of
6 registry card status.

7 (b) A dispensary shall not make deliveries of cannabis products
8 under this section using a vehicle that is also transporting cannabis
9 between licensed premises.

10 (c) Prior to transferring possession of the order to the qualified
11 patient or registered caregiver, the person delivering the order shall
12 inspect the person's registry card and verify that the information
13 provided at the time of the order matches the information on the registry
14 card.

15 (7) A law enforcement agency may request commission reports,
16 including complaints, investigative actions, and final agency action
17 orders, related to criminal activity materially related to delivery of
18 cannabis in the law enforcement agency's jurisdiction, and the commission
19 shall promptly provide any such reports.

20 **Sec. 187.** (1) Subject to the Nebraska Medical Cannabis Regulation
21 Act and the rules and regulations adopted and promulgated thereunder, a
22 transporter may transport cannabis and cannabis accessories between
23 licensees, provide logistical services for licensees, and store cannabis.

24 (2)(a) A transporter may contract with multiple licensees.

25 (b) A licensee other than a transporter may transport, store, and
26 distribute its own cannabis without engaging the services of a
27 transporter.

28 (c) A transporter is responsible for cannabis and cannabis
29 accessories upon taking possession.

30 (3) A transporter may maintain one or more storage facilities as
31 licensed premises to temporarily store cannabis and cannabis accessories.

1 The commission shall adopt and promulgate rules and regulations providing
2 security requirements for such storage facilities.

3 (4) A transporter shall use the seed-to-sale tracking system to
4 create transport manifests documenting the transport of cannabis
5 throughout the state.

6 **Sec. 188.** (1) For purposes of this section, private residence has
7 the same meaning as in section 186 of this act.

8 (2) Subject to the Nebraska Medical Cannabis Regulation Act and the
9 rules and regulations adopted and promulgated thereunder, a transporter
10 may deliver an order of cannabis on behalf of a dispensary under section
11 186 of this act to the private residence of a qualified patient or
12 registered caregiver as provided in this section.

13 (3) Delivery shall be made only:

14 (a) To the qualified patient or registered caregiver who placed the
15 order;

16 (b) To the address provided in the order; and

17 (c) To a private residence.

18 (4)(a) Any transporter employee making a delivery under this section
19 shall have undergone commission-approved training, including, but not
20 limited to, training regarding proof-of-age identification and
21 verification of registry card status.

22 (b) A transporter shall not make deliveries of cannabis products
23 under this section using a vehicle that is also transporting cannabis
24 between licensed premises.

25 (c) Prior to transferring possession of the order to the qualified
26 patient or registered caregiver, the person delivering the order shall
27 inspect the person's registry card and verify that the information
28 provided at the time of the order matches the information on the registry
29 card.

30 (5) A law enforcement agency may request commission reports,
31 including complaints, investigative actions, and final agency action

1 orders, related to criminal activity materially related to delivery of
2 cannabis in the law enforcement agency's jurisdiction, and the commission
3 shall promptly provide any such reports.

4 **Sec. 189.** (1) Subject to the Nebraska Medical Cannabis Regulation
5 Act and the rules and regulations adopted and promulgated thereunder, a
6 testing facility may analyze, test, and certify cannabis and hemp-derived
7 cannabinoids as defined in section 162 of this act.

8 (2) A testing facility shall only accept cannabis from licensees.

9 (3) When a testing facility has completed testing a sample of
10 cannabis, the sample shall be disposed of in accordance with the rules
11 and regulations of the commission.

12 (4) A testing facility shall track all cannabis from its receipt
13 until its disposal using the seed-to-sale tracking system.

14 **Sec. 190.** (1) Except as provided in subsection (2) of this section,
15 a license shall not be issued or renewed for a testing facility unless
16 the facility is accredited by a body that is recognized by the
17 International Laboratory Accreditation Cooperation in an appropriate
18 category of testing pursuant to the International Organization for
19 Standardization.

20 (2) The commission may by rule and regulation establish conditions
21 for providing extensions to a newly licensed testing facility to obtain
22 accreditation required by this section for a period not to exceed twelve
23 months. Extensions may be granted for good cause, which includes, but
24 shall not be limited to, when an application for accreditation has been
25 submitted and is pending with a recognized accrediting body.

26 **Sec. 191.** The commission shall adopt and promulgate rules and
27 regulations for testing facilities relating to testing, standards,
28 quality control analysis, equipment certification and calibration,
29 chemical identification, and substances that may be used in bona fide
30 research methods. The commission may adopt standards based on those of
31 the International Organization for Standardization. The testing

1 requirements shall include:

2 (1) Determining accurately, with respect to cannabis:

3 (a) The concentration of delta-9 THC, exo-THC, delta-10 THC,
4 cannabidiol, and other cannabinoids;

5 (b) The presence and identification of mold and fungus;

6 (c) The composition; and

7 (d) The presence of chemicals, including, but not limited to,
8 pesticides, herbicides, or growth regulators; and

9 (2) Demonstrating the validity and accuracy of the methods used to
10 test cannabis.

11 **Sec. 192.** (1) A person who has an interest in a testing facility
12 shall not have any interest in any dispensary, cultivator, or products
13 manufacturer.

14 (2) A person that has an interest in a dispensary, cultivator, or
15 products manufacturer shall not have any interest in a testing facility.

16 **Sec. 193.** The state or any political subdivision shall not employ
17 or use the results of any test of cannabis conducted by a laboratory
18 unless such laboratory is a testing facility or otherwise accredited for
19 the particular field of testing in accordance with the rules and
20 regulations of the commission.

21 **Sec. 194.** If the owner of the licensed premises or any person from
22 whom the licensee derives the right to possession of such premises, or
23 the agent of such owner or person, knowingly permits the licensee to use
24 such licensed premises in violation of the terms of the Nebraska Medical
25 Cannabis Regulation Act, such owner, agent, or other person shall be
26 deemed guilty of a violation of the act to the same extent as such
27 licensee and be subject to the same punishment.

28 **Sec. 195.** Every act or omission of whatsoever nature constituting a
29 violation of any of the provisions of the Nebraska Medical Cannabis
30 Regulation Act by any officer, director, manager, or other agent or
31 employee of any licensee, if such act is committed or omission is made

1 with the authorization, knowledge, or approval of the licensee, shall be
2 deemed and held to be the act of such employer or licensee, and such
3 employer or licensee shall be punishable in the same manner as if such
4 act or omission had been done or omitted by him or her personally.

5 **Sec. 196.** Section 28-416, Revised Statutes Cumulative Supplement,
6 2024, is amended to read:

7 28-416 (1) Except as authorized by the Uniform Controlled Substances
8 Act or the Nebraska Medical Cannabis Regulation Act, it shall be unlawful
9 for any person knowingly or intentionally: (a) To manufacture,
10 distribute, deliver, dispense, or possess with intent to manufacture,
11 distribute, deliver, or dispense a controlled substance; or (b) to
12 create, distribute, or possess with intent to distribute a counterfeit
13 controlled substance.

14 (2) Except as provided in subsections (4), (5), (7), (8), (9), and
15 (10) of this section, any person who violates subsection (1) of this
16 section with respect to: (a) A controlled substance classified in
17 Schedule I, II, or III of section 28-405 which is an exceptionally
18 hazardous drug shall be guilty of a Class II felony; (b) any other
19 controlled substance classified in Schedule I, II, or III of section
20 28-405 shall be guilty of a Class IIA felony; or (c) a controlled
21 substance classified in Schedule IV or V of section 28-405 shall be
22 guilty of a Class IIIA felony.

23 (3) A person knowingly or intentionally possessing a controlled
24 substance, except marijuana or any substance containing a quantifiable
25 amount of the substances, chemicals, or compounds described, defined, or
26 delineated in subdivision (c)(27) of Schedule I of section 28-405, unless
27 such substance was obtained directly or pursuant to a medical order
28 issued by a practitioner authorized to prescribe while acting in the
29 course of his or her professional practice, or except as otherwise
30 authorized by the act, shall be guilty of a Class IV felony. A person
31 shall not be in violation of this subsection if section 28-472 or 28-1701

1 applies.

2 (4)(a) Except as authorized by the Uniform Controlled Substances
3 Act, any person eighteen years of age or older who knowingly or
4 intentionally manufactures, distributes, delivers, dispenses, or
5 possesses with intent to manufacture, distribute, deliver, or dispense a
6 controlled substance or a counterfeit controlled substance (i) to a
7 person under the age of eighteen years, (ii) in, on, or within one
8 thousand feet of the real property comprising a public or private
9 elementary, vocational, or secondary school, a community college, a
10 public or private college, junior college, or university, or a
11 playground, or (iii) within one hundred feet of a public or private youth
12 center, public swimming pool, or video arcade facility shall be punished
13 by the next higher penalty classification than the penalty prescribed in
14 subsection (2), (7), (8), (9), or (10) of this section, depending upon
15 the controlled substance involved, for the first violation and for a
16 second or subsequent violation shall be punished by the next higher
17 penalty classification than that prescribed for a first violation of this
18 subsection, but in no event shall such person be punished by a penalty
19 greater than a Class IB felony.

20 (b) For purposes of this subsection:

21 (i) Playground means any outdoor facility, including any parking lot
22 appurtenant to the facility, intended for recreation, open to the public,
23 and with any portion containing three or more apparatus intended for the
24 recreation of children, including sliding boards, swingsets, and
25 teeterboards;

26 (ii) Video arcade facility means any facility legally accessible to
27 persons under eighteen years of age, intended primarily for the use of
28 pinball and video machines for amusement, and containing a minimum of ten
29 pinball or video machines; and

30 (iii) Youth center means any recreational facility or gymnasium,
31 including any parking lot appurtenant to the facility or gymnasium,

1 intended primarily for use by persons under eighteen years of age which
2 regularly provides athletic, civic, or cultural activities.

3 (5)(a) Except as authorized by the Uniform Controlled Substances
4 Act, it shall be unlawful for any person eighteen years of age or older
5 to knowingly and intentionally employ, hire, use, cause, persuade, coax,
6 induce, entice, seduce, or coerce any person under the age of eighteen
7 years to manufacture, transport, distribute, carry, deliver, dispense,
8 prepare for delivery, offer for delivery, or possess with intent to do
9 the same a controlled substance or a counterfeit controlled substance.

10 (b) Except as authorized by the Uniform Controlled Substances Act,
11 it shall be unlawful for any person eighteen years of age or older to
12 knowingly and intentionally employ, hire, use, cause, persuade, coax,
13 induce, entice, seduce, or coerce any person under the age of eighteen
14 years to aid and abet any person in the manufacture, transportation,
15 distribution, carrying, delivery, dispensing, preparation for delivery,
16 offering for delivery, or possession with intent to do the same of a
17 controlled substance or a counterfeit controlled substance.

18 (c) Any person who violates subdivision (a) or (b) of this
19 subsection shall be punished by the next higher penalty classification
20 than the penalty prescribed in subsection (2), (7), (8), (9), or (10) of
21 this section, depending upon the controlled substance involved, for the
22 first violation and for a second or subsequent violation shall be
23 punished by the next higher penalty classification than that prescribed
24 for a first violation of this subsection, but in no event shall such
25 person be punished by a penalty greater than a Class IB felony.

26 (6) It shall not be a defense to prosecution for violation of
27 subsection (4) or (5) of this section that the defendant did not know the
28 age of the person through whom the defendant violated such subsection.

29 (7) Any person who violates subsection (1) of this section with
30 respect to cocaine or any mixture or substance containing a detectable
31 amount of cocaine in a quantity of:

1 (a) One hundred forty grams or more shall be guilty of a Class IB
2 felony;

3 (b) At least twenty-eight grams but less than one hundred forty
4 grams shall be guilty of a Class IC felony; or

5 (c) At least ten grams but less than twenty-eight grams shall be
6 guilty of a Class ID felony.

7 (8) Any person who violates subsection (1) of this section with
8 respect to base cocaine (crack) or any mixture or substance containing a
9 detectable amount of base cocaine in a quantity of:

10 (a) One hundred forty grams or more shall be guilty of a Class IB
11 felony;

12 (b) At least twenty-eight grams but less than one hundred forty
13 grams shall be guilty of a Class IC felony; or

14 (c) At least ten grams but less than twenty-eight grams shall be
15 guilty of a Class ID felony.

16 (9) Any person who violates subsection (1) of this section with
17 respect to heroin or any mixture or substance containing a detectable
18 amount of heroin in a quantity of:

19 (a) One hundred forty grams or more shall be guilty of a Class IB
20 felony;

21 (b) At least twenty-eight grams but less than one hundred forty
22 grams shall be guilty of a Class IC felony; or

23 (c) At least ten grams but less than twenty-eight grams shall be
24 guilty of a Class ID felony.

25 (10) Any person who violates subsection (1) of this section with
26 respect to amphetamine, its salts, optical isomers, and salts of its
27 isomers, or with respect to methamphetamine, its salts, optical isomers,
28 and salts of its isomers, 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 (11) Except as provided in the Nebraska Medical Cannabis Regulation
5 Act, any Any person knowingly or intentionally possessing marijuana
6 weighing more than one ounce but not more than one pound shall be guilty
7 of a Class III misdemeanor.

8 (12) Except as provided in the Nebraska Medical Cannabis Regulation
9 Act, any Any person knowingly or intentionally possessing marijuana
10 weighing more than one pound shall be guilty of a Class IV felony.

11 (13) Except as provided in the Nebraska Medical Cannabis Regulation
12 Act or section 28-1701, any person knowingly or intentionally possessing
13 marijuana weighing one ounce or less or any substance containing a
14 quantifiable amount of the substances, chemicals, or compounds described,
15 defined, or delineated in subdivision (c)(27) of Schedule I of section
16 28-405 shall:

17 (a) For the first offense, be guilty of an infraction, receive a
18 citation, be fined three hundred dollars, and be assigned to attend a
19 course as prescribed in section 29-433 if the judge determines that
20 attending such course is in the best interest of the individual
21 defendant;

22 (b) For the second offense, be guilty of a Class IV misdemeanor,
23 receive a citation, and be fined four hundred dollars and may be
24 imprisoned not to exceed five days; and

25 (c) For the third and all subsequent offenses, be guilty of a Class
26 IIIA misdemeanor, receive a citation, be fined five hundred dollars, and
27 be imprisoned not to exceed seven days.

28 (14) Any person convicted of violating this section, if placed on
29 probation, shall, as a condition of probation, satisfactorily attend and
30 complete appropriate treatment and counseling on drug abuse provided by a
31 program authorized under the Nebraska Behavioral Health Services Act or

1 other licensed drug treatment facility.

2 (15) Any person convicted of violating this section, if sentenced to
3 the Department of Correctional Services, shall attend appropriate
4 treatment and counseling on drug abuse.

5 (16) Any person knowingly or intentionally possessing a firearm
6 while in violation of subsection (1) of this section shall be punished by
7 the next higher penalty classification than the penalty prescribed in
8 subsection (2), (7), (8), (9), or (10) of this section, but in no event
9 shall such person be punished by a penalty greater than a Class IB
10 felony.

11 (17) A person knowingly or intentionally in possession of money used
12 or intended to be used to facilitate a violation of subsection (1) of
13 this section shall be guilty of a Class IV felony.

14 (18) In addition to the existing penalties available for a violation
15 of subsection (1) of this section, including any criminal attempt or
16 conspiracy to violate subsection (1) of this section, a sentencing court
17 may order that any money, securities, negotiable instruments, firearms,
18 conveyances, or electronic communication devices as defined in section
19 28-833 or any equipment, components, peripherals, software, hardware, or
20 accessories related to electronic communication devices be forfeited as a
21 part of the sentence imposed if it finds by clear and convincing evidence
22 adduced at a separate hearing in the same prosecution, following
23 conviction for a violation of subsection (1) of this section, and
24 conducted pursuant to section 28-1601, that any or all such property was
25 derived from, used, or intended to be used to facilitate a violation of
26 subsection (1) of this section.

27 (19) In addition to the penalties provided in this section:

28 (a) If the person convicted or adjudicated of violating this section
29 is eighteen years of age or younger and has one or more licenses or
30 permits issued under the Motor Vehicle Operator's License Act:

31 (i) For the first offense, the court may, as a part of the judgment

1 of conviction or adjudication, (A) impound any such licenses or permits
2 for thirty days and (B) require such person to attend a drug education
3 class;

4 (ii) For a second offense, the court may, as a part of the judgment
5 of conviction or adjudication, (A) impound any such licenses or permits
6 for ninety days and (B) require such person to complete no fewer than
7 twenty and no more than forty hours of community service and to attend a
8 drug education class; and

9 (iii) For a third or subsequent offense, the court may, as a part of
10 the judgment of conviction or adjudication, (A) impound any such licenses
11 or permits for twelve months and (B) require such person to complete no
12 fewer than sixty hours of community service, to attend a drug education
13 class, and to submit to a drug assessment by a licensed alcohol and drug
14 counselor; and

15 (b) If the person convicted or adjudicated of violating this section
16 is eighteen years of age or younger and does not have a permit or license
17 issued under the Motor Vehicle Operator's License Act:

18 (i) For the first offense, the court may, as part of the judgment of
19 conviction or adjudication, (A) prohibit such person from obtaining any
20 permit or any license pursuant to the act for which such person would
21 otherwise be eligible until thirty days after the date of such order and
22 (B) require such person to attend a drug education class;

23 (ii) For a second offense, the court may, as part of the judgment of
24 conviction or adjudication, (A) prohibit such person from obtaining any
25 permit or any license pursuant to the act for which such person would
26 otherwise be eligible until ninety days after the date of such order and
27 (B) require such person to complete no fewer than twenty hours and no
28 more than forty hours of community service and to attend a drug education
29 class; and

30 (iii) For a third or subsequent offense, the court may, as part of
31 the judgment of conviction or adjudication, (A) prohibit such person from

1 obtaining any permit or any license pursuant to the act for which such
2 person would otherwise be eligible until twelve months after the date of
3 such order and (B) require such person to complete no fewer than sixty
4 hours of community service, to attend a drug education class, and to
5 submit to a drug assessment by a licensed alcohol and drug counselor.

6 A copy of an abstract of the court's conviction or adjudication
7 shall be transmitted to the Director of Motor Vehicles pursuant to
8 sections 60-497.01 to 60-497.04 if a license or permit is impounded or a
9 juvenile is prohibited from obtaining a license or permit under this
10 subsection.

11 **Sec. 197.** Section 28-439, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 28-439 (1) As used in sections 28-101, 28-431, and 28-439 to 28-444,
14 unless the context otherwise requires, drug paraphernalia shall mean all
15 equipment, products, and materials of any kind which are used, intended
16 for use, or designed for use, in manufacturing, injecting, ingesting,
17 inhaling, or otherwise introducing into the human body a controlled
18 substance in violation of sections 28-101, 28-431, and 28-439 to 28-444
19 or the Uniform Controlled Substances Act. It shall include, but not be
20 limited to, the following:

21 (a) ~~(1)~~ Diluents and adulterants, such as quinine hydrochloride,
22 mannitol, mannite, dextrose, and lactose, used, intended for use, or
23 designed for use in cutting controlled substances;

24 (b) ~~(2)~~ Separation gins and sifters used, intended for use, or
25 designed for use in removing twigs and seeds from, or in otherwise
26 cleaning or refining, marijuana;

27 (c) ~~(3)~~ Hypodermic syringes, needles, and other objects used,
28 intended for use, and designed for use in parenterally injecting
29 controlled substances into the human body; and

30 (d) ~~(4)~~ Objects used, intended for use, or designed for use in
31 ingesting, inhaling, or otherwise introducing marijuana, cocaine,

1 hashish, or hashish oil into the human body, which shall include but not
2 be limited to the following:

3 (i) ~~(a)~~ Metal, wooden, acrylic, glass, stone, plastic, or ceramic
4 pipes with or without screens, permanent screens, hashish heads, or
5 punctured metal bowls;

6 (ii) ~~(b)~~ Water pipes;

7 (iii) ~~(c)~~ Carburetion tubes and devices;

8 (iv) ~~(d)~~ Smoking and carburetion masks;

9 (v) ~~(e)~~ Roach clips, meaning objects used to hold burning material,
10 such as a marijuana cigarette, which has become too small or too short to
11 be held in the hand;

12 (vi) ~~(f)~~ Miniature cocaine spoons, and cocaine vials;

13 (vii) ~~(g)~~ Chamber pipes;

14 (viii) ~~(h)~~ Carburetor pipes;

15 (ix) ~~(i)~~ Electric pipes;

16 (x) ~~(j)~~ Air-driven pipes;

17 (xi) ~~(k)~~ Chillums;

18 (xii) ~~(l)~~ Bongs; and

19 (xiii) ~~(m)~~ Ice pipes or chillers.

20 (2) This section does not apply to conduct involving cannabis
21 accessories as defined in section 8 of this act when such conduct is
22 lawful under the Nebraska Medical Cannabis Regulation Act.

23 **Sec. 198.** Section 53-105, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 53-105 There is hereby created the Nebraska Liquor Control
26 Commission, consisting of three members to be appointed by the Governor,
27 subject to confirmation by a majority of the members elected to the
28 Legislature, no more than two of whom shall be members of the same
29 political party, and no two shall be citizens of the same congressional
30 district. The members of the Nebraska Liquor Control Commission shall
31 also serve as members of the Nebraska Medical Cannabis Commission as

1 provided in section 79 of this act.

2 **Sec. 199.** Section 53-106, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 53-106 The Governor shall appoint three members of the commission,
5 one of whom the Governor ~~he~~ shall designate as chairperson ~~chairman~~. One
6 member shall be appointed every two years and shall hold office for a
7 period of six years. Any appointee may be removed by the Governor, after
8 an opportunity to be heard, for malfeasance, misfeasance, or neglect in
9 office. No person shall be appointed to the commission, or continue to
10 hold that office after appointment, while holding any other office or
11 position under the laws of this state, any other state, or of the United
12 States, except that the commissioners shall also serve as members of the
13 Nebraska Medical Cannabis Commission as provided in section 79 of this
14 act.

15 **Sec. 200.** Section 53-110, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 53-110 (1) For purposes of this section:

18 (a) Cannabis has the same meaning as in section 7 of this act;

19 (b) Commission means the Nebraska Liquor Control Commission and the
20 Nebraska Medical Cannabis Commission;

21 (c) Conviction includes a plea or verdict of guilty or a conviction
22 following a plea of nolo contendere, payment of a fine or penalty in
23 settlement of any prosecution, or forfeiture of a bond to appear in court
24 to answer charges; and

25 (d) Covered offense means:

26 (i) A felony; or

27 (ii) A violation of any federal or state law concerning the
28 manufacture or sale of alcoholic liquor or cannabis.

29 (2) (1) No person shall be appointed as a commissioner, the
30 executive director of the commission, or an employee of the commission
31 who is not a citizen of the United States and who has not resided within

1 the State of Nebraska successively for two years next preceding the date
2 of his or her appointment.

3 ~~(3) (2) No person (a) convicted of a covered offense or who has~~
4 ~~pleaded guilty to a felony or any violation of any federal or state law~~
5 ~~concerning the manufacture or sale of alcoholic liquor prior or~~
6 ~~subsequent to the passage of the Nebraska Liquor Control Act, (b) who has~~
7 ~~paid a fine or penalty in settlement of any prosecution against him or~~
8 ~~her for any violation of such laws, or (c) who has forfeited his or her~~
9 ~~bond to appear in court to answer charges for any such violation shall be~~
10 appointed commissioner.

11 ~~(4)(a) (3)(a)~~ Except as otherwise provided in subdivision (b) of
12 this subsection, ~~a~~ ~~no~~ commissioner or employee of the commission shall
13 not ~~may~~, directly or indirectly, individually, as a member of a
14 partnership, as a member of a limited liability company, or as a
15 shareholder of a corporation; ~~have~~

16 (i) Have any interest whatsoever in the manufacture, sale, or
17 distribution of alcoholic liquor or cannabis; ~~have~~

18 (ii) Receive ~~receive~~ any compensation or profit from such
19 manufacture, sale, or distribution; ~~have~~

20 (iii) Have ~~or have~~ any interest whatsoever in the purchases or sales
21 made by the persons authorized by the Nebraska Liquor Control Act ~~act~~ to
22 purchase or to sell alcoholic liquor; or ~~have~~

23 (iv) Have any interest whatsoever in the purchases or sales made by
24 the persons authorized by the Nebraska Medical Cannabis Regulation Act to
25 purchase or to sell cannabis.

26 (b) With the written approval of the executive director, an employee
27 of the commission, other than the executive director or a division
28 manager, may accept part-time or seasonal employment with a person
29 licensed or regulated by the commission under the Nebraska Liquor Control
30 Act. No such employment shall be approved if the licensee receives more
31 than fifty percent of the licensee's gross revenue from the sale or

1 dispensing of alcoholic liquor.

2 (5) (4) This section shall not prevent any commissioner, the
3 executive director, or any employee from purchasing and keeping in his or
4 her possession for the use of himself, herself, or members of his or her
5 family or guests any:

6 (a) Alcoholic ~~alcoholic~~ liquor which may be purchased or kept by any
7 person pursuant to the Nebraska Liquor Control Act; or ~~act~~.

8 (b) Cannabis which may be purchased or kept by any qualified patient
9 or registered caregiver pursuant to the Nebraska Medical Cannabis
10 Regulation Act.

11 **Sec. 201.** Section 71-2454, Revised Statutes Cumulative Supplement,
12 2024, is amended to read:

13 71-2454 (1) An entity described in section 71-2455 shall establish a
14 system of prescription drug monitoring for the purposes of (a) preventing
15 the misuse of controlled substances that are prescribed, (b) allowing
16 prescribers and dispensers, other than cannabis dispensaries, to monitor
17 the care and treatment of patients for whom such a prescription drug is
18 prescribed to ensure that such prescription drugs are used for medically
19 appropriate purposes, (c) providing information to improve the health and
20 safety of patients, and (d) ensuring that the State of Nebraska remains
21 on the cutting edge of medical information technology.

22 (2) Such system of prescription drug monitoring shall be implemented
23 as follows: Except as provided in subsection (4) of this section, all
24 prescription drug information shall be reported to the prescription drug
25 monitoring system. The prescription drug monitoring system shall include,
26 but not be limited to, provisions that:

27 (a) Prohibit any patient from opting out of the prescription drug
28 monitoring system;

29 (b) Require any prescription drug that is dispensed in this state or
30 to an address in this state to be entered into the system by the
31 dispenser or his or her delegate no less frequently than daily after such

1 prescription drug is sold, including prescription drugs for patients
2 paying cash or otherwise not relying on a third-party payor for payment,
3 except that prescriptions labeled "for emergency use" or "for use in
4 immunizations" are not required to be reported;

5 (c) Allow all prescribers or dispensers of prescription drugs to
6 access the system at no cost to such prescriber or dispenser;

7 (d) Ensure that such system includes information relating to all
8 payors, including, but not limited to, the medical assistance program
9 established pursuant to the Medical Assistance Act; and

10 (e) Make the prescription drug information available to the
11 statewide health information exchange described in section 71-2455 for
12 access by its participants if such access is in compliance with the
13 privacy and security protections set forth in the provisions of the
14 federal Health Insurance Portability and Accountability Act of 1996,
15 Public Law 104-191, and regulations promulgated thereunder, except that
16 if a patient opts out of the statewide health information exchange, the
17 prescription drug information regarding that patient shall not be
18 accessible by the participants in the statewide health information
19 exchange.

20 (3) Except as provided in subsection (4) of this section,
21 prescription drug information that shall be submitted electronically to
22 the prescription drug monitoring system shall be determined by the entity
23 described in section 71-2455 and shall include, but not be limited to:

24 (a) The patient's name, address, telephone number, if a telephone
25 number is available, gender, and date of birth;

26 (b) A patient identifier such as:

27 (i) A military identification number, driver's license number,
28 state identification card number, or other valid government-issued
29 identification number;

30 (ii) An insurance identification number, pharmacy software-
31 generated patient-specific identifier, or other identifier associated

1 specifically with the patient; or

2 (iii) For a qualified patient or registered caregiver being
3 dispensed cannabis pursuant to the Nebraska Medical Cannabis Regulation
4 Act, the unique identification number assigned to his or her registry
5 card;

6 (c) The name and address of the pharmacy or cannabis dispensary
7 dispensing the prescription drug;

8 (d) The date the prescription is issued;

9 (e) The date the prescription is filled;

10 (f) The date the prescription is sold to the patient;

11 (g) The number of refills authorized;

12 (h) The prescription number of the prescription drug;

13 (i) The National Drug Code number as published by the federal Food
14 and Drug Administration of the prescription drug;

15 (j) The strength of the prescription drug prescribed;

16 (k) The quantity of the prescription drug prescribed and the number
17 of days' supply;

18 (l) The prescriber's name and National Provider Identifier number or
19 Drug Enforcement Administration number when reporting a controlled
20 substance; and

21 (m) Additional information as determined by the Health Information
22 Technology Board and as published in the submitter guide for the
23 prescription drug monitoring system.

24 (4) Beginning July 1, 2018, a veterinarian licensed under the
25 Veterinary Medicine and Surgery Practice Act shall be required to report
26 the dispensing of prescription drugs which are controlled substances
27 listed on Schedule II, Schedule III, Schedule IV, or Schedule V pursuant
28 to section 28-405. Each such veterinarian shall indicate that the
29 prescription is an animal prescription and shall include the following
30 information in such report:

31 (a) The first and last name and address, including city, state, and

1 zip code, of the individual to whom the prescription drug is dispensed in
2 accordance with a valid veterinarian-client-patient relationship;

3 (b) Reporting status;

4 (c) The first and last name of the prescribing veterinarian and his
5 or her federal Drug Enforcement Administration number;

6 (d) The National Drug Code number as published by the federal Food
7 and Drug Administration of the prescription drug and the prescription
8 number;

9 (e) The date the prescription is written and the date the
10 prescription is filled;

11 (f) The number of refills authorized, if any; and

12 (g) The quantity of the prescription drug and the number of days'
13 supply.

14 (5)(a) All prescription drug information submitted pursuant to this
15 section, all data contained in the prescription drug monitoring system,
16 and any report obtained from data contained in the prescription drug
17 monitoring system are confidential, are privileged, are not public
18 records, and may be withheld pursuant to section 84-712.05 except for
19 information released as provided in subsection (9) or (10) of this
20 section.

21 (b) No patient-identifying data as defined in section 81-664,
22 including the data collected under subsection (3) of this section, shall
23 be disclosed, made public, or released to any public or private person or
24 entity except to the statewide health information exchange described in
25 section 71-2455 and its participants, to prescribers and dispensers as
26 provided in subsection (2) of this section, or as provided in subsection
27 (7), (9), or (10) of this section. A cannabis dispensary shall only be
28 granted access to view confidential information as necessary to carry out
29 its duties under this section.

30 (c) All other data is for the confidential use of the department and
31 the statewide health information exchange described in section 71-2455

1 and its participants, other than cannabis dispensaries. The department,
2 or the statewide health information exchange in accordance with policies
3 adopted by the Health Information Technology Board and in collaboration
4 with the department, may release such information in accordance with the
5 privacy and security provisions set forth in the federal Health Insurance
6 Portability and Accountability Act of 1996, Public Law 104-191, and
7 regulations promulgated thereunder, as Class I, Class II, or Class IV
8 data in accordance with section 81-667, except for purposes in accordance
9 with subsection (9) or (10) of this section, to the private or public
10 persons or entities that the department or the statewide health
11 information exchange, in accordance with policies adopted by the Health
12 Information Technology Board, determines may view such records as
13 provided in sections 81-663 to 81-675. In addition, the department, or
14 the statewide health information exchange in accordance with policies
15 adopted by the Health Information Technology Board and in collaboration
16 with the department, may release such information as provided in
17 subsection (9) or (10) of this section.

18 (6) The statewide health information exchange described in section
19 71-2455, in accordance with policies adopted by the Health Information
20 Technology Board and in collaboration with the department, shall
21 establish the minimum administrative, physical, and technical safeguards
22 necessary to protect the confidentiality, integrity, and availability of
23 prescription drug information.

24 (7) If the entity receiving the prescription drug information has
25 privacy protections at least as restrictive as those set forth in this
26 section and has implemented and maintains the minimum safeguards required
27 by subsection (6) of this section, the statewide health information
28 exchange described in section 71-2455, in accordance with policies
29 adopted by the Health Information Technology Board and in collaboration
30 with the department, may release the prescription drug information and
31 any other data collected pursuant to this section to:

1 (a) Other state prescription drug monitoring programs;

2 (b) State and regional health information exchanges;

3 (c) The medical director and pharmacy director of the Division of
4 Medicaid and Long-Term Care of the department, or their designees;

5 (d) The medical directors and pharmacy directors of medicaid-managed
6 care entities, the state's medicaid drug utilization review board, and
7 any other state-administered health insurance program or its designee if
8 any such entities have a current data-sharing agreement with the
9 statewide health information exchange described in section 71-2455, and
10 if such release is in accordance with the privacy and security provisions
11 of the federal Health Insurance Portability and Accountability Act of
12 1996, Public Law 104-191, and all regulations promulgated thereunder;

13 (e) Organizations which facilitate the interoperability and mutual
14 exchange of information among state prescription drug monitoring programs
15 or state or regional health information exchanges; or

16 (f) Electronic health record systems or pharmacy-dispensing software
17 systems for the purpose of integrating prescription drug information into
18 a patient's medical record.

19 (8) The department, or the statewide health information exchange
20 described in section 71-2455, in accordance with policies adopted by the
21 Health Information Technology Board and in collaboration with the
22 department, may release to patients their prescription drug information
23 collected pursuant to this section. Upon request of the patient, such
24 information may be released directly to the patient or a personal health
25 record system designated by the patient which has privacy protections at
26 least as restrictive as those set forth in this section and that has
27 implemented and maintains the minimum safeguards required by subsection
28 (6) of this section.

29 (9) In accordance with the privacy and security provisions set forth
30 in the federal Health Insurance Portability and Accountability Act of
31 1996, Public Law 104-191, and regulations promulgated thereunder, the

1 department, or the statewide health information exchange described in
2 section 71-2455 under policies adopted by the Health Information
3 Technology Board, may release data collected pursuant to this section for
4 statistical, public policy, or educational purposes after removing
5 information which identifies or could reasonably be used to identify the
6 patient, prescriber, dispenser, or other person who is the subject of the
7 information, except as otherwise provided in subsection (10) of this
8 section.

9 (10) In accordance with the privacy and security provisions set
10 forth in the federal Health Insurance Portability and Accountability Act
11 of 1996, Public Law 104-191, and regulations promulgated thereunder, the
12 department, or statewide health information exchange described in section
13 71-2455 under policies adopted by the Health Information Technology
14 Board, may release data collected pursuant to this section for quality
15 measures as approved or regulated by state or federal agencies or for
16 patient quality improvement or research initiatives approved by the
17 Health Information Technology Board.

18 (11) The statewide health information exchange described in section
19 71-2455, entities described in subsection (7) of this section, or the
20 department may request and receive program information from other
21 prescription drug monitoring programs for use in the prescription drug
22 monitoring system in this state in accordance with the privacy and
23 security provisions set forth in the federal Health Insurance Portability
24 and Accountability Act of 1996, Public Law 104-191, and regulations
25 promulgated thereunder.

26 (12) The statewide health information exchange described in section
27 71-2455, in collaboration with the department, shall implement
28 technological improvements to facilitate the secure collection of, and
29 access to, prescription drug information in accordance with this section.

30 (13) Before accessing the prescription drug monitoring system, any
31 user shall undergo training on the purpose of the system, access to and

1 proper usage of the system, and the law relating to the system, including
2 confidentiality and security of the prescription drug monitoring system.
3 Such training shall be administered by the statewide health information
4 exchange described in section 71-2455 or the department. The statewide
5 health information exchange described in section 71-2455 shall have
6 access to the prescription drug monitoring system for training
7 operations, maintenance, and administrative purposes. Users who have been
8 trained prior to May 10, 2017, or who are granted access by an entity
9 receiving prescription drug information pursuant to subsection (7) of
10 this section, are deemed to be in compliance with the training
11 requirement of this subsection.

12 (14) For purposes of this section:

13 (a) Deliver or delivery means to actually, constructively, or
14 attempt to transfer a drug or device from one person to another, whether
15 or not for consideration;

16 (b) Department means the Department of Health and Human Services;

17 (c) Delegate means any licensed or registered health care
18 professional credentialed under the Uniform Credentialing Act designated
19 by a prescriber or dispenser to act as an agent of the prescriber or
20 dispenser for purposes of submitting or accessing data in the
21 prescription drug monitoring system and who is supervised by such
22 prescriber or dispenser;

23 (d) Prescription drug or drugs means a prescription drug or drugs
24 dispensed by delivery to the ultimate user or caregiver by or pursuant to
25 the lawful order of a prescriber, including cannabis dispensed pursuant
26 to the Nebraska Medical Cannabis Regulation Act, but does not include (i)
27 the delivery of such prescription drug for immediate use for purposes of
28 inpatient hospital care or emergency department care, (ii) the
29 administration of a prescription drug by an authorized person upon the
30 lawful order of a prescriber, (iii) a wholesale distributor of a
31 prescription drug monitored by the prescription drug monitoring system,

1 or (iv) the dispensing to a nonhuman patient of a prescription drug which
2 is not a controlled substance listed in Schedule II, Schedule III,
3 Schedule IV, or Schedule V of section 28-405;

4 (e) Dispenser means a person authorized in the jurisdiction in which
5 he or she is practicing to deliver a prescription drug to the ultimate
6 user or caregiver by or pursuant to the lawful order of a prescriber.
7 Dispenser also includes a cannabis dispensary;

8 (f) Participant means an individual or entity that has entered into
9 a participation agreement with the statewide health information exchange
10 described in section 71-2455 which requires the individual or entity to
11 comply with the privacy and security protections set forth in the
12 provisions of the federal Health Insurance Portability and Accountability
13 Act of 1996, Public Law 104-191, and regulations promulgated thereunder;
14 and

15 (g) Prescriber means a health care professional authorized to
16 prescribe in the profession which he or she practices and includes a
17 health care practitioner as defined in section 25 of this act acting
18 pursuant to the Nebraska Medical Cannabis Regulation Act; and -

19 (h) Cannabis dispensary means a dispensary as defined in section 17
20 of this act.

21 **Sec. 202.** Section 71-5727, Revised Statutes Cumulative Supplement,
22 2024, is amended to read:

23 71-5727 (1) Smoke or smoking means inhaling, exhaling, burning, or
24 carrying any lighted or heated cigar, cigarette, pipe, hookah, or any
25 other lighted or heated tobacco or plant product intended for inhalation,
26 whether natural or synthetic, in any manner or in any form.

27 (2) The term includes the use of an electronic smoking device or
28 similar device for cannabis which creates an aerosol or vapor, in any
29 manner or in any form.

30 **Sec. 203.** Section 77-2701.48, Reissue Revised Statutes of Nebraska,
31 is amended to read:

1 77-2701.48 (1) Bundled transaction means the retail sale of two or
2 more products, except real property and services to real property, when
3 (a) the products are otherwise distinct and identifiable and (b) the
4 products are sold for one non-itemized price. Bundled transaction does
5 not include the sale of any products in which the sales price varies, or
6 is negotiable, based on the selection by the purchaser of the products
7 included in the transaction.

8 (2) Distinct and identifiable products do not include:

9 (a) Packaging, such as containers, boxes, sacks, bags, and bottles
10 or other materials such as wrapping, labels, tags, and instruction guides
11 that accompany the retail sale of the products and are incidental or
12 immaterial to the retail sale thereof. Examples of packaging that are
13 incidental or immaterial include grocery sacks, shoeboxes, dry cleaning
14 garment bags, and express delivery envelopes and boxes;

15 (b) A product provided free of charge with the required purchase of
16 another product. A product is provided free of charge if the sales price
17 of the product purchased does not vary depending on the inclusion of the
18 product provided free of charge; and

19 (c) Items included in the definition of sales price pursuant to
20 section 77-2701.35.

21 (3) One non-itemized price does not include a price that is
22 separately identified by product on binding sales or other supporting
23 sales-related documentation made available to the customer in paper or
24 electronic form, including, but not limited to, an invoice, bill of sale,
25 receipt, contract, service agreement, lease agreement, periodic notice of
26 rates and services, rate card, or price list.

27 (4) A transaction that otherwise meets the definition of a bundled
28 transaction is not a bundled transaction if it is (a) the retail sale of
29 tangible personal property and a service where the tangible personal
30 property is essential to the use of the service, and is provided
31 exclusively in connection with the service, and the true object of the

1 transaction is the service, (b) the retail sale of services when one
2 service is provided that is essential to the use or receipt of a second
3 service and the first service is provided exclusively in connection with
4 the second service and the true object of the transaction is the second
5 service, or (c) a transaction that includes taxable products and
6 nontaxable products and the purchase price or sales price of the taxable
7 products is de minimus. De minimus means the seller's purchase price or
8 sales price of the taxable products is ten percent or less of the total
9 purchase price or sales price of the bundled products. Sellers shall use
10 either the purchase price or the sales price of the products to determine
11 if the taxable products are de minimus. Sellers may not use a combination
12 of the purchase price and sales price of the products to determine if the
13 taxable products are de minimus. Sellers shall use the full term of a
14 service contract to determine if the taxable products are de minimus.

15 (5) Bundled transaction does not include the retail sale of exempt
16 tangible personal property and taxable tangible personal property if (a)
17 the transaction includes food and food ingredients, drugs, durable
18 medical equipment, mobility enhancing equipment, over-the-counter drugs,
19 prosthetic devices, or medical supplies as such terms are defined in
20 section 77-2704.09 and (b) the seller's purchase price or sales price of
21 the taxable tangible personal property is fifty percent or less of the
22 total purchase price or sales price of the bundled tangible personal
23 property. Sellers may not use a combination of the purchase price and
24 sales price of the tangible personal property when making the fifty-
25 percent determination for a transaction.

26 **Sec. 204.** Section 77-2704.09, Reissue Revised Statutes of Nebraska,
27 is amended to read:

28 77-2704.09 (1) Sales and use taxes shall not be imposed on the gross
29 receipts from the sale, lease, or rental of and the storage, use, or
30 other consumption in this state of (a) insulin, (b) mobility enhancing
31 equipment and drugs, not including over-the-counter drugs, when sold for

1 a patient's use under a prescription, and (c) the following when sold for
2 a patient's use under a prescription and which are of the type eligible
3 for coverage under the medical assistance program established pursuant to
4 the Medical Assistance Act: Durable medical equipment; home medical
5 supplies; prosthetic devices; oxygen; and oxygen equipment.

6 (2) For purposes of this section:

7 (a)(i) ~~(a)~~ Drug means a compound, substance, preparation, and
8 component of a compound, substance, or preparation, other than food and
9 food ingredients, dietary supplements, or alcoholic beverages:

10 (A) (i) ~~(i)~~ Recognized in the official United States Pharmacopoeia,
11 official Homeopathic Pharmacopoeia of the United States, or official
12 National Formulary, and any supplement to any of them;

13 (B) (ii) ~~(ii)~~ Intended for use in the diagnosis, cure, mitigation,
14 treatment, or prevention of disease; or

15 (C) (iii) ~~(iii)~~ Intended to affect the structure or any function of the
16 body; and

17 (ii) Drug does not include cannabis obtained pursuant to the
18 Nebraska Medical Cannabis Regulation Act;

19 (b) Durable medical equipment means equipment which can withstand
20 repeated use, is primarily and customarily used to serve a medical
21 purpose, generally is not useful to a person in the absence of illness or
22 injury, is appropriate for use in the home, and is not worn in or on the
23 body. Durable medical equipment includes repair and replacement parts for
24 such equipment;

25 (c) Home medical supplies means supplies primarily and customarily
26 used to serve a medical purpose which are appropriate for use in the home
27 and are generally not useful to a person in the absence of illness or
28 injury;

29 (d) Mobility enhancing equipment means equipment which is primarily
30 and customarily used to provide or increase the ability to move from one
31 place to another, which is not generally used by persons with normal

1 mobility, and which is appropriate for use either in a home or a motor
2 vehicle. Mobility enhancing equipment includes repair and replacement
3 parts for such equipment. Mobility enhancing equipment does not include
4 any motor vehicle or equipment on a motor vehicle normally provided by a
5 motor vehicle manufacturer;

6 (e) Over-the-counter drug means a drug that contains a label that
7 identifies the product as a drug as required by 21 C.F.R. 201.66, as such
8 regulation existed on January 1, 2003. The over-the-counter drug label
9 includes a drug facts panel or a statement of the active ingredients with
10 a list of those ingredients contained in the compound, substance, or
11 preparation;

12 (f) Oxygen equipment means oxygen cylinders, cylinder transport
13 devices including sheaths and carts, cylinder studs and support devices,
14 regulators, flowmeters, tank wrenches, oxygen concentrators, liquid
15 oxygen base dispensers, liquid oxygen portable dispensers, oxygen tubing,
16 nasal cannulas, face masks, oxygen humidifiers, and oxygen fittings and
17 accessories;

18 (g) Prescription means an order, formula, or recipe issued in any
19 form of oral, written, electronic, or other means of transmission by a
20 duly licensed practitioner authorized under the Uniform Credentialing
21 Act; and

22 (h) Prosthetic devices means a replacement, corrective, or
23 supportive device worn on or in the body to artificially replace a
24 missing portion of the body, prevent or correct physical deformity or
25 malfunction, or support a weak or deformed portion of the body, and
26 includes any supplies used with such device and repair and replacement
27 parts.

28 **Sec. 205.** Section 77-27,132, Revised Statutes Cumulative Supplement,
29 2024, is amended to read:

30 77-27,132 (1) There is hereby created a fund to be designated the
31 Revenue Distribution Fund which shall be set apart and maintained by the

1 Tax Commissioner. Revenue not required to be credited to the General Fund
2 or any other specified fund may be credited to the Revenue Distribution
3 Fund. Credits and refunds of such revenue shall be paid from the Revenue
4 Distribution Fund. The balance of the amount credited, after credits and
5 refunds, shall be allocated as provided by the statutes creating such
6 revenue.

7 (2) The Tax Commissioner shall pay to a depository bank designated
8 by the State Treasurer all amounts collected under the Nebraska Revenue
9 Act of 1967. The Tax Commissioner shall present to the State Treasurer
10 bank receipts showing amounts so deposited in the bank, and of the
11 amounts so deposited the State Treasurer shall:

12 (a)(i) For transactions occurring on or after October 1, 2014, and
13 before July 1, 2024, credit to the Game and Parks Commission Capital
14 Maintenance Fund all of the proceeds of the sales and use taxes imposed
15 pursuant to section 77-2703 on the sale or lease of motorboats as defined
16 in section 37-1204, personal watercraft as defined in section 37-1204.01,
17 all-terrain vehicles as defined in section 60-103, and utility-type
18 vehicles as defined in section 60-135.01; and

19 (ii) For transactions occurring on or after July 1, 2024, credit to
20 the Game and Parks Commission Capital Maintenance Fund all of the
21 proceeds of the sales and use taxes imposed pursuant to section 77-2703
22 on the sale or lease of motorboats as defined in section 37-1204,
23 personal watercraft as defined in section 37-1204.01, all-terrain
24 vehicles as defined in section 60-103, and utility-type vehicles as
25 defined in section 60-135.01, and from such proceeds, transfers shall be
26 made to the Nebraska Emergency Medical System Operations Fund as provided
27 in section 37-327.02;

28 (b) Credit to the Highway Trust Fund all of the proceeds of the
29 sales and use taxes derived from the sale or lease for periods of more
30 than thirty-one days of motor vehicles, trailers, and semitrailers,
31 except that the proceeds equal to any sales tax rate provided for in

1 section 77-2701.02 that is in excess of five percent derived from the
2 sale or lease for periods of more than thirty-one days of motor vehicles,
3 trailers, and semitrailers shall be credited to the Highway Allocation
4 Fund;

5 (c) For transactions occurring on or after July 1, 2013, and before
6 July 1, 2042, of the proceeds of the sales and use taxes derived from
7 transactions other than those listed in subdivisions (2)(a), (b), and
8 (e), and (f) of this section from a sales tax rate of one-quarter of one
9 percent, credit monthly eighty-five percent to the Highway Trust Fund and
10 fifteen percent to the Highway Allocation Fund;

11 (d) Of the proceeds of the sales and use taxes derived from
12 transactions other than those listed in subdivisions (2)(a), (b), and
13 (e), and (f) of this section, credit to the Property Tax Credit Cash Fund
14 the amount certified under section 77-27,237, if any such certification
15 is made; ~~and~~

16 (e) For transactions occurring on or after July 1, 2023, credit to
17 the Department of Transportation Aeronautics Capital Improvement Fund all
18 of the proceeds of the sales and use taxes imposed pursuant to section
19 77-2703 on the sale or lease of aircraft as defined in section 3-101;
20 and -

21 (f) Credit to the School District Property Tax Relief Credit Fund
22 all of the proceeds of the sales and use taxes imposed pursuant to
23 section 77-2703 on the sale of cannabis by dispensaries to qualified
24 patients and registered caregivers under the Nebraska Medical Cannabis
25 Regulation Act.

26 The balance of all amounts collected under the Nebraska Revenue Act
27 of 1967 shall be credited to the General Fund.

28 **Sec. 206.** Section 77-4303, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 77-4303 (1) A tax is hereby imposed on marijuana and controlled
31 substances at the following rates:

1 (a) On each ounce of marijuana or each portion of an ounce, one
2 hundred dollars;

3 (b) On each gram or portion of a gram of a controlled substance that
4 is customarily sold by weight or volume, one hundred fifty dollars; or

5 (c) On each fifty dosage units or portion thereof of a controlled
6 substance that is not customarily sold by weight, five hundred dollars.

7 (2) For purposes of calculating the tax under this section,
8 marijuana or any controlled substance that is customarily sold by weight
9 or volume shall be measured by the weight of the substance in the
10 dealer's possession. The weight shall be the actual weight, if known, or
11 the estimated weight as determined by the Nebraska State Patrol or other
12 law enforcement agency. Such determination shall be presumed to be the
13 weight of such marijuana or controlled substances for purposes of
14 sections 77-4301 to 77-4316.

15 (3) The tax shall not be imposed upon a person registered or
16 otherwise lawfully in possession of marijuana or a controlled substance
17 pursuant to Chapter 28, article 4, or lawfully in possession of cannabis
18 under the Nebraska Medical Cannabis Regulation Act.

19 **Sec. 207.** Section 81-2,239, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 81-2,239 Sections 81-2,239 to 81-2,292 and section 209 of this act
22 and the provisions of the Food Code and the Current Good Manufacturing
23 Practice In Manufacturing, Packing, or Holding Human Food adopted by
24 reference in sections 81-2,257.01 and 81-2,259, shall be known and may be
25 cited as the Nebraska Pure Food Act.

26 **Sec. 208.** Section 81-2,263, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 81-2,263 If there is an inconsistency between sections 81-2,239 to
29 81-2,292 and section 209 of this act and any code adopted by reference,
30 the requirements of the sections shall control.

31 **Sec. 209.** Edible cannabis products sold under the Nebraska Medical

1 Cannabis Regulation Act are subject to the Nebraska Pure Food Act to the
2 same extent as other items of food.

3 **Sec. 210.** Section 81-1021, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 81-1021 (1) All motor vehicles acquired by the State of Nebraska
6 except any vehicle rented as a bureau fleet vehicle shall be indelibly
7 and conspicuously lettered, in plain letters of a contrasting color or
8 reflective material:

9 (a) On each side thereof with the words State of Nebraska and
10 following such words the name of whatever board, department, bureau,
11 division, institution, including the University of Nebraska or state
12 college, office, or other state expending agency of the state to which
13 the motor vehicle belongs; and

14 (b) On the back thereof with the words State of Nebraska.

15 (2) This section shall not apply to motor vehicles used or
16 controlled by:

17 (a) The Nebraska State Patrol, the Public Service Commission, the
18 Game and Parks Commission, deputy state sheriffs employed by the Nebraska
19 Brand Committee and State Fire Marshal for state law enforcement
20 purposes, inspectors employed by the Nebraska Liquor Control Commission
21 or the Nebraska Medical Cannabis Commission, and persons employed by the
22 Tax Commissioner for state revenue enforcement purposes, the exemption
23 for state law enforcement purposes and state revenue enforcement purposes
24 being confined strictly to the seven agencies specifically named;

25 (b) The Department of Health and Human Services or the Department of
26 Correctional Services for the purpose of apprehending and returning
27 escaped offenders or parole violators to facilities in the Department of
28 Correctional Services and transporting offenders and personnel of the
29 Department of Correctional Services and patients and personnel of the
30 Department of Health and Human Services who are engaged in off-campus
31 program activities;

1 (c) The Military Department;

2 (d) Vocational rehabilitation counselors and the Department of
3 Health and Human Services for the purposes of communicable disease
4 control, for the prevention and control of those communicable diseases
5 which endanger the public health, or used by the Department of Health and
6 Human Services in the enforcement of drug control laws or for other
7 investigation purposes;

8 (e) The Department of Agriculture for special investigative
9 purposes;

10 (f) The Nebraska Motor Vehicle Industry Licensing Board for
11 investigative purposes;

12 (g) The Insurance Fraud Prevention Division of the Department of
13 Insurance for investigative purposes; and

14 (h) The Department of Justice.

15 **Sec. 211.** Original sections 28-439, 53-105, 53-106, 53-110,
16 77-2701.48, 77-2704.09, 77-4303, 81-2,239, 81-2,263, and 81-1021, Reissue
17 Revised Statutes of Nebraska, sections 28-416, 71-2454, 71-5727, and
18 77-27,132, Revised Statutes Cumulative Supplement, 2024, and sections 1,
19 3, 4, and 5, Initiative Law 2024, No. 438, are repealed.

20 **Sec. 212.** The following sections are outright repealed: Sections
21 28-463, 28-464, 28-465, 28-466, 28-467, 28-468, and 28-469, Reissue
22 Revised Statutes of Nebraska, and sections 2 and 6, Initiative Law 2024,
23 No. 438.

24 **Sec. 213.** Since an emergency exists, this act takes effect when
25 passed and approved according to law.