#### IN THE SUPREME COURT OF THE STATE OF NEVADA

Case No. 85756

Electronically Filed STATE OF NEVADA, ex rel. Board of Pharn Feby28 2023 05:35 PM a public entity of the State of Nevada, Elizabeth A. Brown Clerk of Supreme Court

Appellant,

v.

CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic non-profit organization; and ANTOINE POOLE, an individual,

Respondents.

### RESPONDENTS' RESPONSE TO APPELLANT'S MOTION FOR STAY OF JUDGMENT AND ORDER GRANTING PETITION FOR WRIT OF MANDAMUS

**RESPONDENTS' APPENDIX, VOL. 1** 

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Respectfully submitted:

/s/ Sadmira Ramic\_

Sadmira Ramic, Esq. Counsel for Respondents

#### **CERTIFICATE OF SERVICE**

I hereby certify that on February 28, 2023, I electronically filed the foregoing Appendix with the Nevada Supreme Court by using the appellate electronic filing system.

Participants in the case who are registered with this Court's electronic filing system will receive notice that the document has been filed and is available on the court's electronic filing system.

I further certify that a true and correct copy of this document was served by email to:

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/s/ Sadmira Ramic

Sadmira Ramic An employee of the ACLU of Nevada

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1	WMAN SADMIRA RAMIC, ESQ.		
2	Nevada Bar No.: 15984	CASE NO: A-22-8	51232-\\/
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9	EIGHTH JUDICIAL DIS	TRICT COURT	
10			
11	CLARK COUNTY,	NEVADA	
12	CANNABIS EQUITY AND INCLUSION		
13	COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE, an individual,	Case No.:	
14		Department:	
	Petitioners/Plaintiffs,	HEARING REQUESTED	
15	VS.	ILEARING REQUESTED	
16	STATE OF NEVADA ex rel. BOARD OF	ARBITRATION EXEMPTION	
17	PHARMACY, a public entity of the State of	CLAIMED:	
18	Nevada,	Equitable and Extraordinary Relief	
19	Respondent/Defendant.	Requested	
20	PETITION FOR WRIT OF MANDAMUS TO CO	MDEL THE NEVADA STATE BOARD	
	OF PHARMACY TO REMOVE CANNABIS AN		
21	FROM NEVADA ADMINISTRATIVE CODE § 4 AND COMPLAINT FOR DECLARATOR		
22	AND COMPLAINT FOR DECLARATOR	Y AND INJUNCTIVE RELIEF	
23	The Petitioners/Plaintiffs, Cannabis Equity and	I Inclusion Community (CEIC) and Antoine	
24	Poole, by and through counsel Sadmira Ramic, Esq.,	Christopher M. Peterson, Esq., and Sophia	
25	A. Romero, Esq., of the American Civil Liberties Uni	on of Nevada, hereby bring this Petition for	
26	Writ of Mandamus (NRS Chapter 34) and Compla	int for declaratory (NRS Chapter 30) and	
27		/	

injunctive relief (NRS Chapter 33). Petitioners are seeking an order directing Respondent/Defendant, the Nevada State Board of Pharmacy ("the Board" or "Respondent"), to remove marijuana, cannabis, and cannabis derivatives from NAC 453.510 as Schedule I substances, as well as reasonable costs in attorney's fees pursuant to NRS 18.010.

#### INTRODUCTION

Over the last few decades there has been a shift in attitude towards marijuana in American communities and strides have been made to decriminalize marijuana's use medically and recreationally in many states including Nevada. Unfortunately, the Nevada Board of Pharmacy has failed to amend its schedule of controlled substances to keep pace with the changes in Nevada law; the schedule is now in violation of our state's constitution and statutes.

12 In 1998 Nevada voted on the Nevada Medical Marijuana Act, a referendum initiative intended to amend the Nevada Constitution to legalize marijuana for medical use in Nevada.<sup>1</sup> It 14 passed in two consecutive elections, as is required for a constitutional amendment, with resounding majorities.<sup>2</sup> Successful passage of the Nevada Medical Marijuana Act resulted in the addition of Article 4, Section 38, of the Nevada Constitution, which enshrined cannabis's medical value in our constitution and required that the state legislature pass laws authorizing the distribution and use of marijuana for medical purposes in Nevada.<sup>3</sup>

In 2016, Nevada voted on and passed the Initiative to Regulate and Tax Marijuana, which enacted law permitting the legal possession of marijuana for recreational purposes.<sup>4</sup> The intent behind legalizing recreational use of marijuana was two-fold: 1) cease the diversion of law

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<sup>25</sup> <sup>1</sup> Scott McKenna, Medical Marijuana Laws in the Silver State, 6 Nevada Lawyer, Aug. 10, 2002. <sup>2</sup> Id. 26

<sup>&</sup>lt;sup>3</sup> N.V. Const. art. IV, § 38.

<sup>&</sup>lt;sup>4</sup> Initiative to Regulate and Tax Marijuana, Nevada Secretary of State, 1 (April 23, 2014),

<sup>27</sup> https://www.nvsos.gov/sos/home/showdocument?id=3294.

enforcement resources needed to prevent violent and property crimes to persecuting marijuana offenses; and 2) regulate marijuana in the same manner as alcohol.<sup>5</sup>

Despite the passage of the Nevada Medical Marijuana Act and the Initiative to Regulate 3 4 and Tax Marijuana, the State, specifically the Nevada State Board of Pharmacy, has failed to take 5 action to comport with the will of Nevada voters, the Nevada Constitution, and Nevada Revised 6 Statutes. Instead of removing marijuana, cannabis, and cannabis derivatives from NAC 453.510's 7 list of controlled substances, the Board has continued to regulate them as Schedule I substances, a 8 category reserved for substances that have no medical purpose and cannot be safely distributed 9 such as methamphetamine, heroin, and cocaine. This failure to amend Nevada's Schedule of 10 11 Controlled Substances is necessarily a constitutional and statutory violation that can only be 12 remedied by removing marijuana, cannabis, and cannabis derivatives from the list of Schedule I 13 substances.

#### **PARTIES**

1. Petitioner/Plaintiff, CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC) is, and was at all times relevant herein, a domestic nonprofit corporation organized and existing under and by virtue of the laws of the State of Nevada. CEIC advocates for freedom, equity, and opportunity in Nevada's cannabis market by supporting people from underrepresented communities as they apply for licenses to participate in the legal cannabis market. CEIC has also dedicated resources to mitigating Nevada's long history of prosecuting cannabis-related offenses by assisting individuals with prior cannabis-related criminal convictions in applying for pardons and sealing criminal records. CEIC continues to engage in community outreach to identify these individuals and organize record sealing workshops.

27 5 Id.

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1. Petitioner/Plaintiff, Antoine Poole, is, and was at all times relevant herein, a resident of the State of Nevada, County of Clark, City of Las Vegas. Mr. Poole was adjudicated guilty in the Eighth Judicial District Court of the State of Nevada of Possession of Controlled Substance, a Category E Felony pursuant to NRS 453.336, for possession of marijuana. This adjudication occurred on April 20, 2017, after cannabis was legalized both medically and recreationally in Nevada.

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Respondent/Defendant, NEVADA STATE BOARD OF PHARMACY, is a public 2. 8 entity of the State of Nevada with the power to sue and be sued, pursuant to NRS 12.105 and NRS 9 41.031, which may be served process, pursuant to NRCP 4.2(d), by services upon the Attorney 10 11 General, or his designee, at the office of the Attorney General in Las Vegas, located at 555 East 12 Washington Avenue, Suite 3900, Las Vegas, Nevada 89101 and upon its administrative head, 13 Helen Park, at its Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 14 89521 or its Las Vegas office, located at 1050 East Flamingo Road, Suite E-217, Las Vegas, 15 Nevada 89119. 16

#### **JURISDICTION & VENUE**

3. The transactions and occurrences that give rise to the Petitioners' claims against
 Respondent, the Nevada State Board of Pharmacy, occurred in the City of Las Vegas, Clark
 County, Nevada.

4. This Court has the authority to grant the writ relief requested herein pursuant to
NRS 34.160.

5. This Court has original subject matter jurisdiction over this request for declaratory
and injunctive relief under Article 6, Section 6, of The Constitution of the State of Nevada.<sup>6</sup>

27 6 See also NRS 30.030 (Uniform Declaratory Judgments Act).

1	6. Venue is proper in this Court pursuant to NRS 13.020 and 13.040 because the cause,
2	or some part thereof, arose in the City of Las Vegas, Clark County, Nevada. Additionally, the
3	Respondents operate and/or reside in Clark County.
4	STANDING
5	7. A petitioner has standing in a proceeding on an extraordinary writ when the
6	petitioner has a "beneficial interest" in obtaining writ relief. "'[A] beneficial interest sufficient to
7	pursue a mandamus action" is a "substantial interest that falls within the zone of interests to be
8	protected by the legal duty asserted." <sup>7</sup> In other words, the writ of mandamus must be denied if the
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10	petitioner will gain no direct benefit from its issuance and suffer no direct detriment if it is denied. <sup>8</sup>
11	8. CEIC has organizational standing in this matter because a) its organizational
12	mission was frustrated; and (2) it had to divert resources to combat the particular injurious behavior
13	in question. <sup>9</sup> If the writ of mandamus is denied, CEIC will continue to suffer these detriments,
14	and if it is granted, it will gain a direct benefit.
15 16	9. CEIC has associational standing in this matter because a) its members would
17	otherwise have standing to sue in their own right; b) the interests it seeks to protect are germane
18	to the organization's purpose; and c) neither the claim asserted nor the relief requested requires the
19	participation of individual members in the lawsuit. <sup>10</sup>
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22	<sup>7</sup> Id at 460-61 (citing Lindelli v. Town of San Anselmo, 111 Cal.App.4th 1099, 4 Cal.Rptr.3d 453, 461 (2003)).
23	<ul> <li><sup>8</sup> Id. (citing Waste Management v. County of Alameda, 79 Cal.App.4<sup>th</sup> 1223, 94 Cal.Rptr.2d 740, 747 (2000)).</li> <li><sup>9</sup> "An organization may satisfy the Article III requirement of injury in fact if it can demonstrate: (1) frustration of its</li> </ul>
24	organizational mission; and (2) diversion of its resources to combat the particular housing discrimination in question." <i>Smith v. Pac. Props. &amp; Dev. Corp.</i> , 358 F.3d 1097, 1105 (9th Cir. 2004).
25	<sup>10</sup> "[W]e have recognized that an association has standing to bring suit on behalf of its members when: (a) its members would otherwise have standing to sue in their own right; (b) the interests it seeks to protect are germane to
26	the organization's purpose; and (c) neither the claim asserted nor the relief requested requires the participation of individual members in the lawsuit." <i>Hunt v. Washington State Apple Advertising Comm'n</i> , 432 U.S. 333, 343, 97

S.Ct. 2434, 53 L.Ed.2d 383 (1977). Greater Birmingham Ministries v. Sec'y of State for State of Alabama, 992 F.3d 1299, 1316 (11th Cir. 2021). 27

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10. Antoine Poole, as a Nevada resident who has been convicted under the Nevada Revised Statutes of a controlled substance-related offense after the legalization of cannabis in Nevada and who continues to experience collateral consequences because of his conviction, has a direct and substantial interest in obtaining writ relief in this matter.

#### **STANDARD OF REVIEW – MANDAMUS**

11. Writ relief is an extraordinary remedy, and therefore, it is within the court's sound discretion whether to grant such relief. <sup>11</sup> "Extraordinary writ relief may be available where there is no 'plain, speedy and adequate remedy in the ordinary course of law."<sup>12</sup>

However, even when a legal remedy is available, the court can "still entertain a
 petition for writ 'relief where the circumstances reveal urgency and strong necessity."<sup>13</sup>

13. A writ of mandamus may be issued by the court "to compel the performance of an act which the law especially enjoins as a duty resulting from an office, trust or station; or to compel the admission of a party to the use and enjoyment of a right or office to which the party is entitled and from which the party is unlawfully precluded by such inferior tribunal, corporation, board or person," when there is no plain, speedy, and adequate remedy in the ordinary course.<sup>14</sup>

The court must examine each request for writ relief individually.<sup>15</sup>

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- 23 <sup>11</sup> Segovia v. Eighth Judicial Dist. Court, 133 Nev. 910, 911, 407 P.3d 783, 785 (2017).
- 24 <sup>12</sup> *Id.* (quoting NRS 34.170 and NRS 34.330).

<sup>13</sup> Id. (quoting Barngrover v. Fourth Judicial Dist. Court, 115 Nev. 104, 111, 979 P.2d 216, 220 (1999)).
 <sup>14</sup> "The writ may be issued by ... a district court or a judge of the district court, to compel the performance of an act which the law especially enjoins as a duty resulting from an office, trust or station; or to compel the admission of a party to the use and enjoyment of a right or office to which the party is entitled and from which the party is unlawfully precluded by such inferior tribunal, corporation, board or person. When issued by a district court or a

judge of the district court it shall be made returnable before the district court." NRS 34.160; NRS 34.170.

<sup>27 &</sup>lt;sup>15</sup> Jeep Corp. v. Second Judicial Dist. Court, 98 Nev. 440, 443, 652 P.2d 1183, 1185 (1982).

1	15. The court will generally exercise its discretion to consider an extraordinary writ
2	where an important legal issue that needs clarification is raised or to promote judicial economy
3	and administration. <sup>16</sup>
4	16. When a petition for extraordinary relief involves a question of first impression that
5	arises with some frequency, the interests of sound judicial economy and administration favor
6	consideration of the petition. <sup>17</sup>
7	FACTS AND LEGISLATIVE HISTORY
8	FACTS AND LEGISLATIVE HISTORY
9	17. In 1923, the Nevada legislature banned marijuana <sup>18</sup> , making even simple
10	possession, regardless of purpose, a criminal offense. <sup>19</sup>
11	18. In 1971, the Nevada Legislature delegated its authority to regulate controlled
12	substances to the Nevada Board of Pharmacy under the Uniform Controlled Substances Act of
13	1971. <sup>20</sup>
14	19. The Board categorized, and still categorizes, marijuana, cannabis, and cannabis
15	derivatives as Schedule I substances under NAC 453.510.
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17	20. By classifying marijuana, cannabis, and cannabis derivatives as Schedule I
18	substances, the Board denies that marijuana has any medical value or can ever be dispensed to the
19	public at large for even medical use.
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22	<sup>16</sup> State Office of the Attorney General v. Justice Court of Las Vegas Township, 133 Nev. 78, 80, 392 P.3d 170, 172 (2017).
23	<sup>17</sup> <i>A.J. v. Eighth Judicial District Court in and for County of Clark</i> , 2017, 394 P.3d 1209, 133 Nev. 202, quoting <i>Cote H. v. Eighth Jud. Dist. Ct. ex rel. Cty. of Clark</i> , 124 Nev. 36, 175 P.3d 906 (2008).
24	<sup>18</sup> "Marijuana" and "cannabis" are used interchangeably and have the same meaning. NRS 453.096 defines marijuana as: "(a) All parts of any plant of the genus <i>Cannabis</i> , whether growing or not; (b) The seeds thereof; (c)
25	The resin extracted from any part of the plant; and (d) Every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin." NRS 678A.085, under Chapter 678A- Administration of Laws Related
26	to Cannabis, states that cannabis has the meaning ascribed to the term "marijuana" in NRS 453.096. <sup>19</sup> An Act to Regulate the Use, Supply and Possession of Narcotic Drugs in the State of Nevada, and to Provide

<sup>17</sup>An Act to Regulate the Use, Supply and Possession of Narcotic Drugs in the State of Nevada, a Penalties for the Violation Thereof, Nev. Compiled Laws §§ 5084-5085 (1929) (repealed 1937). <sup>20</sup> NRS 453.146 (West 2019) (enacted 1971).

<sup>27</sup> 

1	21. The Board's authority to categorize a substance as Schedule I is limited by NRS
2	453.166, which states:
3	The Board shall place a substance in schedule I if it
4	finds that the substance: 1. Has high potential for abuse; <i>and</i>
5	2. Has no accepted medical use in treatment in the United States or lacks accepted safety for use in
6	treatment under medical supervision.
7	(emphasis added).
8	22. Several Nevada Revised Statutes reference the classifications designated by the
9	Board to criminalize activities related to controlled substances. <sup>21</sup>
10	23. In 1998, Nevada voted on and passed the Nevada Medical Marijuana Act, a ballot
11	initiative intended to amend the Nevada Constitution to legalize marijuana for medical use in
12 13	Nevada. <sup>22</sup>
13	24. Successful passage of the <i>Nevada Medical Marijuana Act</i> resulted in the addition
15	of Article 4, Section 38, of the Nevada Constitution, which states:
16	of Article 4, Section 58, of the Nevada Constitution, which states.
17	<sup>21</sup> For example, NRS 453.337 makes it unlawful to possess for sale any amount of a Schedule I substance. Penalties for violating NRS 453.337 are based on whether the offender is a subsequent offender, with the first offense being a
18	Category D felony. Because marijuana is classified as a Schedule I substance, it is a Class D felony to possess <i>any</i> amount of marijuana for sale. To put this into perspective, if an individual sells even a tenth of a gram of marijuana
19	without a license, they would be charged with a Class D felony for their first offense and even steeper penalties for any subsequent sales. This is a dramatic departure from marijuana being treated like alcohol given that an individual
20	selling any amount of alcohol without a license is simply fined for selling alcohol without a license. See NRS 364.150.
21	As another example, NRS 453.336 criminalizes possession of a controlled substance not for purpose of sale. It
22	states, "[a] person who violates this section shall be punished for the first or second offense, if the controlled substance is listed in schedule I, II, III or IV, for a category E felony as provided in NRS 193.130." Because marijugan was not legalized for individuals under 21 years of age and it is classified as a Schedule I substance NRS.
23	marijuana was not legalized for individuals under 21 years of age and it is classified as a Schedule I substance, NRS 453.336 is being used to charge juveniles and persons under 21 years old with felony offenses for possessing concentrated cannabis. Such actions are a clear circumvention to the legislature's recent passing of AB158 which
24	makes possession of one ounce or less of marijuana by a juvenile a citable offense. See Nev. Legis. AB 158 Reg. Sess. 2021.
25	In another, when looking in the context of prohibitions against possession of firearms, NRS 202.360 "[prohibits any
26	person to] have in his or her possession or under his or her custody or control any firearm if the person is an unlawful user of, or addicted to, any controlled substance." Again, because marijuana is classified as a Schedule I
27	substance, an individual who is addicted to marijuana would be prohibited from possessing a firearm. <sup>22</sup> Scott McKenna, <i>Medical Marijuana Laws in the Silver State</i> , 6 Nevada Lawyer, Aug. 10, 2002.

1	1. The legislature shall provide by law for:
2	(a) The use by a patient, upon the advice of his
3	physician, of a plant of the genus Cannabis for the treatment or alleviation of cancer, glaucoma, acquired
4	immunodeficiency syndrome; severe, persistent nausea of cachexia resulting from these or other
5	chronic or debilitating medical conditions; epilepsy and other disorders characterized by seizure; multiple
6	sclerosis and other disorders characterized by
7	muscular spasticity; or other conditions approved pursuant to law for such treatment.
8	(b) Restriction of the medical use of the plant by a
9	minor to require diagnosis and written authorization by a physician, parental consent, and parental control
10	of the acquisition and use of the plant.
11	(c) Protection of the plant and property related to its
12	use from forfeiture except upon conviction or plea of guilty or nolo contendere for possession or use not
13	authorized by or pursuant to this section.
14	(d) A registry of patients, and their attendants, who
15	are authorized to use the plant for a medical purpose, to which law enforcement officers may resort to
16	verify a claim of authorization and which is otherwise confidential.
17	(e) Authorization of appropriate methods for supply
18	of the plant to patients authorized to use it. <sup>23</sup>
19	25. The Nevada Legislature followed this constitutional mandate by passing Assembly
20	Bill 453.
21	26. In 2016, Nevada voted on and passed the <i>Initiative to Regulate and Tax Marijuana</i> ,
22	which legalized possession of marijuana for recreational purposes. <sup>24</sup>
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26	<ul> <li><sup>23</sup> Nevada Const. art. IV, § 38.</li> <li><sup>24</sup> Initiative to Regulate and Tax Marijuana, Nevada Secretary of State, 1 (April 23, 2014),</li> </ul>
27	https://www.nvsos.gov/sos/home/showdocument?id=3294.

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27. The initiative intended to "better focus state and local law enforcement resources on crimes involving violence and personal property" rather than prosecuting marijuana offenses.<sup>25</sup>

28. The *Initiative* explicitly stated that it intended for marijuana to be "regulated in a manner similar to alcohol." <sup>26</sup>

29. Additionally, with its passage, the *Initiative to Regulate and Tax Marijuana* authorized the Nevada Department of Taxation, rather than the Nevada Board of Pharmacy, to regulate cannabis in the community.<sup>27</sup>

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30. In 2019, the Nevada state legislature transferred authority to regulate marijuana from the Department of Taxation to a newly created Cannabis Compliance Board.<sup>28</sup>

31. Despite the passage of the Nevada Medical Marijuana Act and the Initiative to
 Regulate and Tax Marijuana, the Nevada State Board of Pharmacy continues to exert control over
 regulating marijuana, cannabis, and cannabis derivatives and has continued to classify them as
 Schedule I substances in direct contradiction of Article 4, Section 38, of the Nevada Constitution
 and in violation of NRS 453.166.

#### **CLAIMS FOR RELIEF**

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#### WRIT OF MANDAMUS

32. Here, there is no plain, speedy and adequate remedy in the ordinary course of law.There is no other method to challenge the Board's misclassification of marijuana, cannabis, and cannabis derivatives as Schedule I substances.

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- $^{24}$   $^{25}$  Id.

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25 <sup>26</sup> *Id.* <sup>27</sup> *Id. See also* NRS 453D.200.

27 Governor and, like the Department of Taxation, not under the authority of the Board of Pharmacy. <u>Id.</u>

 <sup>&</sup>lt;sup>28</sup> Nev. Legis. AB 533 Reg. Sess. 2019 ("Sections 2–187 of this bill generally . . . transfer the authority to license and regulate persons and establishments involved in the marijuana industry in this State to the Cannabis Compliance Board created by section 54 of this bill."). However, the Cannabis Compliance Board is directly appointed by the

1	33.	Regulations passed by the Board, including the scheduling of substances as	
2	Schedule I, ca	nnot violate the Nevada Constitution.	
3	34.	Additionally, the Nevada Legislature has conferred a duty upon the Board to follow	
4	NRS 453.166	when classifying substances as Schedule I substances.	
5	35.	Under NRS 453.166, the Board may only designate a substance as a Schedule I	
6 7	substance if i	t determines that the substance "has high potential for abuse and has no accepted	
8	medical use in	n treatment in the United States or lacks accepted safety for use in treatment under	
9	medical super	vision." (emphasis added).	
10	36.	The Board is mandated to review the schedule annually and maintain a list of	
11	current schedules. <sup>29</sup>		
12	37.	Given the mandate that the Board review the schedule annually, its failure to	
13	remove mariju	uana, cannabis, and cannabis derivatives as Schedule I substances year after year is	
14	an affirmation	that they satisfy both requirements under NRS 453.166.	
15 16	38.	However, such a conclusion is erroneous given that in 1998, Nevada categorical	
17	recognized ma	arijuana as having medical use in treatment under Article 4, Section 38 of the Nevada	
18	Constitution. <sup>3</sup>	0	
19	39.	Because the Board's misclassification of marijuana, cannabis, and cannabis	
20	derivatives is	in direct contradiction with Article 4, Section 38 of the Nevada Constitution, the	
21	misclassificati	ion is unconstitutional and must be declared invalid.	
22	40.	In the alternative, if the Board agrees with the findings in Article 4, Section 38 of	
23 24	the Nevada C	Constitution, the Board's decision to classify marijuana, cannabis, and cannabis	
24 25			
26 27	<sup>30</sup> Section 38 not	(1)(a): "The Board shall review the schedule annually and maintain a list of current schedules." only recognizes that marijuana has accepted medical use in treatment, but it also explicitly lists and must be available to treat.	

derivatives as Schedule I substances violates NRS 453.166 because it must find that marijuana, 1 cannabis, and cannabis derivatives have "no accepted medical use in treatment or lacks accepted 2 3 safety for use in treatment under medical supervision" before they are placed on the list of Schedule 4 I substances, and the findings under Article 4, Section 38 cannot meet that standard. 5 41. The clash between Nevada's explicit recognition of marijuana as acceptable use in 6 medical treatment, which is enshrined in the Nevada Constitution, and the Board's classification 7 of marijuana, cannabis, and cannabis derivatives as Schedule I substances due to them having no 8 accepted medical use in treatment presents an important question of first impression that arises 9 with some frequency, and thus favors consideration of the petition. 10 11 42. A substance is not considered a controlled substance unless the Board has been 12 delegated the authority to classify the substance by the Nevada legislature.<sup>31</sup> 13 43. The Board's authority to classify marijuana, cannabis, and cannabis derivatives was 14 stripped with the passage of the Initiative to Regulate and Tax Marijuana in two distinct ways. 15 44. First, the *Initiative* promulgated that marijuana should be "regulated in a manner 16 similar to alcohol." <sup>32</sup> Under NRS 453.2186, the Board is prohibited from scheduling, and has no 17 authority, to regulate "distilled spirits, wine, [and] malt beverages." 18 19 45. Because the Initiative expressly stated that marijuana should be treated the same as 20 alcohol, and the Legislature specifically prohibited the Board from scheduling alcohol, it should 21 follow that the Board is also prohibited from scheduling marijuana, cannabis, and cannabis 22 derivatives. 23 /// 24 25 111 26 <sup>31</sup> See Miller v. Jacobson, 104 Nev. 600, 763 P.2d 356, 358-359 (1988) (finding that State could not prosecute a defendant for possessing a substance that was improperly scheduled by the Board as a controlled substance). 27

<sup>32</sup> Id.

1 2 46. Second, the *Initiative* made clear that the Nevada Department of Taxation, rather than the Nevada Board of Pharmacy, has the authority to regulate cannabis in the community.<sup>33</sup>

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47. The Legislature later confirmed this when it transferred authority to regulate marijuana from the Department of Taxation to the Cannabis Compliance Board.<sup>34</sup>

48. By its own admission on its website, the Board states, "The Board of Pharmacy has no jurisdiction over the medical use of marijuana."<sup>35</sup>

49. Therefore, the Board exceeded its authority when it placed, or failed to remove, marijuana, cannabis, and cannabis derivatives on its list as Schedule I substances and NAC
453.510 (4), (9), and (10) must be amended to reflect this change.

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II.

#### DECLARATORY JUDGMENT

50. Alternatively,<sup>36</sup> under the Nevada Uniform Declaratory Judgments Act, NRS 30.010 to 30.160, this Court has the power to declare the rights, status and other legal relations of the parties whether or not further relief is or could be claimed, and a declaration may be either affirmative or negative in form and effect, and such declarations have the force and effect of a final judgment or decree.<sup>37</sup>

18 51. More specifically, with respect to contracts, statutes, and other writings, NRS
19 30.040(1) provides:

Any person interested under a deed, written contract or other writings constituting a contract, or whose rights, status, or other legal relations are affected by statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute,

- <sup>33</sup> Initiative to Regulate and Tax Marijuana, Nevada Secretary of State, 1 (April 23, 2014), https://www.nvsos.gov/sos/home/showdocument?id=3294. See also NRS 453D.200.
- 25 <sup>34</sup> Nev. Legis. AB 533 Reg. Sess. 2019.

26 <sup>35</sup> "Frequently Asked Questions," Nevada State Board of Pharmacy, The Official State of Nevada Website, accessed February 23, 2022, https://bop.nv.gov/resources/FAQ/Practice\_FAQ/.

27  $3^{36}$  See NRCP 8(a)(3).

1		ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations
2		thereunder.
3	52.	The provisions of the Act are to be liberally construed and administered, and are
4	intended to be	e remedial, in order to settle and to afford relief from uncertainty and insecurity with
5	respect to rigl	hts, status and other legal relations. 38
6	53.	Such declarations have the force and effect of a final judgment or decree. <sup>39</sup>
7 8	54.	This matter satisfies the four elements that must be met for declaratory relief to be
9	granted, as de	escribed below. <sup>40</sup>
10	55.	The facts stated above herein reveal a justiciable controversy in which a claim of
11	right is assert	ed against one who has an interest in contesting it.
12	56.	The controversy is between persons whose interests are adverse.
13	57.	CEIC has a legally protectable interest in the controversy.
14	58.	Antoine Poole has a legally protectable interest in the controversy.
15 16	59.	The issue involved in the controversy is ripe for determination as individuals
10	continue to be	e prosecuted for violating Nevada statutes which rely on the scheduling of marijuana,
18	cannabis, and	cannabis derivatives as Schedule I substances, and CEIC must continue to expend
19	resources rem	nedying such actions.
20	60.	Thus, CEIC seeks an order declaring its rights with respect to removal of marijuana,
21	cannabis, and	cannabis derivatives as schedule I substances.
22	61.	For the sake of brevity, Petitioners hereby incorporate paragraphs 33 - 49, above,
23	as if fully set	
24	as if fully set	
25	///	
26	<sup>38</sup> See NRS 30.1- <sup>39</sup> NRS 30.030.	40.
27		v, 65 Nev. 1, 25–26, 189 P.2d 352, 364 (1948).

1		62.	As such, Petitioners are requesting that this Court resolve the discrepancies between
2	Articl	e 4, Se	ction 38, of the Nevada Constitution, NRS 453.166, and NAC 453.510 by declaring
3	that: 1	) the cl	assification of marijuana, cannabis, and cannabis derivatives as Schedule I substances
4	violate	es Artic	cle 4, Section 38, of the Nevada Constitution or in the alternative the classification of
5	marijı	iana, ca	annabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2)
6	the No	evada S	State Board of Pharmacy acted outside of its authority when it classified, or failed to
7	remov	ve, mai	rijuana, cannabis, and cannabis derivatives; and 3) the Nevada State Board of
8 9	Pharm	nacy m	ust remove marijuana, cannabis, and cannabis derivatives as Schedule I substances
10	under	NAC 4	153.510 (4), (9), and (10).
11	III.	INJU	INCTIVE RELIEF
12		63.	Injunctive relief is a historical equitable remedy that has been codified in Nevada
13	law at	NRS 3	3.010.
14		64.	CEIC does not have an adequate remedy at law.
15 16		65.	Antoine Poole does not have an adequate remedy at law.
10		66.	NRS 33.010 states that an injunction may be granted:
18			1. When it shall appear by the complaint that the
19			plaintiff is entitled to the relief demanded, and such relief or any part thereof consists in restraining the
20			commission or continuance of the act complained of, either for a limited period or perpetually.
21			2. When it shall appear by the complaint or
22			affidavit that the commission or continuance of some act, during the litigation, would produce great or
23			irreparable injury to the plaintiff.
24			3. When it shall appear, during the litigation, that
25			the defendant is doing or threatens, or is about to do, or is procuring or suffering to be done, some act in
26			violation of the plaintiff's rights respecting the subject
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1	of the action, and tending to render the judgment ineffectual.
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3	64. As discussed above, CEIC and Mr. Poole are entitled to relief regarding the
4	misclassification of marijuana, cannabis, and cannabis derivatives as Schedule I substances.
5	65. Failing to require the Nevada Board of Pharmacy to remove marijuana, cannabis,
6	and cannabis derivatives as Schedule I substances under NAC 453.510 (4), (9), and (10) will cause
7	irreparable injury to Petitioners because CEIC must continue to expend its resources on preventing
8	and/or remedying such efforts, and Mr. Poole continues to suffer the consequences of a cannabis-
9 10	related conviction.
11	66. Petitioners request injunctive relief, preventing the Board from classifying
12	marijuana, cannabis, and cannabis derivatives as Schedule I substances.
13	REQUEST FOR RELIEF
14	WHEREFORE, Petitioners, CEIC and Antoine Poole, ask for the following relief:
15	
	A. A Writ of Mandamus ordering that 1) the classification of marijuana, cannabis, and
16	A. A Writ of Mandamus ordering that 1) the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada
17	
	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada
17 18	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis
17 18 19	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2) the Nevada Board of
17 18 19 20	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2) the Nevada Board of Pharmacy acted outside of its authority when it classified, or failed to remove, marijuana,
17 18 19 20 21	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2) the Nevada Board of Pharmacy acted outside of its authority when it classified, or failed to remove, marijuana, cannabis and cannabis derivatives; and 3) mandating that the Nevada Board of Pharmacy remove language designating marijuana, cannabis, and cannabis derivatives as Schedule I
17 18 19 20 21 22	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2) the Nevada Board of Pharmacy acted outside of its authority when it classified, or failed to remove, marijuana, cannabis and cannabis derivatives; and 3) mandating that the Nevada Board of Pharmacy remove language designating marijuana, cannabis, and cannabis derivatives as Schedule I substances under NAC 453.510 including: 1) "Marijuana" under Section 4; 2) Section 9
17 18 19 20 21 22 23	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2) the Nevada Board of Pharmacy acted outside of its authority when it classified, or failed to remove, marijuana, cannabis and cannabis derivatives; and 3) mandating that the Nevada Board of Pharmacy remove language designating marijuana, cannabis, and cannabis derivatives as Schedule I substances under NAC 453.510 including: 1) "Marijuana" under Section 4; 2) Section 9 in its entirety which states "[u]nless specifically listed in another schedule,
17 18 19 20 21 22 23 24	cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 2) the Nevada Board of Pharmacy acted outside of its authority when it classified, or failed to remove, marijuana, cannabis and cannabis derivatives; and 3) mandating that the Nevada Board of Pharmacy remove language designating marijuana, cannabis, and cannabis derivatives as Schedule I substances under NAC 453.510 including: 1) "Marijuana" under Section 4; 2) Section 9

and their isomers with similar chemical structure and pharmacological activity such as the following: Delta 9 cis or trans tetrahydrocannabinol, and their optical isomers, also known as Delta 1 cis or trans tetrahydrocannabinol, and their optical isomers; Delta 8 cis or trans tetrahydrocannabinol, and their optical isomers, also known as Delta 6 cis or trans and their optical isomers; Delta 3, 4 cis or trans tetrahydrocannabinol, tetrahydrocannabinol, and its optical isomers; Tetrahydrocannabinols contained in the genus Cannabis or in the resinous extractives of the genus Cannabis; Synthetic equivalents of tetrahydrocannabinol substances or synthetic substances, derivatives and their isomers with a similar chemical structure; and since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions covered)"; and 3) Section 10 in its entirety which states "[u]nless specifically listed in another schedule, any material, compound, mixture or preparation which contains any quantity of CBD (natural or synthetic equivalents of the substances contained in the plant or in the resinous extractives of Cannabis sp. or synthetic substances, derivatives and their isomers with similar chemical structure and pharmacological activity)".

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B. All equitable declaratory relief and/or statutory declaratory relief that arises from or is implied by the facts, whether or not specifically requested, including but not limited to a declaration that: 1) the Petitioners/Plaintiffs are entitled to writ/injunctive relief; 2) the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or, in the alternative, the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates NRS 453.166; 3) the Nevada Board of Pharmacy acted outside of its authority

Page 17 of 18

1	when it classified marijuana, cannabis, and cannabis derivatives; and 4) the Nevada Board
2	of Pharmacy must remove marijuana, cannabis, and cannabis derivatives as Schedule I
3	substances under NAC 453.510 (4), (9), and (10);
4	C. All equitable injunctive relief that arises from or is implied by the facts, whether or
5	not specifically requested, including an injunction preventing the Nevada State Board of
6	Pharmacy from classifying marijuana, cannabis, and cannabis derivatives as Schedule I
7	substances;
8	D. Award Petitioners their reasonable attorney's fees and costs incurred in this action
9 10	as provided by NRS 18.010; and
10	E. Such other and further relief as the court deems just and equitable.
12	Dated this <u>15<sup>th</sup></u> day of <u>April</u> , 2022.
13	This document does <u>not</u> contain the
14	Social Security number of any person.
15	Pursuant to NRS 53.045, I declare under penalty of perjury that the
16	foregoing is true and correct.
17	AMERICAN CIVIL LIBERTIES
18	SADMIRA RAMIC, ESQ.
19	Nevada Bar No. 15984
20	CHRISTOPHER M. PETERSON, ESQ.
21	Nevada Bar No. 13932 SOPHIA A. ROMERO, ESQ.
22	Nevada Bar No.: 12446
23	601 South Rancho Drive, Suite B-11
24	Las Vegas, NV 89106 Telephone: (702) 366-1226
25	Facsimile: (702) 366-1331 Email: ramic@aclunv.org
26	Attorneys for Petitioners/Plaintiffs
27	

# EXHIBIT 1

	DECL		
1	SADMIRA RAMIC, ESQ.		
2	Nevada Bar No.: 15984		
	CHRISTOPHER M. PETERSON, ESQ.		
3	Nevada Bar No.: 13932		
4	SOPHIA A. ROMERO, ESQ. Nevada Bar No.: 12446		
~	AMERICAN CIVIL LIBERTIES		
5	UNION OF NEVADA		
6	601 South Rancho Drive, Suite B-11		
7	Las Vegas, NV 89106		
/	Telephone: (702) 366-1226 Facsimile: (702) 830-9205		
8	Email: ramic@aclunv.org		
9	Attorneys for Petitioners/Plaintiffs		
	EIGHTH JUDICIAL DIS	τριστ σομρτ	
10	EIGHTH JUDICIAL DIS	INCICOURI	
11	CLARK COUNTY,	NEVADA	
10		l	
12	CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic nonprofit	Case No.:	
13	corporation; ANTOINE POOLE, an individual,	Case No	
14		Department:	
17	Petitioners/Plaintiffs,	-	
15			
16	vs.		
	STATE OF NEVADA ex rel. BOARD OF		
17	PHARMACY, a public entity of the State of		
18	Nevada,		
10	Respondent/Defendant.		
19		1	
20	DECLARATION OF A'ESHA GOINS IN SUPPORT OF PETITION FOR WRIT OF		
21	MANDAMUS TO COMPEL THE NEVADA S'		
	REMOVE CANNABIS AND OTHER CANNAB		
22	ADMINISTRATIVE CODE § 453.510 AS SCHEDULE I SUBSTANCES AND COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF		
23			
24	I, A'Esha Goins, under penalty of perjury declare:		
25	1. I am over the age of 18 and I am competent to	testify.	
	2. I have personal knowledge of the facts set forth	h in this declaration.	
26			
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:	1	
1	3.	I make this declaration in support of the Petition for Writ of Mandamus and Complaint
2		for Declaratory and Injunctive Relief.
3	4.	I am the Founder and Executive Director of Cannabis Equity and Inclusion Community
4		(CEIC).
5	5.	CEIC provides support to individuals from underrepresented communities as they apply
6		for licenses to participate in the legal cannabis market.
7	6. CEIC is a membership organization with approximately seventy members across the	
8		state.
9	7.	At least one member of CEIC has been convicted under the Nevada Revised Statutes of a
10		cannabis-related offense after the legalization of medical marijuana in Nevada.
11	8.	CEIC has held record sealing workshops bi-annually to assist individuals with prior
12		cannabis-related criminal convictions in applying for pardons and sealing criminal
12		records.
14	9.	CEIC continues to conduct community outreach to identify individuals in need of
15		assistance to deal with consequences resulting from cannabis-related criminal
15		convictions.
10		
		I declare under penalty of perjury that the foregoing is true and correct.
18		Deted April 14, 2022
19		Dated April 14, 2022
20		l'Esha Allums Goins
21		A'Esha Allums-Goins
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## EXHIBIT 2

1	DECL SADMIRA RAMIC, ESQ.		
2	Nevada Bar No.: 15984		
3	CHRISTOPHER M. PETERSON, ESQ.		
	Nevada Bar No.: 13932 SOPHIA A. ROMERO, ESQ.		
4	Nevada Bar No.: 12446		
5	AMERICAN CIVIL LIBERTIES UNION OF NEVADA		
6	601 South Rancho Drive, Suite B-11		
7	Las Vegas, NV 89106 Telephone: (702) 366-1226		
	Facsimile: (702) 830-9205		
8	Email: ramic@aclunv.org Attorneys for Petitioners/Plaintiffs		
9			
10	EIGHTH JUDICIAL DIS	TRICT COURT	
11	CLARK COUNTY,	NEVADA	
12	CANNABIS EQUITY AND INCLUSION		
13	COMMUNITY (CEIC), a domestic nonprofit	Case No.:	
	corporation; ANTOINE POOLE, an individual,	Department:	
14	Petitioners/Plaintiffs,	Department.	
15	vs.		
16			
17	STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State of		
18	Nevada,		
19	Respondent/Defendant.		
20	DECLARATION OF ANTOINE POOLE IN SUP MANDAMUS TO COMPEL THE NEVADA S		
21	MANDAMUS TO COMPEL THE NEVADA STATE BOARD OF PHARMACY TO REMOVE CANNABIS AND OTHER CANNABIS DERIVATIVES FROM NEVADA		
22	ADMINISTRATIVE CODE § 453.510 AS SCHEDULE I SUBSTANCES AND COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF		
23	COMI EMILI FOR DECEMBATORT		
24	I, Antoine Poole, under penalty of perjury declare:		
25	1. I am over the age of 18 and I am competent to testify.		
26	2. I have personal knowledge of the facts set forth	n in this declaration.	
27			
21	l		

1	3.	I make this declaration in support of the Petition for Writ of Mandamus and Complaint	
2	for Declaratory and Injunctive Relief.		
3	4. I am, and was at all times relevant hereto, a resident of the State of Nevada, County of		
4		Clark, City of Las Vegas.	
5	5.	5. I was adjudicated guilty in the Eighth Judicial District Court of the State of Nevada of	
6		Possession of Controlled Substance, a Category E Felony pursuant to NRS 453.336, for	
7		possession of marijuana on April 20, 2017.	
8	6.	6. As a result of this conviction, I have suffered collateral consequences including hardship	
9		in obtaining employment.	
10			
11		I declare under penalty of perjury that the foregoing is true and correct.	
12		Dated April 14, 2022	
13		DocuSigned by:	
14		Fritting P. -02B0C507DFDF44D	
15		Antoine Poole	
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1	IAFD SADMIRA RAMIC ESO	
2	SADMIRA RAMIC, ESQ. Nevada Bar No.: 15984	
3	CHRISTOPHER M. PETERSON, ESQ.	
-	Nevada Bar No.: 13932 SOPHIA A. ROMERO, ESQ.	
4	Nevada Bar No.: 12446 AMERICAN CIVIL LIBERTIES	
5	UNION OF NEVADA	
6	601 South Rancho Drive, Suite B-11 Las Vegas, NV 89106	
7	Telephone: (702) 366-1226	
8	Facsimile: (702) 830-9205 Email: ramic@aclunv.org	
9	Attorneys for Petitioners/Plaintiffs	
10	EIGHTH JUDICIAL DISTRICT COURT	
11	CLARK COUNTY, NEVADA	
12	CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic nonprofit Case No.:	
13	corporation; ANTOINE POOLE, an individual,	
	Petitioners/Plaintiffs, Dept. No.:	
14	INITIAL APPEARANCE FEE	
15	vs. DISCLOSURE (NRS CHAPTER 19)	
16	STATE OF NEVADA ex rel. BOARD OF	
17	PHARMACY, a public entity of the State of Nevada,	
18	Respondent/Defendant	
19	Respondent/Defendant.	
20		
21	Pursuant to NRS Chapter 19, as amended by Senate Bill 106, filing fees are submitted for	
	parties appearing in the above-entitled action as indicated below:	
22		
23	Cannabis Equity and Inclusion Community (CEIC) \$270.00	
24	Antoine Poole	
25		
26	TOTAL REMITTED: \$300.00	

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2	DATED this 15th Day of April , 20 22
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5	590122
6	SADMIRA RAMIC, ESQ Nevada Bar No. 15984
7	SOPHIA A. ROMERO, ESQ
8	Nevada Bar No. 12446 CHRISTOPHER M. PETERSON, ESQ.
9	Nevada Bar No. 13932 AMERICAN CIVIL LIBERTIES
	UNION OF NEVADA
10	601 South Rancho Drive, Suite B-11 Las Vegas, NV 89106
11	Telephone: (702) 366-1226
12	Facsimile: (702) 366-1331 Email: ramic@aclunv.org
13	Attorneys for Petitioners/Plaintiffs
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1     2     3     4     5     6	ANSB BRETT KANDT (Bar No. 5384) General Counsel <u>bkandt@pharmacy.nv.gov</u> PETER K. KEEGAN (Bar No. 12237) Assistant General Counsel <u>p.keegan@pharmacy.nv.gov</u> Nevada State Board of Pharmacy 985 Damonte Ranch Parkway – Suite 206 Reno, NV 89521 775.850.1440 – Telephone	Electronically Filed 8/10/2022 4:00 PM Steven D. Grierson CLERK OF THE COURT
7	Attorneys for Respondent/Defendant	
8		
9		T COURT OF
10	CLARK CO	UNTY, NEVADA
11	CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE,	Case No. A-22-851232-W
12 13	an individual, Petitioners/Plaintiffs,	Dept. No. 15
14	vs.	
$\begin{array}{c} 15\\ 16 \end{array}$	STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State of Nevada	
17	Respondent/Defendant.	
18		
19		SWER TO PETITIONERS/PLAINTIFFS'
20	PETITION FOR WRIT OF MANDAMUS AND COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF	
21	Respondent/Defendant State of Nevada ex rel. Board of Pharmacy ("Board"), by and	
22	through its attorneys, Brett Kandt, General Counsel, and Peter K. Keegan, Assistant	
23	General Counsel, hereby submits this Answer to Petitioners/Plaintiffs' Petition for Writ of	
24	Mandamus and Complaint for Declaratory and Injunctive Relief ("Petition"). This Answer	
25	is based upon the following points and authorities and the papers and pleadings on file	
26	herein.	
27		
28		

Page **1** of **18** 

#### MEMORANDUM OF POINTS AND AUTHORITIES

Plaintiffs Cannabis Equity and Inclusion Community ("CEIC") and Antoine Poole come to the Court seeking declaratory, injunctive and writ relief alleging that the classification of marijuana, cannabis and cannabis derivatives (hereinafter "marijuana") as Schedule I controlled substances violates Nev. Const. art. 4, § 38 and/or NRS 453.166(2), and further alleging that the Board no longer has any authority to schedule marijuana as a controlled substance.<sup>1</sup> Plaintiffs are not entitled to declaratory, injunctive or writ relief since the current scheduling of marijuana is lawful and granting Plaintiffs their requested relief will not redress their alleged injuries.

#### I. BACKGROUND

For decades, marijuana has been listed as a Schedule I controlled substance under both the Federal Controlled Substances Act, 21 U.S. Code Chapter 13 ("CSA"), and the Nevada Uniform Controlled Substances Act, NRS Chapter 453.<sup>2</sup> At the federal level, marijuana has been listed on Schedule I since the CSA was enacted in 1970.<sup>3</sup> On the state level, marijuana was listed on Schedule I by the Legislature when enacting the Nevada Uniform Controlled Substances Act in 1971.<sup>4</sup> A Schedule I substance has no accepted medical use in treatment in the United States.<sup>5</sup>

The Nevada Medical Marijuana Initiative amended Article 4 of the Nevada Constitution in 2000 by adding Section 38 mandating that "[t]he legislature shall provide by law for . . . [t]he use by a patient, upon the advice of his physician, of a plant of the genus Cannabis for the treatment or alleviation of " certain medical conditions, under limited circumstances and subject to significant restrictions.<sup>6</sup> The initiative was implemented by

 $^1$  See NRS  $\,$  0.031 ("Controlled substance" defined).

<sup>2</sup> See 21 CFR § 1308.11; NAC 453.510.

<sup>3</sup> Comprehensive Drug Abuse Prevention and Control Act of 1970, P.L. 91-513, 84 Stat. 1236 (October 27, 1970).

<sup>4</sup> See Section 31 of Assembly Bill No. 107 (1971 Nev. Leg. Session).

<sup>5</sup> 21 U.S.C. § 812(b)(1); NRS 453.166(2).

<sup>6</sup> Ballot Question No. 9, 1998 and 2000.

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passage of Assembly Bill No. 453 in the 2001 Legislative Session, codified as NRS Chapter 453A. The *Initiative to Regulate and Tax Marijuana*, enacted in 2016 and codified as NRS Chapter 453D, subsequently authorized the regulation and taxation of marijuana for adult recreational use under limited circumstances and subject to significant restrictions.<sup>7</sup>

By passage of Assembly Bill No. 533 in the 2019 Legislative Session, NRS Chapters 453A and 453D were repealed and replaced in their entirety by Title 56 of the Nevada Revised Statutes. Certain acts falling within the narrow confines of either NRS Chapter 678C (Medical Use of Cannabis) or NRS Chapter 678D (Adult Use of Cannabis) are exempt from State prosecution; otherwise, all other activities involving marijuana remain illegal under Nevada law.

#### II. LEGAL STANDARD

#### A. Writ of Mandamus

Mandamus under NRS Chapter 34 is an extraordinary remedy to compel the performance of an act that the law requires as a duty resulting from an office, trust or station, or to control a manifest abuse or arbitrary or capricious exercise of discretion. *State* v. Dist. Ct. (Armstrong), 127 Nev. 927, 931, 267 P.3d 777, 779 (2011). The burden is upon the petitioner to demonstrate that a writ of mandamus is warranted. American Home Assurance Co. v. Dist. Ct., 122 Nev. 1229, 1234, 147 P.3d 1120, 1124 (2006). Mandamus will not lie "when the duty imposed requires deliberation and decision upon facts presented." Douglas Cty. Bd. of Cty. Comm'rs v. Pederson, 78 Nev. 106, 108, 369 P.2d 669, 671 (1962).

#### B. Declaratory Relief

Declaratory relief under NRS Chapter 30 requires a justiciable controversy between persons whose interests are adverse, where the party seeking declaratory relief has a legally protectable interest in the controversy and the issue involved is ripe for judicial determination. *Kress v. Corey*, 65 Nev. 1, 26, 189 P.2d 352, 364 (1948). An action for

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 $<sup>^7</sup>$  2016 initiative petition, Ballot Question No. 2.

declaratory relief is appropriate when a party merely seeks a ruling on the meaning of a
 statute, but not to resolve an issue that has been committed for decision to an
 administrative body. See Prudential Ins. Co. v. Ins. Comm'r, 82 Nev. 1, 5, 409 P.2d 248,
 250 (1966)). Furthermore:

[A] judicially-fashioned 'procedural short-cut,' combining traditional declaratory judgment and mandamus proceedings, is based squarely on the premise that once the constitutional violation is established (declaratory judgment), the remedy therefor (mandamus) is both self-evident and exclusive.

*Tam v. Colton*, 94 Nev. 452, 460, 581 P.2d 447, 452 (1978).

#### C. Injunctive Relief

"It is axiomatic that a court cannot provide a remedy unless it has found a wrong. 'The existence of a right violated is a prerequisite to the granting of an injunction.'" *State Farm Mut. Auto. Ins. Co. v. Jafbros Inc.*, 109 Nev. 926, 928, 860 P.2d 176, 178 (1993) (citing 43 C.J.S. § 18 *Injunctions* (1978)). Moreover, permanent injunctive relief under NRS 33.010 and NRCP 65 must meet the following criteria:

Broadly speaking, an injunction may issue to restrain a wrongful act that gives rise to a cause of action. Permanent injunctive relief may only be granted if there is no adequate remedy at law, a balancing of equities favors the moving party, and success on the merits is demonstrated.

Chateau Vegas Wine, Inc. v. S. Wine & Spirits of Am., Inc., 127 Nev. 818, 824-25, 265 P.3d 680, 684 (2011) (citing State Farm, supra.).

#### III. ARGUMENT

Plaintiffs' core arguments are that listing marijuana in Schedule I violates Nev. Const. art. 4, § 38 and/or NRS 453.166(2), and that the Board no longer has any authority to schedule marijuana as a controlled substance. Both the premise and the conclusion of these arguments are wrong. Furthermore, the relief Plaintiffs seek will not redress their alleged injuries.

### A. Listing marijuana in Schedule I does not conflict with Nev. Const. art. 4, § 38 or NRS 453.166(2).

#### 1. Marijuana meets the criteria for Schedule I.

Plaintiffs do not allege that they have been prevented from using marijuana on the advice of a physician in conformance with Nev. Const. art. 4, § 38 and NRS Chapter 678C. Rather, they mistakenly equate the right of a patient to use marijuana "upon the advice of a physician" to marijuana having "accepted medical use in treatment in the United States" in order to fabricate a legal conflict. Petition at 11:16-12:10 (¶¶ 38-41). They do so in a bid to have criminal convictions for unlawful acts falling outside the scope of NRS Chapter 678C or 678D overturned.

However, the constitutional right to use marijuana "upon the advice of a physician" in Nevada does not establish that marijuana has "accepted medical use in treatment in the United States" thereby precluding its continued designation in Schedule I. Undoubtedly a patient "is fully entitled to rely upon the physician's professional skill and judgment while under his care." *Massey v. Litton*, 99 Nev. 723, 728, 669 P.2d 248, 252 (1983). Plaintiffs do not allege, and cannot demonstrate, that the current listing of marijuana in Schedule I interferes with the doctor-patient relationship. *See Conant v. Walters*, 309 F.3d 629 (9th Cir. 2002) (distinguishing the ability of doctors in states with medical marijuana laws to "recommend" rather than "prescribe" marijuana in potential violation of the CSA).

Nevertheless, marijuana has "no accepted medical use in treatment in the United States" based upon the scientific perspective of marijuana on the national level. All states recognize marijuana's designation as a Schedule I controlled substance under federal law, even as 37 states and the District of Columbia now permit its medical use.<sup>8</sup>

<sup>&</sup>lt;sup>8</sup> Alabama Code Chapter 20 Article 2A; Alaska Stat. 17.37.10, et seq.; Arizona Rev. Statutes 36-2801, et seq.; Arkansas Const. of 1874: Amendment 98, § 1, et seq.; California Health and Safety Code: § 11362.5, et seq.; Colorado Const. art. XVIII, § 14; Connecticut Gen. Statutes: Title 21A, § 21a-408, et seq.; Delaware Code: Title 16, § 4901A, et seq.; D.C. Code Ann. 7-1671.01, et seq.; Florida Statutes: Title XXIX, § 381.986, et seq.; Hawaii Rev. Statutes: § 329-121, et seq.; Illinois Statutes: Chapter 410, § 130/1, et seq.; Louisiana Rev. Statutes: Title 40, § 1046, et seq.; Maine Rev. Statutes: Title 22, § 2421, et seq.; Code of

Over the years, petitions have been submitted to the U.S. Drug Enforcement Administration ("DEA") to reschedule marijuana. Most recently, in August 2016, after a five-year medical and scientific evaluation by the U.S. Food and Drug Administration ("FDA"), the DEA rejected two petitions—one submitted by two state governors and the other submitted by a health care provider—to reschedule marijuana under the CSA. *See* DENIAL OF PETITION TO INITIATE PROCEEDINGS TO RESCHEDULE MARIJUANA, 81 Fed. Reg. 53687 (DEA 2016)<sup>9</sup> and DENIAL OF PETITION TO INITIATE PROCEEDINGS TO RESCHEDULE MARIJUANA, 81 Fed. Reg. 53767 (DEA 2016).<sup>10</sup> Consistent with past practice, the denials were based on the conclusion of the U.S. Department of Health and Human Services that marijuana continues to meet the statutory criteria for inclusion on Schedule I, specifically:

(2) Marijuana has no currently accepted medical use in treatment in the United States. Based on the established five-part test for making such determination, marijuana has no "currently accepted medical use" because: As detailed in the HHS evaluation, the drug's chemistry is not known and reproducible; there are no adequate safety studies; there are no adequate and well-controlled studies proving efficacy; the drug is not accepted by qualified experts; and the scientific evidence is not widely available.

The denials included the FDA's 78-page medical and scientific evaluation entitled "Basis for the Recommendation for Maintaining Marijuana in Schedule I of the Controlled Substances Act."

19Maryland Regulations: Chapter 10, § 62.01, et seq.; Code of Massachusetts Regulations: 105 CMR 725.001, et seq.; Michigan Compiled Laws: Chapter 333, § 26421, et 20seq.; Minnesota Statutes §§152.22-152.37; Mississippi Medical Cannabis Act, SB 2095 (2022); Missouri Const. article XIV; Montana Code Annotated: Title 50, § 46-301, et seq.; 21New Hampshire Rev. Statutes: Title X, Chapter 126-X.; New Jersey Statutes: Title 24, § 226I-1, et seq.; New Mexico Statutes: Chapter 26, § 2B-1, et seq.; New York Consolidated Laws: PBH § 3360, et seq.; North Dakota Century Code: Title 19, § 24.1-01, et seq.; Ohio 23Rev. Code: Title XXXVII, § 3796.01, et seq.; 63 Oklahoma Statutes Supp.2019, §§ 427.1--427.23; Oregon Rev. Statutes: Section 475B.400.; 35 Pennsylvania Cons. Stat. Chapter 64; 24Rhode Island General Laws: Title 21, Chapter 28.6-1, et seq.; South Dakota Codified Laws 25Chapter 34-20G; Utah Code 26-61a; Vermont Statutes: Title 18, § 4471, et seq.; Code of Virginia §§54.1-3442.5-3442.8; Washington Rev. Code: Title 69, Section 51A.005, et seq.; 26W.Va. Code Chapter 16A. 27

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<sup>9</sup> https://www.govinfo.gov/content/pkg/FR-2016-08-12/pdf/2016-17954.pdf.

<sup>10</sup> <u>https://www.govinfo.gov/content/pkg/FR-2016-08-12/pdf/2016-17960.pdf</u>.

The FDA's five-part test for determining whether a drug has "currently accepted medical use in treatment in the United States" has withstood legal challenge. All. for Cannabis Therapeutics v. DEA, 15 F.3d 1131, 1135 (D.C. Cir. 1994). The DEA's continued designation of marijuana in Schedule I after more than half of the states' enactment of medical marijuana laws has withstood legal challenge. Ams. for Safe Access v. DEA, 706 F.3d 438, 449-52 (D.C. Cir. 2013). The U.S. Supreme Court has expressly rejected the notion that use of a Schedule I drug can be medically necessary under the CSA, notwithstanding that it has "no currently accepted medical use." United States v. Oakland Cannabis Buyers' Coop., 532 U.S. 483, 493 (2001).

10 Marijuana's lack of accepted medical use in treatment on the national level is further demonstrated by a 2017 report from the National Academies of Sciences, Engineering, and 12Medicine, which concluded in pertinent part:

Despite the extensive changes in policy at the state level and the rapid rise in the use of cannabis both for medical purposes and for recreational use, conclusive evidence regarding the short- and long-term health effects (harms and benefits) of cannabis use remains elusive. A lack of scientific research has resulted in a lack of information on the health implications of cannabis use, which is a significant public health concern . . .

National Academies of Sciences, Engineering, and Medicine, THE HEALTH EFFECTS OF

CANNABIS AND CANNABINOIDS: THE CURRENT STATE OF EVIDENCE AND RECOMMENDATIONS 18

FOR RESEARCH, Washington, DC; National Academies Press, at page 2.<sup>11</sup> 19

As further evidence of marijuana's lack of accepted medical use in treatment in the

United States, the American Medical Association has adopted a policy stating in pertinent

part: 22

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Our AMA: (1) believes that scientifically valid and well-controlled clinical trials conducted under federal investigational new drug applications are necessary to assess the safety and effectiveness of all new drugs, including potential cannabis products for medical use; (2) believes that cannabis for medicinal use should not be legalized through the state legislative, ballot initiative, or referendum process; . . . .

<sup>11</sup> Available at https://nap.nationalacademies.org/read/24625/chapter/1.

American Medical Association Policy D-95.969, CANNABIS LEGALIZATION FOR MEDICINAL USE (March 1, 2019).<sup>12</sup> Finally, the American Psychiatric Association has adopted a position statement declaring in pertinent part: "[p]olicy and practice surrounding cannabis-derived substances should not be altered until sufficient clinical evidence supports such changes" and further stating "[m]edical treatment should be evidence-based and determined by professional standards of care; it should not be authorized by ballot initiatives." American Psychiatric Association, POSITION STATEMENT IN OPPOSITION TO CANNABIS AS MEDICINE (July 2019).<sup>13</sup>

Plaintiffs' contention that enactment of the Nevada Medical Marijuana Initiative by and of itself establishes that marijuana has an "accepted medical use in treatment in the United States" that disqualifies it as a Schedule I substance is simply wrong. They have contrived a conflict where none exists, since the Board must consider scientific and medical evidence, *not* popular opinion, when evaluating a substance. *See* NRS 453.146(2).<sup>14</sup> The scheduling of marijuana must be viewed *not* from a sociological, ideological or political viewpoint, but from a scientific one.

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# 2. Nothing in the express language of either ballot initiative compels the deletion of marijuana from NAC 453.510.

Although the proponents of either ballot initiative could have squarely addressed the deletion of marijuana as a Schedule I controlled substance, both initiatives are silent

<sup>12</sup> Available at

 $\frac{https://policysearch.amaassn.org/policyfinder/detail/cannabis?uri=\%2FAMADoc\%2Fdirectives.xml-D-95.969.xml.$ 

<sup>13</sup> Available at <u>https://www.psychiatry.org/File%20Library/AboutAPA/Organization-Documents-Policies/Policies/Position-Cannabis-as-Medicine.pdf</u>.

<sup>14</sup> Certain drugs containing cannabinoids that have been approved by the U.S. Food and Drug Administration have been descheduled by the Board and are no longer controlled substances. *See* LCB File No. R090-21, 12-29-2020. Additionally, one form of dronabinal, a synthetic cannabinoid approved by the U.S. Food and Drug Administration, has been listed in Schedule II (*see* LCB File No. R153-99, 3-1-2000), and another form of dronabinal listed in Schedule III (*see* LCB File No. R001-19, 10-30-2019). on the subject. To the contrary, both initiatives are framed to account for and distinguish between the lawful and unlawful use of marijuana.

Subsection 2(a) of the *Nevada Medical Marijuana Initiative* states that Section 38 does not "[a]uthorize the use or possession of the [cannabis] plant for a purpose other than medical or use for a medical purpose in public." The implementing legislation subsequently delineated lawful acts that are exempt from State prosecution and other acts that are not exempt.<sup>15</sup> Those provisions together with certain affirmative defenses are now codified at NRS 678C.200, NRS 678C.210, NRS 678C.300 and NRS 678C.310.

Section 4 of the *Initiative to Regulate and Tax Marijuana* specified that the Act does "not permit any person to engage in" and does "not prevent the imposition of any civil, criminal, or other penalty" for certain enumerated acts.<sup>16</sup> Sections 6-8 of the Act delineated the lawful acts that are exempt from State prosecution.<sup>17</sup> Those acts that are exempt from State prosecution are now specified in NRS 678D.200, while certain acts that are not exempt from prosecution and other prohibited acts are specified in NRS 678D.300 and 678D.310.

An exemption from State prosecution allows a person to avoid prosecution in State courts for an act that otherwise constitutes a criminal offense. Courts have consistently recognized this distinction specifically in the context of marijuana legislation. See Oakland Cannabis, 532 U.S. at 502 (2001) (Steven, J., concurring); Wilson v. Lynch, 835 F.3d 1083, 1088 (9th Cir. 2016); United States v. Pickard, 100 F.Supp.3d 981, 1010 (E.D. Cal. 2015); Doe v. State ex rel. Legislature of the 77th Session of Nev., 133 Nev. 763, 763-64, 406 P.3d 482, 483 (2017); City of Missoula v. Shumway, 434 P.3d 918, 921 (Mont. 2019). The ballot initiatives did not totally legalize or decriminalize marijuana. Any person who engages in marijuana-related activity outside the narrow scope of NRS Chapters 678C or 678D is

 $^{15}$  See former NRS 453A.200, NRS 453.210 and NRS 453.300.

<sup>16</sup> See former NRS 453D.100.

<sup>17</sup> See former NRS 453D.110-.130, inclusive.

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engaging in criminal conduct and subject to potential State prosecution. Plaintiffs' failure to accept this distinction is fatal to their Petition.

# 3. The Nevada Legislature has not taken any action to delete marijuana from Schedule I.

In the intervening twenty-two years since enactment of Nev. Const. art. 4, § 38, the Legislature has never deemed the deletion of marijuana from the list of Schedule I controlled substances necessary to carrying out the constitutional mandate that marijuana be authorized for a patient's medical use "upon the advice of a physician." Section 35 of Assembly Bill No. 453 in the 2001 Legislative Session (codified as NRS 453.005) originally stated "[t]he provisions of this chapter do not apply to the extent that they are inconsistent with the provisions of chapter 453A of NRS." NRS 453.005 was then amended by Section 214 of Assembly Bill No. 533 in the 2019 Legislative Session to state: "[t]he provisions of this chapter do not apply to the extent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the extent that they are inconsistent with the provisions of the the extent that they are inconsistent with the provisions of the the extent that they are inconsistent with the provisions of the the criminal offenses specific to marijuana.<sup>18</sup> Nor has any other intervening legislation that amended the criminal penalties related to marijuana.<sup>19</sup>

It is reasonable to conclude that the continued scheduling of marijuana in NAC 453.510 is consistent with legislative intent. "[A]cquiescence by the legislature . . . may be inferred from its silence during a period of years." *Oliver v. Spitz*, 76 Nev. 5, 9, 348 P.2d 158, 160 (1960), cited with approval in *Imperial Palace. Inc. v. State, Dept. of Taxation*, 108 Nev. 1060, 1068, 843 P.2d 813, 818 (1992). Plaintiffs are asking the Court to disrupt the existing statutory scheme. "Courts should avoid hypertechnical constructions that

<sup>&</sup>lt;sup>18</sup> See Assembly Bill No. 130 (2003 Nev. Leg. Session); Assembly Bill No. 519 (2005 Nev. Leg. Session); Assembly Bill No. 538 (2009 Nev. Leg. Session); Senate Bill No. 374 (2013 Nev. Leg. Session); Senate Bill No. 447 (2015 Nev. Leg. Session); Assembly Bill No. 422 (2017 Nev. Leg. Session); Senate Bill No. 487 (2017 Nev. Leg. Session).

<sup>&</sup>lt;sup>19</sup> See Assembly Bill No. 236 (2019 Nev. Leg. Session); Assembly Bill No. 158 (2021 Nev. Leg. Session); Assembly Bill No. 393 (2021 Nev. Leg. Session); Senate Bill No. 359 (2021 Nev. Leg. Session).

frustrate legislative intent." *Heath v. Kiger*, 176 P.3d 690, 693 (Ariz. 2008) (citations omitted). Their wish should not be granted.

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# B. The *Initiative to Regulate and Tax Marijuana* did not divest the Board of jurisdiction over the scheduling of marijuana.

Plaintiffs' ultimate policy-centric goal, to deschedule marijuana entirely, is revealed in their argument that with the subsequent passage of the *Initiative to Regulate and Tax Marijuana* the Board was effectively divested of any jurisdiction over marijuana. Petition at 10:11-15 (¶31); 12:13-13:10 (¶¶43-49). Once again, Plaintiffs do not allege that they have been prevented from engaging in recreational use of marijuana in conformance with NRS Chapter 678D. Their endgame is clear: that marijuana no longer be regulated as a controlled substance under Nevada law, even in Schedule II, III, IV or V.<sup>20</sup>

First, Plaintiffs conflate the precatory language in Section 2 of the *Initiative to Regulate and Tax Marijuana* stating that "marijuana should be regulated in a manner similar to alcohol" with NRS 453.2186(1)'s prohibition on scheduling distilled spirits, wine, malt beverages or tobacco to argue that with the initiative's passage, descheduling marijuana was a *fait accompli*. Petition at 12:16-23 (¶¶ 44-45). This construal makes a quantum leap of logic. Such an interpretation would render Sections 4 and 6-8 of the ballot initiative meaningless and impermissibly thwart the will of the electorate. *See Torvinen v. Rollins*, 93 Nev. 92, 94, 560 P.2d 915, 917 (1977); see also City of Reno v. Bldg. & Constr. *Trades Council of N. Nev.*, 127 Nev. 114, 121, 251 P.3d 718, 722 (2011) ("this court will not read statutory language in a manner that produces absurd or unreasonable results."). Under the current statutory scheme set forth in NRS Chapter 678D, to the extent

<sup>20</sup> See NRS 453.176 (Schedule II tests); NRS 453.186 (Schedule III tests); NRS 453.196 (Schedule IV tests); NRS 453.206 (Schedule V tests) – a substance with accepted medical use in treatment in the United States is still subject to listing in one of these schedules based upon the potential for abuse and resulting physical or psychological dependence.

marijuana was authorized for adult recreation use by the *Initiative to Regulate and Tax Marijuana*, it is "regulated in a manner similar to alcohol" consistent with Section 2.<sup>21</sup>

Plaintiffs next assert that since the *Initiative to Regulate and Tax Marijuana* placed regulatory authority for the Act with the Nevada Department of Taxation (subsequently transferred to the Cannabis Compliance Board by Assembly Bill No. 533 in the 2019 Legislative Session), this abrogated the Board's authority to schedule marijuana under NRS Chapter 453. Petition at 13:1-4 (¶¶46-47). They are essentially arguing that the continued scheduling of marijuana is *ultra vires. See Coury v. Robison*, 115 Nev. 84, 88, 976 P.2d 518, 520 (1999); *Andrews v. Nevada State Board of Cosmetology*, 86 Nev. 207, 208, 467 P.2d 96, 97 (1970). Plaintiffs vastly oversimplify what is a comprehensive, multilayered statutory scheme in which several governmental entities occupy different roles and exercise their respective levels of regulatory oversight of marijuana in a manner that neither overlaps nor conflicts.

The Nevada Division of Public and Behavioral Health, *not* the Cannabis Compliance Board, is responsible for the issuance of registry identification cards and letters of approval authorizing the medical use of marijuana. *See* NRS 678C.220-.270, *inclusive*. The Nevada Department of Taxation retains authority over the taxation of marijuana. *See* NRS 372A.200-.300, *inclusive*; *see also* NRS 678B.640 (determination of fair market wholesale value). The Nevada Department of Agriculture retains authority over the use of pesticides in the cultivation of marijuana. *See* NRS 586.550. Local governments are responsible for adopting and enforcing local cannabis control measures pertaining to zoning and land use for adult-use cannabis establishments. *See* NRS 678D.510(1)(d). The Board retains jurisdiction over the scheduling of marijuana as a controlled substance, while marijuanarelated criminal offenses remain within the purview of law enforcement agencies.

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In the course of implementing and amending that statutory scheme the Legislature

<sup>21</sup> The tiered licensing and regulatory structure in Title 56 is comparable to the tiered licensing and regulatory structure in NRS Chapter 369 (Intoxicating Liquor; Licenses and Taxes).

has never deemed it necessary to deschedule marijuana or divest the Board of its authority to schedule marijuana. NRS Chapter 453 still governs the unlawful possession, trafficking or production of marijuana, with measured carve-outs for the legitimate activities originally authorized by the ballot initiatives and now codified in Title 56. "[W]henever possible, a court will interpret a rule or statute in harmony with other rules or statutes." *Nev. Power Co. v. Haggerty*, 115 Nev. 353, 364, 989 P.2d 870, 877 (1999) (citations omitted). Furthermore, to the extent Plaintiffs believe that the current statutory scheme does not regulate marijuana in a manner sufficiently "similar" to alcohol, their complaint (and any remedy) lies with the Legislature, not with the Board.<sup>22</sup>

# C. Plaintiffs may petition the Board pursuant to NAC 639.140 to review the scheduling of marijuana.

Mandamus is not appropriate insofar as Plaintiffs may petition pursuant to NAC 639.140 to have the current listing of marijuana in Schedule I reviewed by the Board. *See, e.g., Cty. of Washoe v. Reno,* 77 Nev. 152, 155-56, 360 P.2d 602, 603-04 (1961) ("the fact that mandamus would give an easier or more expeditious remedy is not the criterion."). Plaintiffs must pursue this administrative remedy before seeking judicial relief.<sup>23</sup> "Ordinarily, before availing oneself of district court relief from an agency decision, one must first exhaust available administrative remedies." *Malecon Tobacco, Ltd. Liab. Co. v. State ex rel. Dep't of Taxation,* 118 Nev. 837, 839-41, 59 P.3d 474, 475-76 (2002) (citations omitted); *see also Benson v. State Engineer,* 131 Nev. 772, 779, 358 P.3d 221, 226 (2015) (administrative proceedings are not futile solely because the statute prevents the petitioner from receiving his or her ideal remedy).

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<sup>&</sup>lt;sup>22</sup> Plaintiffs mistakenly represent that the unlawful sale of alcohol carries only a \$250 fine under NRS 364.150. (Petition at 8:8-9 (¶22 n.21). Depending on the exact activity, this may constitute a category D felony under NRS 369.495 or a misdemeanor under NRS 369.490 and NRS 369.550.

<sup>&</sup>lt;sup>23</sup> Plaintiffs' reliance on *State Bd. of Parole Comm'rs v. Second Judicial Dist. Court*, 451 P.3d 73 (Nev. 2019) is misplaced. (Opp. To Mot. To Dismiss at 18:3-19:5). The review of scientific and medical evidence pursuant to NRS 453.146 does not require the Board to answer a legal question.

NRS 453.2182 mandates that, in the absence of any objection, the Board shall designate a substance consistent with federal law without making the findings required by NRS 453.166. Granted, marijuana was designated in Schedule I by the Legislature prior to the enactment of NRS 453.2182, and the Board may deviate from federal law when scheduling, rescheduling or deleting a controlled substance *if* it makes the determinations required under NRS 453.146. However, it is important to note that NRS 453.146(3) provides that the Board may consider findings of the FDA or the DEA "as prima facie evidence relating to one or more of the determinative factors." Whether this alone justifies the continued listing of marijuana in Schedule I is a decision left to the Board.

In the intervening twenty-two years since the enactment of Nev. Const. art. 4, § 38 the Board has regularly reviewed and amended the list of Schedule I substances in NAC 453.510 in conformance with NRS 453.211. Never in that time have Plaintiffs – or any party – objected to the listing of marijuana in Schedule I or otherwise petitioned the Board pursuant to NAC 639.140 for reconsideration of the scheduling of marijuana in light of the amendment to the Nevada Constitution. This refutes the notion that Plaintiffs have no plain, speedy, and adequate remedy at law and calls into question their inexcusable delay Plaintiffs now seek to circumvent this statutory administrative in seeking redress. rulemaking process altogether and have the Court make scientific determinations that are legislatively delegated to the Board. See Sheriff, Clark Cty. v. Lugman, 101 Nev. 149, 153-54, 697 P.2d 107, 110 (1985).

### D. Granting Plaintiffs their requested relief will not redress their alleged injuries.

Plaintiffs request a writ or order directing the Board to remove marijuana from NAC 453.510 and divesting the Board of any further authority to schedule marijuana. Petition at 2:1-4; 13:8-10 (¶49); 14:20-21 (¶60); 15:1-10 (¶62); 16-18 (¶¶A and B). In reality, Plaintiffs seek to decriminalize conduct clearly proscribed by the Uniform Controlled Substances Act, a proposition rejected by the Nevada Supreme Court in *Luqman*. 101 Nev. at 157, 697 P.2d at 112-13. Even so, this will not redress their alleged injuries.

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Plaintiffs allege that "individuals continue to be prosecuted for violating Nevada statutes which rely on the scheduling of marijuana, cannabis and cannabis derivatives as Schedule I substances." Petition at 14:16-18 (¶59). Aside from Plaintiff Poole, the Petition fails to cite the specific crimes for which these unnamed individuals were convicted.

However, most of the relevant criminal offenses expressly reference "marijuana" and do not even rely upon marijuana being scheduled as a controlled substance.<sup>24</sup> NRS 453.339 prohibits the trafficking of "marijuana" specifically.<sup>25</sup> NRS 453.3393 prohibits the unlawful production of "marijuana" specifically.<sup>26</sup> NRS 453.336(4) prohibits the unlawful possession of 1 ounce or less of "marijuana" specifically, while subsection (5) prohibits the unlawful possession of more than 1 ounce, but less than 50 pounds, of "marijuana" or more than oneeighth of an ounce, but less than one pound, of "concentrated cannabis." NRS 453.401(3) imposes a penalty for conspiracy to unlawfully possess more than 1 ounce of "marijuana" specifically. NRS 484C.110(4) prohibits operating a vehicle under the influence of "marijuana" specifically. NRS 212.160(3) prohibits the possession by a State prisoner of "a controlled substance without lawful authorization or marijuana or marijuana paraphernalia, regardless of whether the person holds a valid registry identification card."<sup>27</sup> These criminal offenses will remain on the books and enforceable even if marijuana is no longer scheduled as a controlled substance. Persons previously convicted of these

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<sup>&</sup>lt;sup>24</sup> Conversely, several of the crimes enumerated in NRS Chapter 453 expressly exclude marijuana. See NRS 453.322; NRS 453.3325; NRS 453.3353.

<sup>&</sup>lt;sup>25</sup> NRS 453.339(1) states in pertinent part: "a person who knowingly or intentionally sells, manufactures, delivers or brings into this State or who is knowingly or intentionally in actual or constructive possession of *marijuana or concentrated cannabis* shall be punished . . . . " (Emphasis added).

<sup>&</sup>lt;sup>26</sup> NRS 453.3393(1) states in pertinent part: "A person shall not knowingly or intentionally manufacture, grow, plant, cultivate, harvest, dry, propagate or process *marijuana*, except as specifically authorized by the provisions of this chapter or chapter 453A of NRS." (Emphasis added).

<sup>&</sup>lt;sup>27</sup> Note that the statute distinguishes between an inmate's possession of a controlled substance pursuant to a valid prescription (lawful), and possession of marijuana with a valid registry identification card (unlawful).

1 offenses will gain no benefit from the relief requested.

The Petition conveniently omits any reference to these criminal offenses, only citing to NRS 453.336(1), NRS 453.337 and NRS 202.360. (Petition at 8:8-9 (¶22 n.21)). NRS 453.336(1) and (2) prohibit the unlawful possession of any controlled substance, but these subsections have largely been supplanted by subsections (4) and (5) for possession of marijuana. NRS 202.360 prohibits the possession of a firearm by a person who "unlawfully" uses any controlled substance, but the prohibition does not apply to a person "lawfully" using marijuana in conformance with NRS Chapters 678C or 678D. NRS 453.337 prohibits the unlawful possession for the purpose of sale of any controlled substance classified in Schedule I or II, but the unlawful possession of marijuana for the purpose of sale was clearly proscribed under both ballot initiatives and reflected in all subsequent legislation.<sup>28</sup>

Plaintiff Poole's alleged injury, that he was convicted of marijuana possession in violation of NRS 453.336(1) and (2) after the enactment of Nev. Const. art. 4, § 38 (Petition at 4:1-6 (¶1); 6:1-4 (¶10), can only be redressed by a judicial ruling that enactment of the Nevada Medical Marijuana Initiative actually descheduled marijuana as a controlled substance altogether.<sup>29</sup> A ruling to this effect will not even fully redress the alleged injuries of the unidentified CEIC members with convictions for offenses specific to marijuana. Moreover, the alleged injuries to CEIC's members are impermissibly generalized and any redressability to CEIC or its members by way of its requested relief remains speculative. See, e.g., Laborers' Int'l Union of N. Am., Local 169 v. Douglas Cty., 454 P.3d 1259, 2019 Nev. Unpub. LEXIS 1374 at \*2 (Nev. Dec. 19, 2016) ("speculative interests are not legally

<sup>&</sup>lt;sup>28</sup> Subsection 1(e) of the Nevada Medical Marijuana Initiative states: "The legislature shall provide by law for . . . [a]uthorization of appropriate methods for supply of the plant to patients authorized to use it. Section 2 of the Initiative to Regulate and Tax Marijuana states: "Marijuana may only be purchased from a business that is licensed by the State of Nevada."

<sup>&</sup>lt;sup>29</sup> Poole was arrested for possession of a controlled substance in violation of NRS 453.336 on May 20, 2016 (*see* criminal information filed in case no. C-16-319916-1), *prior* to enactment of the *Initiative to Regulate and Tax Marijuana*; his subsequent conviction *after* enactment of that ballot initiative is moot.

protectable interests for purposes of establishing standing."). By virtue of this lack of  $\mathbf{2}$ redressability, these Plaintiffs lack standing.

Plaintiffs are not entitled to declaratory, injunctive or writ relief due to their lack of standing. They cannot establish a beneficial interest sufficient to pursue a mandamus action since they will gain no direct benefit from issuance of a writ and suffer no direct detriment if it is denied. Heller v. Legislature of State of Nevada, 120 Nev. 456, 461, 93 P.3d 746, 750 (2004) (citations omitted). They cannot establish either a justiciable controversy or a legally protectable interest as required to obtain declaratory relief. See UMC Physicians' Bargaining Unit of Nev. Serv. Emples. Union, SEIU Local 1107 v. Nev. Serv. Emples. Union/SEIU Local 1107, 124 Nev. 84, 92-94, 178 P.3d 709, 714-16 (2008). Finally, they are not entitled to injunctive relief since any possible "injury" is not fairly traceable to the actions of the Board or redressable by removing marijuana from Schedule I. Bennett v. Spear, 520 U.S. 154, 162 (1997).

#### IV. CONCLUSION

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The current scheduling of marijuana is lawful and within the Board's authority, and Plaintiffs are not entitled to declaratory, injunctive or writ relief. Their Petition should be denied.

Respectfully submitted this 10<sup>th</sup> day of August, 2022.

Pursuant to NRS 239B.030 I affirm that this document does not contain personal information.

By: /s/ Brett Kandt

Brett Kandt (Bar No. 5384) General Counsel Peter K. Keegan (Bar. No. 12237) Assistant General Counsel Attorneys for Respondent/Defendant

1	CERTIFICATE OF SERVICE
2	I certify that I am an employee of the Nevada State Board of Pharmacy, and that on
3	this 10 <sup>th</sup> day of August, 2022, I served a true and correct copy of the foregoing document by
4	electronic service though the Court's electronic filing system to the following:
5	
6	Sadmira Ramic, Esq. Christopher M. Peterson, Esq.
7	Sophia Romero, Esq. American Civil Liberties Union of Nevada
8	601 South Rancho Drive, Suite B-11
9	Las Vegas, NV 89106 Email: <u>ramic@aclunv.org</u>
10	<u>peterson@aclunv.org</u> <u>romero@aclunv.org</u>
11	Attorneys for Petitioners/Plaintiffs
12	
13	<u>/s/ Brett Kandt</u> BRETT KANDT
14	General Counsel Nevada State Board of Pharmacy
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	Page 18 of 18 APP0044

	ELECTRONICALLY SERVED 10/26/2022 2:48 PM	
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1	ORDR	
2	EIGHTH JUDICIAL DISTRICT COURT	
3	CLARK COUNTY, NEVADA	
4	CANNABIS EQUITY AND INCLUSION Case No.: A-22-851232-W	
5 6	COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE, an individual,	
7	Petitioners/Plaintiffs,	
8	vs.	
9	STATE OF NEVADA ex rel. BOARD OF	
10	PHARMACY, a public entity of the State of Nevada,	
11	Respondent/Defendant.	
12	JUDGMENT AND ORDER GRANTING PETITION FOR WRIT OF MANDAMUS	
13	AND REQUEST FOR DECLARATORY RELIEF	
14 15	This matter having come before this court on September 14, 2022, on Petitioners/Plaintiffs'	
15 16	Petition for Writ of Mandamus and Request for Declaratory Relief; Christopher M. Peterson, Esq.,	
10	and Sophia A. Romero, Esq., of the American Civil Liberties Union of Nevada, appearing on behalf	
18	of Petitioners/Plaintiffs, Cannabis Equity and Inclusion Community (CEIC) and Antoine Poole	
10	(collectively "Petitioners"); Brett Kandt, Esq. and Peter K. Keegan, Esq., appearing on behalf of the	
20	State of Nevada ex rel. Board of Pharmacy ("Board" or "Respondent"); the Court having reviewed	
20 21	the papers and pleadings on file herein, having heard the arguments of counsel, upon agreement of	
22	counsel that this matter is ready to be decided upon the pleadings without trial, and with good cause	
23	appearing, the Court hereby finds, concludes, and orders as follows:	
24	This ruling is limited to the Petition and Complaint in front of the Court and only addresses	
25	the issues of (1) whether the scheduling of cannabis as a Schedule I substance is in conflict with the	
26	Article 4, Section 38 of the Constitution of the State of Nevada; (2) whether cannabis must be	
27	removed from the listing of Schedule I substances; and (3) whether, in light of the enactment of NRS	
28	Title 56, the Board of Pharmacy has any authority to schedule cannabis as a controlled substance.	

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The parties agreed and stipulated that the issues raised may be decided as a matter of law by the Court. The first two issues were adjudicated at the time of hearing, this Court reserved ruling on the third issue upon submission of competing orders. To the extent the briefing addressed any additional issues, the Court declines to rule and this Order shall constitute a final judgment.

### FINDINGS OF FACT

Plaintiff CEIC is, and was at all times relevant herein, a domestic nonprofit corporation
organized and existing under and by virtue of the laws of the State of Nevada. Based upon its
uncontroverted declaration, CEIC advocates for freedom, equity, and opportunity in Nevada's
cannabis market by supporting people from underrepresented communities as they apply for licenses
to participate in the legal cannabis market. CEIC has also dedicated resources to mitigating
Nevada's long history of prosecuting cannabis-related offenses by assisting individuals with prior
cannabis-related criminal convictions in applying for pardons and sealing criminal records. CEIC
continues to engage in community outreach to identify these individuals and organize record sealing
workshops.

Plaintiff Antoine Poole is, and was at all times relevant herein, a resident of the State of
Nevada, County of Clark, City of Las Vegas. Based upon his uncontroverted declaration, Mr. Poole
was adjudicated guilty in the Eighth Judicial District Court of the State of Nevada of Possession of
Controlled Substance, a Category E Felony pursuant to NRS 453.336, for possession of marijuana.
This adjudication occurred on April 20, 2017, after cannabis was legalized for both medical and
recreational use in Nevada.

Respondent/Defendant, Nevada State Board of Pharmacy, is a public entity of the State of
Nevada with the power to sue and be sued, pursuant to NRS 12.105 and NRS 41.031.

The transactions and occurrences that give rise to the Petitioners' claims against Respondent,
the Nevada State Board of Pharmacy, occurred in the City of Las Vegas, Clark County, Nevada.
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In 1923, the Nevada Legislature banned marijuana, <sup>1</sup> making even simple possession, regardless of purpose, a criminal offense. <sup>2</sup> When the Legislature enacted the Uniform Controlled Substances Act in 1971, marijuana was classified as a Schedule I substance. <sup>3</sup> In 1981, the Nevada Legislature delegated to the Nevada Board of Pharmacy authority to designate, by regulation and			
Substances Act in 1971, marijuana was classified as a Schedule I substance. <sup>3</sup> In 1981, the Nevada			
Legislature delegated to the Nevada Board of Pharmacy authority to designate, by regulation and			
within limits prescribed by the Legislature, what substances would be listed on Nevada's schedules			
of controlled substances. <sup>4</sup> Since then the Board categorized, and still categorizes, marijuana,			
cannabis, and cannabis derivatives as Schedule I substances under NAC 453.510. By classifying			
marijuana, cannabis, and cannabis derivatives as Schedule I substances, the Board denies that			
marijuana has "accepted medical use in treatment in the United States."			
The Board's authority to categorize a substance as Schedule I is limited by the conjunctive			
test set forth in NRS 453.166, which states:			
The Board shall place a substance in schedule I if it finds that the			
substance:			
1. Has high potential for abuse; <i>and</i>			
2. Has no accepted medical use in treatment in the United States or lacks accepted safety for use in treatment under medical			
supervision.			
<sup>1</sup> "Marijuana" and "cannabis" are used interchangeably and have the same meaning. NRS 453.096			
defines marijuana as: "(a) All parts of any plant of the genus <i>Cannabis</i> , whether growing or not; (b) The seeds thereof; (c) The resin extracted from any part of the plant; and (d) Every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin." NRS 678A.085, under Chapter 678A- Administration of Laws Related to Cannabis, states that cannabis has the meaning ascribed to the term "marijuana" in <u>NRS 453.096</u> .			
		<sup>2</sup> An Act to Regulate the Use, Supply and Possession of Narcotic Drugs in the State of Nevada, and	
		to Provide Penalties for the Violation Thereof, Nev. Compiled Laws §§ 5084-5085 (1929) (repealed 1937).	
<sup>3</sup> See Section 31 of Assembly Bill No. 107 (1971 Nev. Leg. Session).			
<sup>4</sup> See 1981 Nev. Stats. ch. 402 §§ 1-39 at 734-750; see also Miller v. Jacobson, 104 Nev. 600, 602,			
763 P.2d 356, 357 (1988); Sheriff, Clark Cty. v. Luqman, 101 Nev. 149, 153-54, 697 P.2d 107, 110			
763 P.2d 356, 357 (1988); Sheriff, Clark Cty. v. Luqman, 101 Nev. 149, 153-54, 697 P.2d 107, 110			

1	(Emphasis added). Several Nevada Revised Statutes reference the classifications designated by the	
2	Board to criminalize activities related to controlled substances. <sup>5</sup>	
3	In 1998, Nevada voted on and passed the Nevada Medical Marijuana Act, a ballot initiative	
4	intended to amend the Nevada Constitution to legalize marijuana for medical use in Nevada. <sup>6</sup>	
5	Successful passage of the Nevada Medical Marijuana Act resulted in the addition of Article 4,	
6	Section 38, of the Nevada Constitution, which states:	
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8	1. The legislature shall provide by law for:	
9	(a) The use by a patient, upon the advice of his physician, of a plant of the genus Cannabis for the treatment or alleviation of	
10	cancer, glaucoma, acquired immunodeficiency syndrome;	
11	severe, persistent nausea of cachexia resulting from these or other chronic or debilitating medical conditions; epilepsy and other	
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13	<sup>5</sup> For example, NRS 453.337 makes it unlawful to possess for sale any amount of a Schedule I substance. Penalties for violating NRS 453.337 are based on whether the offender is a subsequent	
14	offender, with the first offense being a Category D felony. Because marijuana is classified as a Schedule I substance, it is a Class D felony to possess <i>any</i> amount of marijuana for sale. To put this	
15	into perspective, if an individual sells even a tenth of a gram of marijuana without a license, they	
16	would be charged with a Class D felony for their first offense and even steeper penalties for any subsequent sales. This is a dramatic departure from marijuana being treated like alcohol given that	
17	an individual selling any amount of alcohol without a license is simply fined for selling alcohol without a license. <i>See</i> NRS 364.150.	
18	As another example, NRS 453.336 criminalizes possession of a controlled substance not for purpose	
19	of sale. It states, "[a] person who violates this section shall be punished for the first or second	
20	offense, if the controlled substance is listed in schedule I, II, III or IV, for a category E felony as provided in NRS 193.130." Because marijuana was not legalized for individuals under 21 years of	
21	age and it is classified as a Schedule I substance, NRS 453.336 is being used to charge juveniles and persons under 21 years old with felony offenses for possessing concentrated cannabis. Such actions	
22	are a clear circumvention to the legislature's recent passing of AB158 which makes possession of	
23	one ounce or less of marijuana by a juvenile a citable offense. <i>See</i> Nev. Legis. AB 158 Reg. Sess. 2021.	
24	In another, when looking in the context of prohibitions against possession of firearms, NRS 202.360	
25	"[prohibits any person to] have in his or her possession or under his or her custody or control any firearm if the person is an unlawful user of, or addicted to, any controlled substance." Again,	
26	because marijuana is classified as a Schedule I substance, an individual who is addicted to marijuana	
27	would be prohibited from possessing a firearm.	
28	<sup>6</sup> Scott McKenna, <i>Medical Marijuana Laws in the Silver State</i> , 6 Nevada Lawyer, Aug. 10, 2002.	

1 2	disorders characterized by seizure; multiple sclerosis and other disorders characterized by muscular spasticity; or other conditions approved pursuant to law for such treatment.
3 4	(b) Restriction of the medical use of the plant by a minor to require diagnosis and written authorization by a physician, parental consent, and parental control of the acquisition and use
5 6 7 8 9	<ul> <li>of the plant.</li> <li>(c) Protection of the plant and property related to its use from forfeiture except upon conviction or plea of guilty or nolo contendere for possession or use not authorized by or pursuant to this section.</li> <li>(d) A registry of patients, and their attendants, who are authorized to use the plant for a medical purpose, to which law enforcement officers may resort to verify a claim of authorization</li> </ul>
11 12	<ul> <li>and which is otherwise confidential.</li> <li>(e) Authorization of appropriate methods for supply of the plant to patients authorized to use it.<sup>7</sup></li> </ul>
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> </ol>	The Nevada Legislature followed this constitutional mandate by passing Assembly Bill 453 (2001). In 2016, Nevada voted on and passed the <i>Initiative to Regulate and Tax Marijuana</i> , which legalized possession of marijuana for recreational purposes. <sup>8</sup> The initiative intended to "better focus state and local law enforcement resources on crimes involving violence and personal property" rather than prosecuting marijuana offenses. <sup>9</sup> The <i>Initiative</i> explicitly stated that it intended for marijuana to be "regulated in a manner similar to alcohol." <sup>10</sup> In addition to legalizing the use of cannabis for recreational purposes, the <i>Initiative</i> prescribed the regulatory regime that would oversee the market for both recreational and medical cannabis, naming the Nevada Department of Taxation as the prime regulatory agency.
<ul> <li>23</li> <li>24</li> <li>25</li> <li>26</li> <li>27</li> <li>28</li> </ul>	<ul> <li><sup>7</sup> Nevada Const. art. IV, § 38.</li> <li><sup>8</sup> <i>Initiative to Regulate and Tax Marijuana</i>, Nevada Secretary of State, 1 (April 23, 2014), https://www.nvsos.gov/sos/home/showdocument?id=3294.</li> <li><sup>9</sup> <i>Id</i>.</li> <li><sup>10</sup><i>Id</i>.</li> </ul>
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In 2019, the Nevada Legislature passed NRS Title 56, titled "Regulation of Cannabis", to codify and clarify the *Initiative*. In four chapters, NRS Chapters 678A-D, the Legislature created a comprehensive regulatory regime for the new cannabis industry, tasking the Cannabis Compliance Board with heading the regime while explicitly authorizing specific Nevada state agencies and subdivisions to regulate all aspects of the cannabis industry. The Nevada State Board of Pharmacy was not referenced in any capacity nor explicitly authorized to participate in the regulatory regimes prescribed by the *Initiative* or NRS Title 56.

Pursuant to the Petition, Petitioners/Plaintiffs requested that this Court resolve the 8 9 discrepancies between Article 4, Section 38, of the Nevada Constitution, NRS 453.166, and NAC 453.510 by declaring that: (1) the classification of marijuana, cannabis, and cannabis derivatives as 10 Schedule I substances violates Article 4, Section 38, of the Nevada Constitution or in the alternative 11 the classification of marijuana, cannabis, and cannabis derivatives as Schedule I substances violates 12 13 NRS 453.166; (2) the Nevada State Board of Pharmacy acted outside of its authority when it classified, or failed to remove, marijuana, cannabis, and cannabis derivatives; and (3) the Nevada 14 State Board of Pharmacy must remove marijuana, cannabis, and cannabis derivatives as Schedule I 15 substances under NAC 453.510(4), NAC 453.510(9), and NAC 453.510(10). 16

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### **CONCLUSIONS OF LAW REGARDING IMMEDIATE RULING**

As the transactions and occurrences that give rise to the Petitioners' claims against 18 Respondent, the Nevada State Board of Pharmacy, occurred in the City of Las Vegas, Clark County, 19 20 Nevada, and the Respondents operate and/or reside in Clark County, this Court has the authority to grant the writ relief requested herein pursuant to NRS 34.160. Additionally, this Court has original 21 subject matter jurisdiction over this request for declaratory and injunctive relief under Article 6, 22 Section 6, of The Constitution of the State of Nevada.<sup>11</sup> Venue is proper in this Court pursuant to 23 24 NRS 13.020 and 13.040 because the cause, or some part thereof, arose in the City of Las Vegas, Clark County, Nevada. 25

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<sup>11</sup> See also NRS 30.030 (Uniform Declaratory Judgments Act).

1	Writ relief is an extraordinary remedy, and therefore, it is within a court's sound discretion
2	whether to grant such relief. <sup>12</sup> "Extraordinary writ relief may be available where there is no 'plain,
3	speedy and adequate remedy in the ordinary course of law." <sup>13</sup> However, even when a legal remedy
4	is available, the court can "still entertain a petition for writ 'relief where the circumstances reveal
5	urgency and strong necessity." <sup>14</sup> A writ of mandamus may be issued by the court "to compel the
6	performance of an act which the law especially enjoins as a duty resulting from an office, trust or
7	station; or to compel the admission of a party to the use and enjoyment of a right or office to which
8	the party is entitled and from which the party is unlawfully precluded by such inferior tribunal,
9	corporation, board or person," when there is no plain, speedy, and adequate remedy in the ordinary
10	course. <sup>15</sup> The court must examine each request for writ relief individually. <sup>16</sup> The court will generally
11	exercise its discretion to consider an extraordinary writ where an important legal issue that needs
12	clarification is raised or to promote judicial economy and administration. <sup>17</sup> When a petition for
13	extraordinary relief involves a question of first impression that arises with some frequency, the
14	interests of sound judicial economy and administration favor consideration of the petition. <sup>18</sup>
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16	<sup>12</sup> Segovia v. Eighth Judicial Dist. Court, 133 Nev. 910, 911, 407 P.3d 783, 785 (2017).
17	<sup>13</sup> <i>Id.</i> , <i>quoting</i> NRS 34.170 and NRS 34.330).
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19	<sup>14</sup> Id., quoting Barngrover v. Fourth Judicial Dist. Court, 115 Nev. 104, 111, 979 P.2d 216, 220 (1999)).
20	<sup>15</sup> "The writ may be issued by a district court or a judge of the district court, to compel the
21	performance of an act which the law especially enjoins as a duty resulting from an office, trust or station; or to compel the admission of a party to the use and enjoyment of a right or office to which
22	the party is entitled and from which the party is unlawfully precluded by such inferior tribunal,
23	corporation, board or person. When issued by a district court or a judge of the district court it shall be made returnable before the district court." NRS 34.160; NRS 34.170.
24	<sup>16</sup> Jeep Corp. v. Second Judicial Dist. Court, 98 Nev. 440, 443, 652 P.2d 1183, 1185 (1982).
25	<sup>17</sup> State Office of the Attorney General v. Justice Court of Las Vegas Township, 133 Nev. 78, 80, 392
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	P.3d 170, 172 (2017).
27	P.3d 170, 172 (2017). <sup>18</sup> A.J. v. Eighth Judicial District Court in and for County of Clark, 2017, 394 P.3d 1209, 133 Nev.
27 28	P.3d 170, 172 (2017).

Under the Nevada Uniform Declaratory Judgments Act, NRS 30.010 to 30.160, this Court has the power to declare the rights, status, and other legal relations of the parties whether or not further relief is or could be claimed, and a declaration may be either affirmative or negative in form and effect, and such declarations have the force and effect of a final judgment or decree.<sup>19</sup> More specifically, with respect to contracts, statutes, and other writings, NRS 30.040(1) provides:

> Any person interested under a deed, written contract or other writings constituting a contract, or whose rights, status, or other legal relations are affected by statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder.

The provisions of the Act are to be liberally construed and administered, and are intended to be remedial, in order to settle and to afford relief from uncertainty and insecurity with respect to rights, status and other legal relations.<sup>20</sup> Such declarations have the force and effect of a final judgment or decree.<sup>21</sup> This matter satisfies the four elements that must be met for declaratory relief to be granted, as described below.<sup>22</sup> The facts stated above herein reveal a justiciable controversy in which a claim of right is asserted against one who has an interest in contesting it. The controversy is between persons whose interests are adverse. The issue involved in the controversy is ripe for determination as individuals continue to be prosecuted for violating Nevada statutes which rely on the scheduling of marijuana, cannabis, and cannabis derivatives as Schedule I substances, and CEIC must continue to expend resources remedying such actions.

Because there is no requirement that Petitioners/Plaintiffs exhaust any administrative remedies directly with the Board of Pharmacy, and in light of the holding in *State Bd. Of Parole* 

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<sup>20</sup> See NRS 30.140.

<sup>21</sup> NRS 30.030.

<sup>22</sup> *Kress v. Corey*, 65 Nev. 1, 25–26, 189 P.2d 352, 364 (1948).

*Comm'rs v. Second Judicial Dist. Court*,<sup>23</sup> a Writ of Mandamus and Complaint for Declaratory Relief are appropriate vehicles for seeking redress in this matter.

This Court has subject matter jurisdiction, pursuant to NRS 34.160 and Article 6, Section 6 of the Nevada Constitution, to determine the legal questions at hand, specifically whether (1) the Constitution of the State of Nevada, Article 4, Section 38, and NRS 143.166 precludes the Board of Pharmacy from scheduling cannabis, as defined by NRS 453.096 pursuant to NRS 678A.085, as a Schedule I substance and (2) after the passage of the *Initiative to Regulate and Tax Marijuana* and the subsequent enactment of NRS Title 56 by the Nevada State Legislature, the Nevada State Board of Pharmacy retained its authority to regulate cannabis.

I. Standing

A petitioner has standing in a proceeding on an extraordinary writ when the petitioner has a "beneficial interest" in obtaining writ relief. "[A] beneficial interest sufficient to pursue a mandamus action" is a "substantial interest that falls within the zone of interests to be protected by the legal duty asserted."<sup>24</sup> In other words, the writ of mandamus must be denied if the petitioner will gain no direct benefit from its issuance and suffer no direct detriment if it is denied.<sup>25</sup>

16 CEIC has organizational standing in this matter because (1) its organizational mission was
17 frustrated and (2) it had to divert resources to combat the particular injurious behavior in question.<sup>26</sup>
18 If the writ of mandamus is denied, CEIC will continue to suffer these detriments, and if it is granted,
19 it will gain a direct benefit. Furthermore, CEIC has associational standing in this matter because (1)

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- <sup>24</sup> *Id at* 460-61 (citing *Lindelli v. Town of San Anselmo*, 111 Cal.App.4th 1099, 4 Cal.Rptr.3d 453, 461 (2003)).
- <sup>25</sup> *Id.* (citing *Waste Management v. County of Alameda*, 79 Cal.App.4<sup>th</sup> 1223, 94 Cal.Rptr.2d 740, 747 (2000)).

<sup>26</sup> "An organization may satisfy the <u>Article III</u> requirement of injury in fact if it can demonstrate: (1) frustration of its organizational mission; and (2) diversion of its resources to combat the particular housing discrimination in question." *Smith v. Pac. Props. & Dev. Corp.*, 358 F.3d 1097, 1105 (9th Cir, 2004).

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<sup>21 &</sup>lt;sup>23</sup>451 P.3d 73, at 76 (2019) ("But the Pardons Board cannot answer the legal question presented in this matter, as that is a matter for the courts.)

its members would otherwise have standing to sue in their own right; (2) the interests it seeks to 1 2 protect are germane to the organization's purpose; and (3) neither the claim asserted nor the relief requested requires the participation of individual members in the lawsuit.<sup>27</sup> Finally, because the 3 issues before the Court question whether an executive branch agency engaged in regulatory 4 5 rulemaking outside of the authority granted to the agency pursuant to the Nevada Constitution and statute, the issues are fundamentally about separation-of-powers between the branches of Nevada's 6 government,<sup>28</sup> and CEIC has standing pursuant to the public-importance doctrine as described in 7 Nev. Pol'y Rsch Inst., Inc., v. Cannizarro, 507 P.3d 1203 (2022). 8

9 Antoine Poole, a Nevada resident who has been convicted under the Nevada Revised Statutes
10 of a controlled substance-related offense after the legalization of cannabis in Nevada and who
11 continues to experience collateral consequences because of his conviction, has a direct and
12 substantial interest in obtaining writ relief in this matter.

Plaintiffs have standing in this matter as set forth in this Court's order dated July 26, 2022,
which is based upon the uncontroverted declarations of the Plaintiffs.

II. Article 4, Section 38 of the Constitution of the State of Nevada

This Court has a duty not to create law or policy but rather to interpret the law including the
constitutionality of statutes, statutory schemes, and regulations. Additionally, this Court is beholden
to the laws of the State of Nevada, especially those set forth in the Constitution of the State of
Nevada. Here Petitioners/Plaintiffs have no plain, speedy and adequate remedy in the ordinary
course of law, and there is no other legal method to challenge the Board's misclassification of

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<sup>&</sup>lt;sup>27</sup> "[W]e have recognized that an association has standing to bring suit on behalf of its members when: (a) its members would otherwise have standing to sue in their own right; (b) the interests it seeks to protect are germane to the organization's purpose; and (c) neither the claim asserted nor the relief requested requires the participation of individual members in the lawsuit." *Hunt v. Washington State Apple Advertising Comm'n*, 432 U.S. 333, 343, 97 S.Ct. 2434, 53 L.Ed.2d 383 (1977). *Greater Birmingham Ministries v. Sec'y of State for State of Alabama*, 992 F.3d 1299, 1316 (11th Cir. 2021).

<sup>&</sup>lt;sup>28</sup> See Roberts v. State, 104 Nev. 33, 36-40 (1988) (finding that agency regulation invalidated due to falling outside the agency's authority violated the separation-of-powers doctrine); *West Virginia v. EPA*, 142 S. Ct. 2587, 2609 (2022) (finding that invalid EPA regulation implicated separation-of-powers doctrine).

marijuana, cannabis, and cannabis derivatives as Schedule I substances. Thus, relief pursuant to a 2 writ of mandamus is appropriate.

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Article 4, Section 38 of the Nevada Constitution, "Use of Plant of genus Cannabis for medical purposes," specifically refers to the use of cannabis by a patient, upon the advice of a physician, for the treatment or alleviation of various medical conditions, recognizing under Nevada law that there is an accepted use of cannabis for medical treatment.

Regulations passed by the Board of Pharmacy, including the designation of substances as 7 Schedule I pursuant to the agency's rulemaking authority, cannot violate the Nevada Constitution. 8 9 The Nevada Legislature, through NRS 453.211(1)(a), has conferred a duty upon the Board of Pharmacy to follow NRS 453.166 when classifying substances as Schedule I substances. Under NRS 10 453.166, the Board of Pharmacy may only designate a substance as a Schedule I substance if it 11 determines that the substance "has high potential for abuse and has no accepted medical use in 12 treatment in the United States or lacks accepted safety for use in treatment under medical 13 supervision." (Emphasis added). The Board of Pharmacy is mandated to review the schedule 14 annually and maintain a list of current schedules.<sup>29</sup> Given the mandate that the Board review the 15 schedule annually, its failure to remove marijuana, cannabis, and cannabis derivatives as Schedule I 16 substances year after year is an affirmation that they satisfy both requirements under NRS 453.166. 17 However, such a conclusion is erroneous given that in 1998, Nevada recognized marijuana as having 18 medical use in treatment under Article 4, Section 38 of the Nevada Constitution.<sup>30</sup> 19

20 Because the Board's misclassification of marijuana, cannabis, and cannabis derivatives in NAC 453.510(4), NAC 453.510(9), and NAC 453.510(10) is in direct contradiction with Article 4, 21 Section 38 of the Nevada Constitution, the misclassification is unconstitutional and must be declared 22 invalid. The clash between Nevada's explicit recognition of marijuana's acceptable use in medical 23 24 treatment, which is enshrined in the Nevada Constitution, and the Board's classification of

27 <sup>30</sup> Section 38 not only recognizes that marijuana has accepted medical use in treatment, but it also explicitly lists disorders marijuana must be available to treat. 28

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<sup>25</sup> <sup>29</sup> NRS 453. 211(1)(a): "The Board shall review the schedule annually and maintain a list of current schedules." 26

marijuana, cannabis, and cannabis derivatives as Schedule I substances due to the substances having no accepted medical use in treatment presents an important constitutional question. Therefore, the Board exceeded its authority when it placed, or failed to remove marijuana, cannabis, and cannabis derivatives on its list as Schedule I substances and NAC 453.510 (4), NAC 453.510(9), and NAC 453.510(10) must be amended to reflect this change.

The term "in the United States" as used in NRS 453.166 refers to the geographical confines 6 of the United States, of which Nevada is part. As such, because Nevada law finds that cannabis is 7 acceptable for medical treatment, it cannot be designated a Schedule I substance. Furthermore, the 8 9 Court finds that it is bound to follow Nevada law, including Article 4, Section 38 of the Nevada Constitution and NRS 453.166, not secondary sources published by federal agencies and medical 10 journals.

This Court is not persuaded by Respondents/Defendants argument that Petitioners/Plaintiffs 12 13 are barred from seeking relief because the regulations at issue have been in force for twenty-two years since the passage of Article 4, Section 38. "Unlawful acts, performed long enough with 14 sufficient vigor, are never enough to amend the law."<sup>31</sup> 15

16 To ensure that this Court's order is effective immediately and that marijuana, cannabis, and cannabis derivatives will no longer be considered Schedule I substances under Nevada law, 17 Petitioners/Plaintiffs urged this Court to order the Board of Pharmacy to comply with NAC 639.110 18 to ensure that Nevada agencies do not consider the regulations active while the Board follows the 19 20 procedures necessary to amend its list of Schedule I substances. This Court, however, declines to rule on the merits of this argument because as the Board points out, the listing of marijuana, 21 cannabis, and cannabis derivatives in Schedule I no longer has any legal effect with the issuance of 22 this order. See State v. Eastabrook, 3 Nev. 173, 180 (1867) (finding that "if a law passed by the 23 24 legislature be constitutional as to part of its provisions and unconstitutional as to others, the unobjectionable portion may stand, if by rejecting that which is unconstitutional, the whole object 25 and effect of the law is not destroyed."). 26

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<sup>31</sup> McGirt v. Oklahoma, 140 S. Ct. 2452, 2482 (2020).

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### **CONCLUSIONS OF LAW REGARDING THE RESERVED RULING**

relief and the writ of mandamus and is therefore dismissed.

(Petition/Compl.  $\P 63 - 66$ ), is most as the claims in this matter have been resolved via declaratory

Petitioners/Plaintiffs are entitled to declaratory relief that the Board's scheduling of cannabis

as a Schedule I substance is in direct contradiction with the Nevada Constitution and violates NRS

453.166 and writ relief ordering the Board to remove cannabis from its list of Schedule I substances.

The remainder of the Complaint, insofar as it pertains to the request for injunctive relief

The scope of a Nevadan administrative agency's authority is limited to the matters that the 8 9 Nevada State Legislature has expressly or implicitly delegated to the agency, and "an administrative agency cannot enlarge its own jurisdiction." City of Reno v. Civil Serv. Comm'n of Reno, 117 Nev. 10 855, 858 (2001). While an administrative body may make rules and regulations calculated to carry 11 into effect the expressed legislative intention, it may only do so within "prescribed limits and when 12 13 authorized by the law-making power." Cashman Photo Concessions & Labs v. Nev. Gaming *Comm'n*, 91 Nev. 424, 428, 538 P.2d 158, 160 (1975). However, regulations that are unauthorized 14 by the law-making power or go beyond the limits prescribed by the Legislature are invalid. See Id. If 15 16 authority to regulate on a particular matter is not explicitly delegated to an agency, the agency must have implicit authority for the action, but "[f]or implied authority to exist, the implicitly authorized 17 act must be essential to carrying out an express duty." Stockmeier v. State, 127 Nev. 243, 248, 255 18 P.3d 209, 212 (2011). 19

20 Before the Board may designate a substance as a "controlled substance", the Nevada Legislature must delegate the necessary authority to the Board.<sup>32</sup> If the Board designates a substance 21 as a "controlled substance" but the designation falls outside the authority delegated by the 22 Legislature, the designation is invalid.<sup>33</sup> 23

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<sup>32</sup> See Miller v. Jacobson, 104 Nev. 600, 763 P.2d 356, 358-359 (1988) (holding State could not prosecute a defendant for possessing a substance that was improperly scheduled by the Board as a 27 controlled substance).  $^{33}$  Id

cannabis, and cannabis derivatives pursuant to the Board in 1981, the Board no longer has the

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While the Legislature may have delegated the general authority to regulate marijuana,

1	authority to regulate those substances because they are now regulated pursuant to NRS Title 56		
2	"Regulation of Cannabis".		
3	As the Board of Pharmacy acknowledges, Title 56, stretching across four chapters of the		
4	Nevada Revised Statutes, <sup>34</sup> provides a comprehensive regulatory regime for cannabis used		
5	recreationally and medically. Every aspect of cannabis production, transportation, distribution, sale,		
6	and use is governed by the provisions in Title 56.		
7	Relevant to this matter, Title 56 explicitly describes what Nevada executive agencies are		
8	involved in this regulatory regime and the extent of their regulatory authority. Under Title 56:		
9	• The Cannabis Compliance Board is <i>explicitly</i> authorized to "adopt regulations		
10	necessary or convenient to carry out the provisions of [Title 56]." <sup>35</sup> NRS 678A.450(1). This authority includes the regulation of "medical cannabis dispensaries" as defined by		
11	NRS 678A.175 and the "medical use of cannabis" as defined by NRS 678A.215.		
12	• The Cannabis Advisory Commission is <i>explicitly</i> authorized to make		
13	"recommendations to the Cannabis Compliance Board regarding the regulation of, cannabis and any activity related to the cannabis" and <i>explicitly</i> placing the Directors		
14	of the Departments of Public Safety and Taxation on the Commission. NRS 678A.300(1).		
15	• The Nevada Division of Public and Behavioral Health is <i>explicitly</i> authorized to		
16	promulgate regulations related to "the issuance of registry identification cards and		
17	letters of approval to persons" eligible for medical cannabis under Nevada law. NRS 678B.640.		
18	• The Nevada Department of Taxation is <i>explicitly</i> authorized to conduct tax audits on		
19	licensees under Title 56 and to determine the fair market value of wholesale cannabis. NRS 678A.480; NRS 678B.640; and		
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21	• Local governments are <i>explicitly</i> authorized to adopt and enforce local cannabis control measures pertaining to zoning and land use for adult-use cannabis establishments. NRS		
22	678D.510(1)(d).		
23	In the single instance a provision outside of NRS Title 56 authorizes a State agency to regulate an		
24	aspect of the cannabis market (NRS 586.550(2) authorizes the Department of Agriculture to		
25	promulgate regulations regarding what pesticides may be used on cannabis or cannabis products),		
26			
27	<sup>34</sup> NRS Chapters 678A–D.		
28	<sup>35</sup> The breadth and scope of the NRS Title 56 is in its title: "Regulation of Cannabis".		

the provision provides explicit authorization similar to its counterparts in NRS Title 56. In contrast,
 the Board of Pharmacy has not received similar explicit authorization to regulate *any* aspect of the
 cannabis market, let alone in a manner that would subject Nevadans to significant criminal penalties
 for sale or possession of cannabis. In fact, the Board of Pharmacy is not referenced once in the four
 chapters that comprise Title 56.

Considering the Board of Pharmacy's primary role is to regulate pharmacies and substances 6 distributed from those institutions, the Board's absence from Title 56 is unsurprising as the 7 substances governed by that Title may only be distributed through dispensaries licensed by the 8 Cannabis Compliance Board, not pharmacies.<sup>36</sup> This restriction applies to both medical and 9 recreational cannabis.<sup>37</sup> This means that even if the Board of Pharmacy designated cannabis as a 10 substance that a pharmacy could theoretically distribute pursuant to the Board's regulations, 11 pharmacies would still be barred from doing so pursuant to Title 56. Furthermore, presumably 12 13 cannabis distributed through pharmacies would be limited to medical use, but the Board itself has acknowledged that it "has no jurisdiction over the medical use of marijuana."<sup>38</sup> 14

15 The Board of Pharmacy's argument that the Nevada Legislature was required to explicitly 16 inform the Board that it was not included in cannabis's current regulatory regime is unconvincing. 17 This position inverts the relationship between the Legislative and Executive branches of 18 government. The manner in which Nevada law regulated cannabis underwent a paradigm shift with 19 the passage of the *Initiative*, the enactment of Title 56, and the creation of the Cannabis Compliance 20 Board to coordinate the cannabis market, and the explicit delegation of cannabis regulation to 21 existing agencies that were not the Board. Every aspect of the cannabis market was accounted for

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<sup>37</sup> Id.

 <sup>&</sup>lt;sup>36</sup> NRS 678A.450(1) (authorizing the Cannabis Compliance Board to regulate the dispensation of
 both medical and recreational cannabis); NRS 678B.210(1) (requiring any person engaging in the
 business of a medical cannabis establishment to hold a medical cannabis establishment license
 issued by the Cannabis Compliance Board); NRS 678B.250(1) (requiring any person engaging in the
 business of an adult-use cannabis establishment to hold an adult-use cannabis establishment license
 issued by the Cannabis Compliance Board)

 <sup>&</sup>lt;sup>38</sup> Nevada State Board of Pharmacy, *Practice Frequently Asked Questions*, https://bop.nv.gov/resources/FAQ/Practice\_FAQ/ (August 17, 2022).

under the new regime without the Board's inclusion. Under such circumstances, it is on the Board, not the Legislature, to explain how it still has the authority to regulate the subject matter governed by NRS Title 56, and it has failed to do so.

The Board's claim that its authority to list marijuana, cannabis, and cannabis derivatives as controlled substances in Schedule II, III, IV, or V does not conflict with Title 56 is also unconvincing. The Board's authority to regulate marijuana, cannabis, and cannabis derivatives under NRS Chapter 453 is inconsistent with Title 56 as explained above. And as the Board itself admits, Section 214 of AB 533 amended NRS 453.005 to read: "[t]he provisions of this chapter do not apply

9 to the extent that they are inconsistent with the provisions of title 56 of NRS." The fact that NRS Chapter 453 governs the unlawful possession, trafficking or production of marijuana does not 10 support a finding that the Board, therefore, still has the authority to regulate marijuana. It is 11 important to reiterate that Title 56 created a comprehensive regulatory scheme that excluded the 12 Pharmacy Board entirely. 13

Furthermore, the Nevada Supreme Court, on multiple occasions, has clarified that a 14 subsequent statute may repeal a prior statute by implication when the subsequent statute expresses a 15 16 comprehensive plan to regulate the particular subject matter in question. See Washington v. State, 117 Nev. 735, 739, 30 P.3d 1134, 1137 (2001) (holding that "if a subsequent statute expresses a 17 comprehensive plan to regulate a particular subject matter, this may repeal prior statutes that deal 18 with smaller aspects of that plan") (citations omitted)). The regulatory framework created by Title 19 20 56 is not only comprehensive, but it also fails to empower the Board of Pharmacy with any explicit authority to regulate any aspect of marijuana. Notably, the regulatory framework expressly 21 authorizes numerous other government boards with the power the regulate marijuana, but not the 22 Board of Pharmacy. 23

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This order is limited to substances governed by Title 56. It does not apply to substances that are not regulated pursuant to the regime prescribed by Title 56 and so may still be distributed through pharmacies as the regulation of such substances still fall within the authority delegated to 26 the Board of Pharmacy by the Nevada Legislature. 27

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1	ORDER	
2	THEREFORE, IT IS HEREBY ORDERED:	
3	1. Cannabis, as defined by NRS 678A.085, has accepted medical use in treatment as set	
4	forth in the Constitution of the State of Nevada, Article 4, Section 38, titled "Use of plant of genus	
5	Cannabis for medical purposes";	
6	2. The accepted medical use of cannabis enshrined in the Constitution of the State of	
7	Nevada, Article 4, Section 38 precludes cannabis from regulation as a Schedule I substance pursuant	
8	to the definition of a Schedule I substance set forth in NRS 453.166;	
9	3. The scheduling of cannabis as a Schedule I substance is in direct conflict with Article	
10	4, Section 38 of the Constitution of the State of Nevada and violates NRS 453.166;	
11	4. Any and all provisions under NAC 453.510 scheduling cannabis as a Schedule I	
12	substance, specifically NAC 453.510(4) where cannabis is listed as "Marijuana;" NAC 453.510(9)	
13	which references "tetrahydrocannabinols;" and NAC 453.510(10) which discusses "CBD;" as well	
14	as any and all other references to marijuana, cannabis, and cannabis derivatives, are invalid pursuant	
15	to Article 4, Section 38 of the Constitution of the State of Nevada;	
16	5. The Legislature's directive as set forth in NRS 453.211(1)(a) that, "The Board shall	
17	review the schedules annually and maintain a list of current schedules," requires the Nevada Board	
18	of Pharmacy to update the schedule of controlled substances to comply with the Nevada Constitution	
19	and conform with the statutory definitions of each schedule;	
20	6. The Nevada Board of Pharmacy acted outside of its authority when it failed to	
21	remove cannabis from the list of Schedule I substances upon the enactment of Article 4, Section 38	
22	of the Constitution of the State of Nevada, which recognizes the use of cannabis for medical	
23	treatment;	
24	7. The Nevada Board of Pharmacy is hereby ordered to remove cannabis from the list of	
25	Schedule I substances, specifically from NAC 453.510(4) where it is listed as "Marijuana", NAC	
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453.510(9) which references "tetrahydrocannabinols", and NAC 453.510(10) which discusses 1 2 "CBD", as well as any and all other references to marijuana, cannabis, and cannabis derivatives;<sup>39</sup> 8. The listing of marijuana, cannabis, and cannabis derivatives in Schedule I under NAC 3 453.510 no longer has any legal effect; 4 9. 5 The Nevada Board of Pharmacy is hereby ordered to cease the regulation of substances subject to regulation pursuant to Title 56; and 6 10. If any substances regulated pursuant to Title 56 are currently scheduled as a 7 controlled substance, the Board must remove such substance from the agency's schedule of 8 9 controlled substances. Petitioners' Petition for Writ of Mandamus and Request for Declaratory Relief is 10 **GRANTED**. 11 Dated this 26th day of October. 2022 12 13 14 15 FF8 A68 E46D 92DE Joe Hardy District Court Judge 16 17 18 19 20 21 22 23 24 25 26 <sup>39</sup> NAC 639.110 "When any regulation adopted by the Board and filed with the Secretary of State expires by its own terms, is repealed or is declared unconstitutional by a court of competent 27 jurisdiction, the Executive Secretary shall so inform the Secretary of State and request that it be 28 placed in an inactive file."

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2	CSERV	
3		ISTRICT COURT K COUNTY, NEVADA
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6	Cannabis Equity and Inclusion	CASE NO: A-22-851232-W
7	Community, Plaintiff(s)	DEPT. NO. Department 15
8	VS.	
9	Nevada ex reL. Board of Pharmacy, Defendant(s)	
10		
11	AUTOMATED	<b>CERTIFICATE OF SERVICE</b>
12		
13	Court. The foregoing Order was served	ervice was generated by the Eighth Judicial District d via the court's electronic eFile system to all
14	recipients registered for e-Service on t	he above entitled case as listed below:
15	Service Date: 10/26/2022	
16	Ashley Balducci	abalducci@ag.nv.gov
17	Luke Rath	lrath@ag.nv.gov
18	Emily Bordelove	ebordelove@ag.nv.gov
19 20	Peter Keegan	p.keegan@pharmacy.nv.gov
20	William Kandt	bkandt@pharmacy.nv.gov
22	Sadmira Ramic	ramic@aclunv.org
23	Christopher Peterson	peterson@aclunv.org
24		
25		
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28		
		APP0063

			Electronically Filed 11/23/2022 9:21 AM Steven D. Grierson
1	NOAS BRETT KANDT (Bar No. 5384)		CLERK OF THE COURT
2	General Counsel		Oliver
3	<u>bkandt@pharmacy.nv.gov</u> PETER K. KEEGAN (Bar No. 12237)		
4	Assistant General Counsel		
5	<u>p.keegan@pharmacy.nv.gov</u> State of Nevada, Board of Pharmacy		
6	985 Damonte Ranch Parkway – Suite 206 Reno, NV 89521		
7	TEL: (775) 850-1440		
8	Attorneys for Respondent/Defendant		
9	EIGHTH JUDICL	AL DISTRICT COUR	Т
10	CLARK CO	UNTY, NEVADA	
11	CANNABIS EQUITY AND INCLUSION		
12	COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE,	Case No. A-22-85	1232-W
13	an individual,	Dept. No. 15	
14	Petitioners/Plaintiffs,		
15	VS.		
16 17	STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State of Nevada		
18	Respondent/Defendant.		
19	NOTICE	OF APPEAL	
20	NOTICE IS HEREBY GIVEN that THE STATE OF NEVADA ex rel. its BOARD		
21	OF PHARMACY, hereby appeals pursuant to NRAP 3 to the Nevada Supreme Court from		
22	the Judgment and Order Granting Petition for Writ of Mandamus and Request for		
23	Declaratory Relief entered on October 26, 2022. The Notice of Entry of Order in this		
24	matter was filed on October 26, 2022.		
25			
26			
27			
28			
	Pa	ge 1 of 3	APP0064
	Case Number: A-22-851232-W		

1       Respectfully submitted this 23 <sup>rd</sup> day of November 2022.         2       Pursuant to NRS 239B.030 I affirm that this document does not contain personal information.         4       Brett Kandt         5       Brett Kandt (Bar No. 5384)         6       General Counsel         7       Assistant General Counsel         8       Attorneys for Respondent/Defendant         9       Assistant General Counsel         10       Assistant General Counsel         11       General Counsel         12       Assistant General Counsel         13       General Counsel         14       General Counsel         15       General Counsel         16       General Counsel         17       General Counsel         18       General Counsel         19       General Counsel         20       General Counsel         21       General Counsel         22       General Counsel         23       General Counsel         24       General Counsel         25       General Counsel         26       General Counsel         27       General Counsel         28       General Counsel         29 </th <th></th> <th></th>				
3       information.         4       By: /s/ Brett Kandt         5       Brett Kandt (Bar No. 5384)         6       General Counsel         6       Peter K. Keegan (Bar No. 12237)         7       Assistant General Counsel         8       Assistant General Counsel         9       Assistant General Counsel         10       Assistant General Counsel         11       Interneys for Respondent / Defendant         12       Interneys for Respondent / Defendant         13       Interneys for Respondent / Defendant         14       Interneys for Respondent / Defendant         15       Interneys for Respondent / Defendant         16       Interneys for Respondent / Defendant         17       Interneys for Respondent / Defendant         18       Interneys for Respondent / Defendant         19       Interneys for Respondent / Defendant         19       Interneys for Respondent / Defendant         11       Interneys for Respondent / Defendant         12       Interneys for Respondent / Defendant         13       Interneys for Respondent / Defendant         14       Interneys for Respondent / Defendant         15       Interneys for Respondent / Defendat         16	1	Respectfully submitted this 23 <sup>rd</sup> day of November 2022.		
4       By: /s/ Brett Kandt         5       General Counsel         6       Peter K. Keegan (Bar. No. 12237)         7       Assistant General Counsel         8       Attorneys for Respondent/Defendant         9       Attorneys for Respondent/Defendant         10       Assistant General Counsel         11       Attorneys for Respondent/Defendant         12       Assistant General Counsel         13       Attorneys for Respondent/Defendant         14       Attorneys for Respondent / Defendant         15       Assistant General Counsel         16       Attorneys for Respondent / Defendant         17       Assistant General Counsel         18       Attorneys for Respondent / Defendant         19       Assistant General Counsel         20       Assistant General Counsel         21       Assistant General Counsel         22       Assistant General Counsel         23       Assistant General Counsel         24       Assistant General Counsel         25       Assistant General Counsel         26       Assistant General Counsel         27       Assistant General Counsel	2	Pursuant to NRS 239B.030 I affirm that this document does not contain personal		
5     Brett Kandt (Bar No. 5384)       6     Peter K. Keegan (Bar. No. 12237)       7     Assistant General Counsel       8     Attorneys for Respondent / Defendant       9     10       10     11       12     13       13     14       15     16       17     13       18     19       20     21       21     22       23     24       25     26       27     26	3	information.		
General Counsel           Peter K. Keegan (Bar. No. 12237)           Assistant General Counsel           Attorneys for Respondent/Defendant           8           9           10           11           12           13           14           15           16           17           18           19           20           21           22           23           24           25           26           27	4	By: <u>/s/ Brett Kandt</u>		
6       Peter K. Keegan (Bar. No. 12237)         7       Assistant General Counsel         8       9         9       9         10       9         11       10         12       10         13       14         15       16         16       17         18       19         20       20         21       20         22       23         24       25         25       26         27       1	5			
7     Attorneys for Respondent/Defendant       8     9       9     10       10     11       12     12       13     14       14     15       15     16       17     1       18     1       19     1       20     1       21     1       22     1       23     1       24     1       25     1       26     1       27     1	6	Peter K. Keegan (Bar. No. 12237)		
9           10           11           12           13           14           15           16           17           18           19           20           21           22           23           24           25           26           27           28           29           201           212           213           214           215           216           217           218           219           220           221           222           233           244           255           256           257           258           259           251           252           253           254           255           256           257           258           259           250           251           252 </td <td>7</td> <td></td>	7			
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12         13         14         15         16         17         18         19         20         21         22         23         24         25         26         27         28         29         20         21         22         23         24         25         26         27         28         29         20         21         22         23         24         25         26         27          28          29          210          220          231          242         253         263         274          275	10			
13         14         15         16         17         18         19         20         21         22         23         24         25         26         27	11			
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1	CERTIFICATE OF SERVICE
2	I certify that I am an employee of the Nevada State Board of Pharmacy, and that on
3	this 23 <sup>rd</sup> day of November 2022, I served a true and correct copy of the foregoing document
4	by electronic service though the Court's electronic filing system to the following:
5	Sadmira Ramic, Esg.
6	Christopher M. Peterson, Esq.
7	Sophia Romero, Esq. American Civil Liberties Union of Nevada
8	601 South Rancho Drive, Suite B-11
9	Las Vegas, NV 89106 Email: <u>ramic@aclunv.org</u>
10	peterson@aclunv.org romero@aclunv.org
11	Attorneys for Petitioners/Plaintiffs
12	
13	/s/ Brett Kandt BRETT KANDT
14	General Counsel Nevada State Board of Pharmacy
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1     2     3     4     5     6     7     8     9	MSTY BRETT KANDT (Bar No. 5384) General Counsel <u>bkandt@pharmacy.nv.gov</u> PETER K. KEEGAN (Bar No. 12237) Assistant General Counsel <u>p.keegan@pharmacy.nv.gov</u> State of Nevada, Board of Pharmacy 985 Damonte Ranch Parkway – Suite 206 Reno, NV 89521 TEL: (775) 850-1440 Attorneys for Respondent/Defendant EIGHTH JUDICI	Electronically Filed 11/23/2022 10:45 AM Steven D. Grierson CLERK OF THE COURT	
10	EIGHTH JUDICIAL DISTRICT COURT CLARK COUNTY, NEVADA		
11 12 13 14 15 16 17 18	CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE, an individual, Petitioners/Plaintiffs, vs. STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State of Nevada Respondent/Defendant.	Case No. A-22-851232-W Dept. No. 15 HEARING REQUESTED	
19 20	RESPONDENT/DEFENDANT'S MOTION TO STAY JUDGMENT AND ORDER PENDING APPEAL		
21	Respondent/Defendant State of Nevada ex rel. Board of Pharmacy ("Board"), by and		
22	through its attorneys, Brett Kandt, General Counsel, and Peter K. Keegan, Assistant		
23	General Counsel, hereby submits this motion to stay the Judgment and Order Granting		
24	Petition for Writ of Mandamus and Request for Declaratory Relief ("Judgment and Order")		
25	entered by the Court on October 26, 2022.	This motion is made pursuant to NRAP 8 and	

NRCP 62 and based upon the following points and authorities and the papers and pleadings
on file herein.

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1	NOTICE OF MOTION			
2	PLEASE TAKE NOTICE that the foregoing motion will be heard before the above-			
3	captioned Court on, 2022, ata.m./p.m.			
4	By: /s/ Brett Kandt			
5	Brett Kandt (Bar No. 5384) General Counsel			
6	Peter K. Keegan (Bar. No. 12237) Assistant General Counsel			
7	Attorneys for Respondent/Defendant			
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#### MEMORANDUM OF POINTS AND AUTHORITIES

#### **I. PROCEDURAL HISTORY**

On October 26, 2022, the Court entered the Judgment and Order granting Petitioners declaratory and writ relief, ruling in pertinent part that the listing of marijuana, cannabis, and cannabis derivatives (hereinafter "marijuana") as Schedule I controlled substances in NAC 453.510 (4), (9) and (10) is in direct conflict with Nev. Const. art. 4, § 38 and violates NRS 453.166, and ordering that marijuana be removed from NAC 453.510 and that the Board "cease the regulation of substances subject to regulation pursuant to Title 56" of NRS. The Board has filed a Notice of Appeal from the Judgment and Order concurrently with this motion.

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#### II. LEGAL STANDARD

"In the ordinary course of civil appeals, an appellant must comply with NRCP 8(a) which provides that an application for stay of a judgment or order must typically be made to the district court." *State ex rel. Pub. Serv. Comm'n v. First Judicial Dist. Court*, 94 Nev. 42, 44, 574 P.2d 272, 273-74 (1978) cited in *Clark Cty. Office of the Coroner/Medical Exam'r v. Las Vegas Review-Journal*, 134 Nev. 174, 177, 415 P.3d 16, 19 (2018). "When an appeal is taken by the State . . . and the operation or enforcement of the judgment is stayed, no bond, obligation, or other security shall be required from the appellant." *Id*.

When considering a stay, courts weigh a number of factors: (1) whether the object of the appeal will be defeated if the stay is denied; (2) whether petitioner will suffer irreparable injury if the stay is denied; (3) whether the real party in interest will suffer irreparable injury if the stay is granted; and (4) whether petitioner is likely to prevail on the merits of the appeal. NRAP 8(c). No single factor is dispositive and, "if one or two factors are especially strong, they may counterbalance other weak factors." *Mikohn Gaming Corp. v. McCrea*, 120 Nev. 248, 251, 89 P.3d 36, 38 (2004).

#### III. ARGUMENT

The Judgment and Order represents a tectonic shift in State law with repercussions far beyond the scope of the Board's jurisdiction: it impacts State regulation of marijuana altogether, the delineation of what may or may not constitute criminal conduct and, ultimately, public safety. Questions of whether an irreconcilable conflict exists between Nev. Const. art. 4, § 38, NRS 453.166, and NAC 453.510, and of whether the Board has any authority to schedule marijuana as a controlled substance, are issues of first impression, implicating the separation of powers, involving constitutional and statutory interpretation, with far-reaching ramifications. A stay is in the best interests of the State pending resolution of the Board's appeal.

## A. Denying the stay will defeat the object of the appeal and result in irreparable injury to the public caused by legal ambiguity over the status of marijuana under State law.

Rendering portions of NAC 453.510 unenforceable and requiring the Board to commence the administrative rulemaking process to remove marijuana from Schedule I even as the Board seeks appellate review of the Judgment and Order will create a layer of legal uncertainty where none existed before, thrusting Nevada into a legal "no man's land" as to the status of marijuana outside of NRS Title 56. This results in part from the language and scope of NRS Chapter 453, and in part from the requirements of the Administrative Procedure Act, NRS Chapter 233B.

Due to the timing of the Judgment and Order, the Board must first adopt a temporary regulation suspending the listing of marijuana in Schedule I. NRS 233B.063(3). Such a temporary regulation would expire by limitation on November 1, 2023. *Id.*; see also *Progressive Leadership All. of Nev. v. Cegavske*, No. 85434, 2022 Nev. Unpub. LEXIS 780 \*2 (Oct. 25, 2022). Thereafter, a permanent regulation removing marijuana from NAC 453.510 (4), (9) and (10) must be adopted after July 1, 2023, following all the procedural formalities required by NRS Chapter 233B. Should the Board ultimately prevail on appeal, this would then necessitate amending NAC 453.510 to place marijuana *back* into Schedule I, a task comparable to putting toothpaste back in the tube or unscrambling an egg.

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Page 4 of 8

The peril of requiring the Board to amend NAC 453.510 at this juncture is further evidenced in that the Court has also ruled that "the Board no longer has the authority to regulate [marijuana, cannabis, and cannabis derivatives] because they are now regulated pursuant to NRS Title 56." Judgment and Order at 13:25-14:1. If marijuana falls within the exclusive jurisdiction of Title 56, this raises the question of whether the Board even possesses the authority to remove marijuana from NAC 453.510, or whether this requires an act by the Nevada Legislature.<sup>1</sup> Furthermore, NRS 453.2182 mandates that, in the absence of any objection, the Board *shall* designate a substance consistent with federal law without making the findings required by NRS 453.166. Marijuana remains a Schedule I controlled substance under federal law, 21 CFR § 1308.11. The Board must navigate these legal straits in an effort to comply with the Judgment and Order.

"Administrative agencies have only those powers which the legislature expressly or implicitly delegates." *Clark Cty. v. Equal Rights Comm'n*, 107 Nev. 489, 492, 813 P.2d 1006, 1007 (1991) (citing *Andrews v. Nevada State Board of Cosmetology*, 86 Nev. 207, 208, 467 P.2d 96, 96 (2007). "Official powers of an administrative agency cannot be assumed by the agency, nor can they be created by the courts in the exercise of their judicial function. The grant of authority to the agency must be clear." *Andrews*, 86 Nev. at 208, 467 P.2d at 97. If the Judgment and Order is upheld on appeal, this will clear the way for the procedural housekeeping of removing marijuana from NAC 453.510. However, if the Board is confronted with a legal challenge to its authority to deschedule marijuana while the appeal pending, this will only murk the waters.

## B. Petitioners/Plaintiffs will suffer no irreparable injury if the stay is granted.

A stay will have no immediate nor irreparable impact on Petitioners/Plaintiffs Cannabis Equity and Inclusion Community ("CEIC") and Antoine Poole. The Court ruled that CEIC has associational standing, organizational standing and standing under the

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<sup>&</sup>lt;sup>1</sup>This is also seemingly incongruous given the absence of marijuana from the list of substances that the Board is expressly prohibited from scheduling under NRS 453.2186.

public-importance doctrine on based upon CEIC's efforts in assisting individuals with prior
 cannabis-related criminal convictions, and that Poole has standing based upon his prior
 felony conviction for possession of marijuana pursuant to NRS 453.336. Judgment and
 Order at 2:6-20 and 9:16-10:14. Those prior convictions will not be affected by a stay.

### C. The Board presents a substantial case on the merits involving serious legal questions.

With regard to the merits of the Board's appeal, the Nevada Supreme Court has previously stated:

"[A] movant does not always have to show a probability of success on the merits, the movant must 'present a *substantial case* on the merits when a serious legal question is involved and show that the balance of equities weighs heavily in favor of granting the stay."

Hansen v. 8<sup>th</sup> Judicial Dist. Ct., 116 Nev. 650, 659, 6 P.3d 982, 987 (2000) (quoting Ruiz v. Estelle, 650 F.2d 555, 565 (5th Cir. 1981)) (emphasis added). This appeal concerns two serious legal questions.

First, whether listing marijuana in Schedule I directly conflicts with Nev. Const. art. 4, § 38 or NRS 453.166(2), which turns upon whether the constitutional right of a patient in Nevada to use marijuana "upon the advice of a physician" equates to marijuana having "accepted medical use in treatment in the United States."<sup>2</sup> Second, whether the Board retains any authority to regulate substances subject to regulation pursuant to NRS Title 56, or if that authority was repealed by implication.<sup>3</sup>

<sup>3</sup> In 1981 the Nevada Legislature empowered the Board of Pharmacy to designate, by regulation, the substances to be contained in each schedule. *See* 1981 Nev. Stats. ch. 402 §§ 1-39 at 734-750; *see also Miller v. Jacobson*, 104 Nev. 600, 602, 763 P.2d 356, 357 (1988); *Sheriff, Clark Cty. v. Luqman*, 101 Nev. 149, 153-54, 697 P.2d 107, 110 (1985).

<sup>9</sup> re 0 56 1 2 \_\_\_\_\_ 3 Ne 4 co

<sup>&</sup>lt;sup>2</sup> The Nevada Supreme Court's recent decision in *Ceballos v. NP Palace, LLC*, 138 Nev. Adv. Op. 58, 514 P.3d 1074 (2022), casts some level of doubt on this Court's legal conclusion that since Nevada falls within the geographical confines of the United States, whether a substance has "accepted medical use in treatment in the United States" can be determined solely under State law.

These are important issues of first impression, which the Court itself framed as "fundamentally about separation-of-powers between the branches of Nevada's government." Judgment and Order at 10:3-7. The merits of this case largely center upon interpretation of a constitutional amendment which is arguably susceptible to two or more reasonable but inconsistent interpretations. *See Educ. Freedom Pac v. Reid*, 138 Nev. Adv. Op. 47, 512 P.3d 296, 302 (2022). The merits also involve complex determinations of whether the Board's long-standing authority to schedule marijuana has been repealed by implication. *See Washington v. State*, 117 Nev. 735, 739, 30 P.3d 1134, 1137 (2001). Accordingly, the Board has at a minimum, made "a substantial case on the merits" and the balance of equities weighs in favor of granting a stay. *See also Rubio v. State*, 124 Nev. 1032, 1041, 194 P.3d 1224, 1230 (2008) ("When deciding an issue of first impression, this court exercises its review de novo, and we commonly turn to other jurisdictions for guidance.")

#### **IV. CONCLUSION**

Based upon the foregoing, the State respectfully requests that the Judgment and Order be stayed pending resolution of the Board's appeal to the Nevada Supreme Court. Respectfully submitted this 23<sup>rd</sup> of November 2022.

Pursuant to NRS 239B.030 I affirm that this document does not contain personal information.

By: <u>/s/ Brett Kandt</u> Brett Kandt (Bar No. 5384) General Counsel Peter K. Keegan (Bar. No. 12237) Assistant General Counsel Attorneys for Respondent/Defendant

1	CERTIFICATE OF SERVICE
$\frac{1}{2}$	I certify that I am an employee of the Nevada State Board of Pharmacy, and that on
3	this 23 <sup>rd</sup> day of November 2022, I served a true and correct copy of the foregoing document
4	by electronic service though the Court's electronic filing system to the following:
	by creetronic service though the court's creetronic ming system to the following.
5	Sadmira Ramic, Esq. Christopher M. Peterson, Esq.
6	Sophia Romero, Esq.
7	American Civil Liberties Union of Nevada 601 South Rancho Drive, Suite B-11
8	Las Vegas, NV 89106
9	Email: <u>ramic@aclunv.org</u> <u>peterson@aclunv.org</u>
10	romero@aclunv.org Attorneys for Petitioners/Plaintiffs
11	Auomeys joi remuoners/rummijs
12	
13	<u>/s/ Brett Kandt</u> BRETT KANDT General Counsel
14	Nevada State Board of Pharmacy
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10	EIGHTH JUDICIAL DISTRICT COURT		
11	CLARK COUNTY, NEVADA		
12	CANNADIS FOLIETY AND INCLUSION		
	CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic nonprofit Case No.: A-22-851232-W		
13	corporation; ANTOINE POOLE, an individual,		
14	Department: 15 Petitioners/Plaintiffs,		
15			
16	VS.		
	STATE OF NEVADA ex rel. BOARD OF		
17	PHARMACY, a public entity of the State of		
18	Nevada,		
19	Respondent/Defendant.		
20	PETITIONERS'/PLAINTIFFS' OPPOSITION TO RESPONDENT'S/DEFENDANT'S		
	MOTION TO STAY JUDGMENT AND ORDER PENDING APPEAL		
21	The Detition of (Distriction Connection Equation of Inclusion Community ("CEIC") and		
22	The Petitioners/Plaintiffs, Cannabis Equity and Inclusion Community ("CEIC") and		
23	Antoine Poole, by and through counsel Sadmira Ramic, Esq., Christopher M. Peterson, Esq., and		
24	Sophia A. Romero, Esq., of the American Civil Liberties Union of Nevada, pursuant to NRAP 8		
25	and NRCP 62, hereby submit this Opposition to Respondent's/Defendant's Motion to Stay		
26	Judgment and Order Pending Appeal.		
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#### MEMORANDUM OF POINTS AND AUTHORITIES

Petitioners/Plaintiffs filed a petition for a writ of mandamus challenging the Nevada State Board of Pharmacy's ("Board") designation of cannabis as a Schedule I substance. The Petition raised two important legal issues: (1) whether the Board's designation of cannabis as a Schedule I substance, which requires the Board to find that that cannabis has "no accepted medical use in treatment in the United States", violates Article 4, Section 38 of the Nevada Constitution, which explicitly guarantees that patients with certain enumerated medical diagnoses will have access to cannabis for medical treatment, and (2) whether the Board no longer has the authority to regulate cannabis following the passage of NRS Title 56, which specifically defines what state agencies will regulate the cultivation, transportation, storage, dispensation, taxation, and use of cannabis in Nevada but makes no reference to the Board.

After conducting motion practice, on October 26, 2022, this Court ultimately answered both questions in the affirmative, issuing an order mandating that the Board 1) remove cannabis and its derivatives from the list of Schedule I substances, and 2) cease the regulation of substances subject to regulation pursuant to Title 56. The Court's ruling put an end to the Board's twenty plus years of violating the Nevada Constitution and the harm suffered not only by the Petitioners, but Nevadans across the state.

Now the Board seeks a stay of this judgment and order pending appeal, claiming that this Court's order will create legal uncertainty, that CEIC and Mr. Poole will not suffer irreparable harm if the stay is granted, and that Article 4, Section 38 of the Nevada Constitution, of which this Court found the Board to be in violation, is subject to "two or more reasonable but inconsistent interpretations."<sup>1</sup> These arguments are insufficient to satisfy the Board's burden to establish the

<sup>1</sup> Resp't Mot. p. 4,5,7.

four factors under NRAP 8(c) required for this Court to issue the stay, and the Board's motion should be denied.

#### I. LEGAL STANDARD

NRAP 8(c) outlines four factors that must be considered in determining whether a stay should be granted: 1) whether the object of the appeal or writ petition will be defeated if the stay is denied; 2) whether appellant will suffer irreparable or serious injury if the stay is denied; 3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay is granted; and 4) whether appellant is likely to prevail on the merits of the appeal or writ petition.<sup>2</sup> No one fact carries more weight than the others.<sup>3</sup>

#### II. ARGUMENT

### A. The object of the appeal will not be defeated if the motion to stay the judgment and order is denied.

The object of the Board's appeal concerns two matters: 1) maintaining cannabis and its derivatives on the listing of Schedule I substances; and 2) preserving its ability to regulate cannabis. If the stay is not granted, the Board will have to remove cannabis and its derivatives from the list of Schedule I substances and cease regulating cannabis. If the Board is successful on appeal, by its own admission<sup>4</sup> there is nothing that prevents the Board from categorizing cannabis as a Schedule I substance again and continuing its regulation. Thus, the object of the appeal will not be defeated if the stay is denied.

### B. The Board has not demonstrated that it will suffer irreparable or serious injury if the motion to stay the judgement and order is denied.

<sup>2</sup> NRAP 8(c); see also Fritz Hansen A/S v. Eighth Judicial Dist. Court, 116 Nev. 650, 6 P.3d 982 (2000).

<sup>3</sup> *Mikohn Gaming Corp. v. McCrea*, 120 Nev. 248, 251 (2004).

<sup>4</sup>Resp't Mot. p. 4.

The Board has failed to articulate the irreparable injury it would suffer if the stay were denied.

First, the Board focuses on how the public will be irreparably injured because denying the stay will result in "legal ambiguity over the status of marijuana under State law."<sup>5</sup> However, the second factor to consider under NRAP 8(c) is the irreparable harm suffered by the *appellant*, in this case the Board, not third-party individuals or entities.<sup>6</sup> Furthermore, even if the harm to the public was a factor in this determination, no legal ambiguity would exist as the Board suggests. Cannabis's legal status would be clear – cannabis will no longer be a Schedule I substance and the Board would be unable to regulate cannabis, leaving the remainder of Schedule I intact and cannabis subject to the regulation provided by NRS Title 56 and other relevant statutes.

Second, the Board emphasizes the hardship of having to remove cannabis and its derivatives from the list of Schedule I substances, and if successful on appeal, the hardship of placing them back on the list. The key words in this factor are "irreparable or serious." The Supreme Court of Nevada has held that "mere injuries, however substantial, in terms of money, time, and energy necessarily expended in the absence of a stay are not enough to show irreparable harm."<sup>7</sup> The process the Board describes as having to undertake- passing a temporary regulation suspending the listing of cannabis in Schedule I, possibly having to adopt a permanent regulation, and then following timely procedures to place cannabis back on the list of Schedule I substances shall it be successful on appeal- is (at worst) such a "mere injury". The steps the Board describes

<sup>7</sup> Fritz Hansen A/S v. Eighth Judicial Dist. Court, 116 Nev. 650, 6 P.3d 982 (2000).

<sup>&</sup>lt;sup>5</sup> Resp't Mot. p. 4.

 $<sup>^{6}</sup>$  See NRAP 8(c)(2).

require their time and effort but do not equate to irreparable harm because removing cannabis in no way prevents it from being placed on the list again, nor does it change the consequences of its listing should the Board successfully appeal this Court's order.

Finally, the Board expresses concern over its ability to comply with the Court's order, arguing that because the Court ruled that the Board no longer has the authority to regulate substances covered under NRS Title 56, there is a question as to whether it can remove cannabis from NAC 453.510.<sup>8</sup> The suggestion that the Board cannot remove a substance without legislative action is illogical. Using the Board's argument, it would follow that any time the Board acted outside its authority, and a court of competent jurisdiction found them to be doing so, they could continue to violate the law until the Legislature passed legislation requiring the Board to act within the confines of the law. The Board misses the ultimate outcome of the Court's ruling – by removing cannabis and its derivatives from Schedule I, found in NAC 453.510, they are not regulating cannabis in violation of the Court's order but are instead bringing NAC 453.510 into compliance with Article 4, Section 38 of the Nevada Constitution. Additionally, this argument completely ignores the power granted to the Board by the legislature to revise, delete, or reschedule substances enumerated in Schedule I.<sup>9</sup>

### C. CEIC, Mr. Poole, and the public will suffer irreparable or serious injury if the stay is granted.

<sup>&</sup>lt;sup>8</sup> Resp't Mot. p. 5.

<sup>&</sup>lt;sup>9</sup> See NRS 453. 211 ("the Board shall review the schedules annually and maintain a list of current schedules [and] upon the revision of a schedule, cause a copy of the revised schedule to be sent to each district attorney, public defender and judge in the State of Nevada") and NRS 453.146 ("The Board shall administer the provisions of <u>NRS 453.011</u> to <u>453.552</u>, inclusive, and may add substances to or delete or reschedule all substances enumerated in schedules I, II, III, IV and V by regulation").

Should the stay be granted, CEIC, Mr. Poole, and the public whose interest CEIC represents pursuant to the significant public importance doctrine will suffer irreparable harm. Unlike the second factor in NRAP 8(c), this factor incorporates not only the harm suffered by the Petitioners, but also the public as a real party in interest.<sup>10</sup> Nevada courts have addressed the issue of "irreparable harm" and held that harm is generally "irreparable" when it cannot be adequately remedied by compensatory damages.<sup>11</sup>

The Board downplays the significance of their constitutional violations, and the effect the Court's judgment has in alleviating the prolonged harm to Petitioners and the public. It pinpoints the Court's finding that Petitioners had standing to seek writ relief yet concludes that a stay would have no effect on Mr. Poole's prior conviction, CEIC as an organization, nor any of CEIC's current or potential members. This conclusion is inaccurate.

The harm the public will suffer if the stay is granted is relevant and of importance under this factor because the public is a real party in interest. Additionally, this Court found CEIC, as a representative of the public, to have standing under the significant public importance doctrine as outlined in *Nev. Pol'y Rsch Inst., Inc. v. Cannizzaro*, 507 P.3d 1203. If cannabis continues to be listed as a Schedule I substance, individuals will continue to be arrested, incarcerated, and convicted under statutes triggered by the Board's unconstitutional regulation of cannabis.

As it relates to Mr. Poole and CEIC members who have been convicted under statutes stemming from the Board's unconstitutional regulation of cannabis, they too would suffer irreparable harm. While the Court's order does not directly address Mr. Poole's unconstitutional

<sup>&</sup>lt;sup>10</sup> See NRAP 8(c)(3).

<sup>&</sup>lt;sup>11</sup> See Hamm v. Arrowcreek Homeowners' Ass'n, 124 Nev. 290, 183 P.3d 895,901 (2008) (citing University Sys. v. Nevadans for Sound Gov't, 120 Nev. 712, 721, 100 P.3d 179, 187 (2004)); Dixon v. Thatcher, 103 Nev. 414,415 742 P.2d 1029-30 (1987).

convictions, its finding that the Board's designation of cannabis as a Schedule I substance violates
 Article 4, Section 38 of the Nevada Constitution serves as a stepping stone for these individuals to
 seek to have their unconstitutional convictions overturned. A stay at this juncture will halt these
 efforts, and by extension will continue the suffering of collateral consequences related to these
 convictions.
 These harms are not simply the expenditure of time or a delay in receiving a monetary
 judgment; they are everyday impacts on their lives that cannot be remedied by compensatory

damages and thus constitute irreparable harm.

#### D. The Board has failed to show that it is likely to prevail on the merits of the appeal.

Although a movant does not always have to show a *probability* of success on the merits, the movant must present a *substantial* case on the merits when a serious legal question is involved and show that the balance of equities weighs *heavily* in favor of granting the stay.<sup>12</sup> The Board's claims that it has made "a substantial case on the merits" and the balance of equities weighs in favor of granting a stay is unsupported by any legal analysis.

While we agree that the issues within the case are of important legal significance, the Board's opinion that the constitutional amendment at issue herein can be interpreted differently than the current ruling or that repealing the Board's authority by implication makes issues more complex, by themselves, fail to meet the burden of a "substantial case on the merits." The Board cites to two cases in its motion, both of which are distinguishable and fail to support the Board's arguments.<sup>13</sup>

<sup>12</sup> *Fritz Hansen A/S*, 116 Nev. at 659, 6 P.3d at 987 citing *Ruiz v. Estelle*, 650 F.2d 555, 565 (5th Cir. 1981) (emphasis added).

<sup>13</sup> Resp't Mot. p. 7.

The first case the Board references is *Educ. Freedom Pac v. Reid*, 512 P.3d 296 (Nev. 2022). In that case, the Supreme Court looked at the plain language of a constitutional provision to determine if it was ambiguous. The Court determined that the provision was ambiguous because "it was susceptible to two or more reasonable but inconsistent interpretations" due to it being in direct conflict with another constitutional provision.<sup>14</sup> The ambiguity existed because both constitutional provisions hold the same weight. This is far from comparable from the instant case where there is no other constitutional provisions in conflict with Article 4, Section 38.

The second case the Board cites to is *Washington v. State*, 117 Nev. 735 (2001). This case does not support the Board's claim that issues involving the loss of authority by implication signify it is likely to prevail on the merits. Rather, *Washington* serves as an example of how revocation by implication functions and supports the Court's finding that the Board's authority to regulate cannabis was removed with the passage of NRS Title 56. At issue in *Washington* were two statutes that rendered the same conduct illegal but imposed different levels of punishment. One rendered the sale of an imitation controlled substance a misdemeanor, the other a felony. The court concluded that because the two statutes proscribed the same conduct, the one that preceded the other was repealed by implication.<sup>15</sup> Similarly, here, the Nevada Legislature gave the Board general authority to regulate cannabis with the passage of NRS 453.146. However, subsequently, the Legislature passed Title 56 and granted regulating powers to other entities, including the Board of Cannabis Compliance. Because both involve the same conduct-the regulation of cannabis- and Title 56 was enacted after NRS 453.146, the Board's authority to regulate cannabis was repealed by implication.

<sup>14</sup> *Educ. Freedom Pac*, 512 P.3d at 302.

<sup>15</sup> *Washington*, 117 Nev. at 741-42.

1	The Board has not presented a "substantial case on the merits" and has not shown that the		
2	balance of equities weighs <i>heavily</i> in favor of granting the stay. As such, it has failed to show that		
3	it is likely to succeed on the merits, and the fourth factor of NRAP 8(c) has not been met.		
4	V. CONCLUSION		
5	As set forth above, the Board has not satisfied the elements under NRAP 8(c) and its motion		
6	for stay of the judgment and order should be denied in its entirety.		
7			
8	DATED this 7th day of December 2022.		
9	This document does <b>not</b> contain the		
10 11	Social Security number of any person. Pursuant to NRS 53.045, I declare under		
11	penalty of perjury that the foregoing is		
13	true and correct.		
14	AMERICAN CIVIL LIBERTIES UNION OF NEVADA		
15	/s/ Sadmira Ramic		
16	SADMIRA RAMIC, ESQ.		
17	Nevada Bar No. 15984 CHRISTOPHER M. PETERSON, ESQ.		
18	Nevada Bar No. 13932 SOPHIA A. ROMERO, ESQ.		
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22	Attorneys for Petitioners/Plaintiffs		
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25 26			
26 27			
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1 2	CERTIFICATE OF SERVICE
2	I hereby certify that on the 7th day of December 2022, I caused a true and correct copy of
4	the foregoing <b>Opposition to Respondent's/Defendant's Motion to Stay Judgment and Order</b>
5	
6	<b><u>Pending Appeal</u></b> to be electronically filed and served to all parties of record via the Court's
7	electronic filing system to all parties listed on the e-service master list.
8	
9	/s/Christopher Peterson
10	Employee for the ACLU of Nevada
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	CANNABIS EQUITY AND INCLUSION COMMUNITY (CEIC), a domestic	
12	nonprofit corporation; ANTOINE POOLE,	Case No. A-22-851232-W
13	an individual,	Dept. No. 15
14	Petitioners/Plaintiffs,	Dept. No. 15
14	VO	Hearing Date: January 9, 2023
15	VS.	
16	STATE OF NEVADA ex rel. BOARD OF	Hearing Time: 9:00 AM
	PHARMACY, a public entity of the State of Nevada	
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18	Respondent/Defendant.	
10		
19	<b>RESPONDENT/DEFENDANT'S RE</b>	PLY MEMORANDUM OF POINTS AND
20		AY JUDGMENT AND ORDER PENDING
21		<u>PPEAL</u>
	Deenendent/Defendent State CN	ada an nal Daard of Dhanne ("D !") h
22	Respondent/Defendant State of Nevada ex rel. Board of Pharmacy ("Board"), by and	
23	through its attorneys, Brett Kandt, General Counsel, and Peter K. Keegan, Assistant	

through its attorneys, Brett Kandt, General Counsel, and Peter K. Keegan, Assistant General Counsel, hereby submits this reply memorandum of points and authorities on the Board's motion to stay the Judgment and Order Granting Petition for Writ of Mandamus and Request for Declaratory Relief ("Judgment and Order") entered by the Court on 26October 26, 2022. This reply is made pursuant to EDCR 2.20(g) and based in part upon the declaration of Captain Joshua Bitsko attached hereto as Exhibit 1. 28

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Case Number: A-22-851232-W

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#### I. PROCEDURAL HISTORY

The Board's appeal from the Judgment and Order was docketed in the Nevada Supreme Court on December 8, 2022, as Docket Number 85756.

#### II. ARGUMENT

Petitioners oppose a stay of the Judgment and Order pending appeal on the basis that 1) the object of the appeal will not be defeated since the Board can later reschedule cannabis as a Schedule I substance; 2) the Board has failed to articulate what irreparable injury it would personally suffer without a stay; 3) the public is a real party in interest and "individuals will continue to be arrested, incarcerated, and convicted" while Mr. Poole and CEIC members will face delay in seeking to have their convictions overturned; and 4) the Board has failed to present a substantial case on the merits. None of these arguments withstand closer scrutiny.

#### А.

#### Public safety is at risk if a stay is not granted.

Petitioners' invocation of whether a stay is in the public interest cuts both ways. The Nevada Supreme Court has articulated in a variety of cases that courts may weigh the public interest in determining whether to grant or deny a stay. See Clark Cty. Office of the Coroner/Medical Exam'r v. Las Vegas Review-Journal, 134 Nev. 174, 179, 415 P.3d 16, 20 n.1 (2018) (Cherry, J., concurring in part and dissenting in part) (considering stay of a money judgment against government entity pending appeal); Tate v. State Bd. of Med. Exam'rs, 131 Nev. 675,681, 356 P.3d 506, 510-11 (2015) (considering stay of licensing board disciplinary order pending judicial review); Aspen Fin. Servs. v. Eighth Judicial Dist. Court of Nev., 128 Nev. 635, 650-51, 289 P.3d 201, 211 (2012) (considering stay of civil proceeding due to a pending criminal investigation); see also Nken v. Holder, 556 U.S. 418, 434, 129 S. Ct. 1749, 1761 (2009) (where the public interest lies is a factor when considering a stay in federal courts). In this instance the public interest weighs in favor of a stay.

Public safety is the crux of the Board's motion. The Board's interest *is* the public interest insofar as the Board is charged with enforcing Nevada law to protect the health, safety and welfare of the public. *See* NRS 622.080, NRS 639.070(1)(a), NRS 639.213 and NRS 639.2171(1). The importance of a stay is not a mere question of administrative convenience: in the event that relevant offenses are committed while marijuana's designation as a controlled substance is not in effect, dangerous criminal activity will go unabated and unpunished, and the public will suffer the consequences. *See* declaration of Captain Joshua Bitsko at  $\P\P$  6-8.

The Judgment and Order abolishes the long-standing regulatory scheme over unlawful activities involving marijuana put in place by the Legislature when enacting the Nevada Uniform Controlled Substances Act in 1971,<sup>1</sup> and then subsequently empowering the Board in 1981<sup>2</sup> to designate, by regulation, the substances to be contained in each schedule based upon scientific evidence, and to some extent, federal law.<sup>3</sup> As a result, marijuana will be essentially unregulated outside of the narrow confines of NRS Title 56. The Cannabis Compliance Board lacks the statutory authority to step into this void, as its jurisdiction is strictly limited to regulating the industries engaged in providing marijuana for medical or adult use in conformance with the voter-approved ballot initiatives.

The resulting legal ambiguity and the risk this poses to the public are real and immediate. First off, the offenses and prohibitions related to controlled substances set forth in NRS Chapter 453 will no longer apply to marijuana, including, without limitation, NRS 453.316 (unlawful to open or maintain place for unlawful sale, gift or use of controlled substance), NRS 453.321 (offer, attempt or commission of unauthorized act relating to controlled substance), NRS 453.333 (unlawfully making available controlled substance which causes death), NRS 453.334 (sale of controlled substance to minor), NRS 453.336(1) and (2) (unlawful possession of controlled substance not for purpose of sale) and NRS 453.337 (unlawful possession for the purpose of sale of any Schedule I or II controlled

- <sup>1</sup> See 1971 Nev. Stats. ch. 667 §§ 1-154 at 1999-2048.
- <sup>2</sup> See 1981 Nev. Stats. ch. 402 §§ 1-39 at 734-750.

<sup>3</sup> See NRS 453.146 (determinative factors); NRS 453.166 (Schedule I tests); NRS 453.176 (Schedule II tests); NRS 453.186 (Schedule III tests); NRS 453.196 (Schedule IV tests); NRS 453.206 (Schedule V tests); NRS 453.2182 (scheduling based upon treatment under federal law); NRS 453.2186 (prohibitions to scheduling); NRS 453.2188 (scheduling if controlled by federal law pursuant to international treaty, convention or protocol).

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substance). The relevant provisions in Title 56, specifically NRS 678C.300, NRS 678D.300 and NRS 678D.310, do not fully account for these unlawful and potentially dangerous activities.

This legal ambiguity and the corresponding risk are perhaps best illustrated by the impact on NRS 202.360 and NRS 202.257. NRS 202.360 prohibits certain classes of people from owning or possessing firearms, including persons with prior felony convictions (subsection 1(b)) and persons who unlawfully use a controlled substance (subsection 1(f)). The Judgment and Order nullifies the application of these prohibitions for persons possessing firearms while engaged in unlawful marijuana-related activities.

NRS 202.257 prohibits the possession of a firearm while under the influence of a controlled substance. Although NRS 678C.300(1)(c) and NRS 678D.300(1)(c) both expressly state that "possessing a firearm in violation of paragraph (b) of subsection 1 of NRS 202.257" is not exempt from state prosecution, the Judgment and Order nullifies the application of NRS 202.257 since marijuana will no longer be a controlled substance, thus apparently permitting a person under the influence of marijuana to wield a firearm. The ramifications of the Judgment and Order, however unintended, are broad and far-reaching. A stay is where the public interest clearly lies given the implications.

### B. Petitioners/Plaintiffs will suffer no irreparable injury if the stay is granted.

Petitioners cannot demonstrate that any delay in their bid to have prior cannabisrelated criminal convictions overturned constitutes "irreparable injury" precluding a stay. "[A] mere delay in pursuing . . . litigation normally does not constitute irreparable harm." *Mikohn Gaming Corp. v. McCrea*, 120 Nev. 248, 253, 89 P.3d 36, 39 (2004). Since the Judgment and Order expressly states that it is limited to the issues raised before the Court on the Petition, and since Petitioners acknowledge that the ruling does not directly address the validity of Mr. Poole's conviction or any other cannabis-related criminal convictions,<sup>4</sup> any collateral consequences related to these prior convictions and any future efforts to have

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them overturned are not relevant to the Board's motion to stay.<sup>5</sup> Furthermore, Petitioners' overbroad assertion that "individuals will continue to be arrested, incarcerated, and  $\mathbf{2}$ convicted" for marijuana-related offenses is purely speculative and does not constitute 3 irreparable injury. See, e.g., Goldie's Bookstore, Inc. v. Superior Court of Cal., 739 F.2d 4 466, 472 (9th Cir. 1984). Finally, it is crucial to note that Petitioners did not allege, and  $\mathbf{5}$ the Judgment and Order makes no finding, that the continued listing of marijuana in 6 Schedule I has ever prevented any person from using marijuana on the advice of a physician in conformance with Nev. Const. art. 4, § 38 and NRS Chapter 678C, or from 8 engaging in recreational use of marijuana in conformance with NRS Chapter 678D. And 9 as demonstrated above, the public interest weighs in favor of a stay. 10

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#### C. The Board presents a substantial case on the merits involving serious legal questions.

Petitioners brush aside the Board's argument that it presents a substantial case on the merits by quibbling over the case law cited. First, Nev. Const. art. 4, § 38 is susceptible to a reasonable interpretation that avoids any direct conflict with the Nevada Controlled Substances Act, since marijuana's continued designation as a Schedule I controlled substance does not impair the constitutional right of a patient in Nevada to use marijuana "upon the advice of a physician." "A legislative enactment is presumed to be constitutional absent a clear showing to the contrary." Starlets Int'l v. Christensen, 106 Nev. 732, 735, 801 P.2d 1343, 1344 (1990) (citations omitted). The constitutional right conferred under art. 4, § 38 does not require that marijuana have an "accepted medical use in treatment in the United States" under NRS 453.166(2). "[W]hen 'a statute may be given conflicting interpretations, one rendering it constitutional, and the other unconstitutional, the constitutional interpretation is favored." State v. Kopp, 118 Nev. 199, 203, 43 P.3d 340, 342 (2002) (quoting Sheriff, Washoe Cty. v. Wu, 101 Nev. 687, 689-

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<sup>&</sup>lt;sup>5</sup> The only collateral consequence ever identified was Mr. Poole's allegation of "hardship in obtaining employment" in paragraph 6 of his declaration in support of the Petition for Writ of Mandamus.

90, 708 P.2d 305, 306 (1985)).

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Second, the issue of whether the Board's long-standing authority to schedule marijuana has been repealed by implication is not as cut-and-dried as Petitioners portray it. Long-standing Nevada Supreme Court precedent establishes that "repeals by implication are not favored." Thorpe v. Schooling, 7 Nev. 15, 17 (1871); see also State ex rel. Hallock v. Donnelly, 20 Nev. 214, 217, 19 P. 680, 682 (1888); Gill v. Goldfield Consol. Mines Co., 43 Nev. 1, 7-9, 176 P. 784, 786-87 (1919); Warren v. De Long, 57 Nev. 131, 145, 59 P.2d 1165, 1169 (1936); Mengelkamp v. List, 88 Nev. 542, 545-46, 501 P.2d 1032, 1034 (1972). If the Legislature intended the enactment of NRS Title 56<sup>6</sup> to occupy the entire field of marijuana regulation, why were all laws related to marijuana not removed from NRS Chapter 453 and placed in Title 56? Compare Douglas Cty. Contractors Ass'n v. Douglas Cty., 112 Nev. 1452, 1464-65, 929 P.2d 253, 260-61 (1996) (holding that statutory scheme for school funding was clearly intended to exclusively occupy that particular field). If the Legislature intended marijuana to no longer be regulated as a controlled substance, why are there currently 53 references to "marijuana" in the Nevada Controlled Substances Act? Why were criminal offenses specific to "marijuana" left in the chapter of NRS that regulates "controlled substances" and over which the Board is granted regulatory authority?7

Once again, the Board respectfully submits that it has, at a minimum, made "a substantial case on the merits" with regard to these two important issues of first impression, and that the balance of equities and interests of the public at large weigh in favor of granting a stay. *See Ind. State Police Pension Tr. v. Chrysler LLC*, 556 U.S. 960, 129 S. Ct. 2275, 2276 (2009) (citations omitted).

<sup>&</sup>lt;sup>6</sup> See 2019 Nev. Stats. ch. 595 §§ 1-246 at 3767-3896.

<sup>&</sup>lt;sup>7</sup> See, e.g., NRS 453.336(4) and (5) (possession of less than 50 pounds of marijuana or less than one pound of concentrated cannabis); NRS 453.339 (trafficking of marijuana); NRS 453.3393 (production of marijuana); NRS 453.401(3) (conspiracy to unlawfully possess more than 1 ounce of marijuana).

1	III.	CONCLUSION	
2		Based upon the foregoing, the State respectfully requests that the Judgment and	
3	Orde	Order be stayed pending resolution of the Board's appeal to the Nevada Supreme Court.	
4		Respectfully submitted this 30 <sup>th</sup> of December 2022.	
5		Pursuant to NRS 239B.030 I affirm that this document does not contain personal	
6	infor	nation.	
7			
8		By: <u>/s/Brett Kandt</u> Brett Kandt (Bar No. 5384)	
9		General Counsel Peter K. Keegan (Bar. No. 12237)	
10		Assistant General Counsel Attorneys for Respondent/Defendant	
11		Auorneys for nespondent/Defendant	
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# **EXHIBIT 1**

APP0092

1	DECL		
	BRETT KANDT (Bar No. 5384)		
2	General Counsel		
3	bkandt@pharmacy.nv.gov PETER K. KEEGAN (Bar No. 12237)		
4	Assistant General Counsel		
5	p.keegan@pharmacy.nv.gov		
	State of Nevada, Board of Pharmacy 985 Damonte Ranch Parkway – Suite 206		
6	Reno, NV 89521		
7	TEL: (775) 850-1440		
8	Attorneys for Respondent/Defendant		
0			
9	EIGHTH JUDICIA	AL DISTRICT COURT	
10	CLARK COU	UNTY, NEVADA	
11	CANNABIS EQUITY AND INCLUSION		
12	COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE,	Case No. A-22-851232-W	
13	an individual,	Dept. No. 15	
14	Petitioners/Plaintiffs,	Hearing Date: January 0, 2022	
15	VS.	Hearing Date: January 9, 2023	
16	STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State	Hearing Time: 9:00 AM	
17	of Nevada		
18	Respondent/Defendant.		
19			
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	DECLARATION OF CA	<u>APTAIN JOSHUA BITSKO</u>	
21		Y JUDGMENT AND ORDER PENDING	
22		PEAL	
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#### **DECLARATION OF CAPTAIN JOSHUA BITSKO** 1 2 I, Joshua Bitsko, hereby declare under the penalty of perjury: 3 1. I am over the age of 18 years and have personal knowledge of the facts stated 4 herein, except for those stated upon information and belief, and, as to those, I believe them to be 5 true. I am competent to testify as to the facts stated herein in a court of law and will so testify if 6 called upon. 7 2. That I am employed by the Las Vegas Metropolitan Police Department (LVMPD) 8 as a Captain. For the last year I was in the Tourist Safety Division assigned to the Convention 9 Center Area Command (CCAC). 10 3. I have been in law enforcement for twenty-two years with the LVMPD and have 11 worked various assignments throughout the department to include patrol and detective sergeant. 12My most recent assignment was as the Captain of the CCAC. 13 4. The CCAC is responsible for crime prevention and criminal apprehension for the 14 Las Vegas resort corridor as well as Allegiant Stadium and its surrounding area. 15 5. The CCAC is a dense area consisting of world class casino resorts, entertainment, 16 and large sports arena venues which are visited by millions of tourists each year. 17 18 6. I am aware of a district court ruling which prevents the Nevada State Board of Pharmacy from assigning a controlled substance schedule to marijuana. 19 7. Based upon my experience as CCAC Captain, I am aware that incidents of 20 unlawful possession with the intent to sell, transport, and sales of marijuana frequently occur 21 22 within the Las Vegas resort corridor. It is not uncommon for those who engage in these activities 23 to be armed with firearms or other weapons. Prior to the Court's ruling, unlawful possession with the intent to sell, transport, and sales of marijuana were felony offenses. Arresting suspects who 24 engage in these activities allows law enforcement to remove those who engage in the unlawful 25 possession with the intent to sell, transport, and sales of marijuana from the Las Vegas resort 26 27corridor. Moreover, during these arrests, members of law enforcement discover and secure 28 firearms or weapons the arrestees may have in their possession, thereby making the Las Vegas

#### APP0094

1	resort corridor a safer place. As a result of the Court's ruling, these activities would no longer be	
2	<ul><li>felony offenses.</li><li>8. A temporary stay of the Court's Order will allow LVMPD to continue to patrol the</li></ul>	
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4	Las Vegas resort corridor as it is currently doing until an appellate court is able to review the	
5	ruling. It is Declarant's fear that a cessation of this patrol activity will result in more frequent incidents of firearms and weapons being brought to the Las Vegas resort corridor.	
6	Pursuant to NRS 53.045, I declare under penalty of perjury under the laws of the State of	
7	Nevada that the foregoing is true and correct.	
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9 10	EXECUTED this 28 <sup>714</sup> day of December 2022.	
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12	N/A-0	
12	Signature Joshua Bitsko	
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	APP0095	

1	CERTIFICATE OF SERVICE
2	I certify that I am an employee of the Nevada State Board of Pharmacy, and that on
3	this 30 <sup>th</sup> of December 2022, I served a true and correct copy of the foregoing document by
4	electronic service though the Court's electronic filing system to the following:
5	Sadmira Ramic, Esq.
6	Christopher M. Peterson, Esq.
7	Sophia Romero, Esq. American Civil Liberties Union of Nevada
8	601 South Rancho Drive, Suite B-11 Las Vegas, NV 89106
9	Email: <u>ramic@aclunv.org</u>
10	peterson@aclunv.org romero@aclunv.org
11	Attorneys for Petitioners/Plaintiffs
12	
13	<u>/s/ Brett Kandt</u> BRETT KANDT
14	General Counsel Nevada State Board of Pharmacy
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### ELECTRONICALLY SERVED 2/8/2023 9:25 AM

Electronically Filed 02/08/2023 9:22 AM Hem CLERK OF THE COURT

1	ORDR SADMIRA RAMIC, ESQ.		
2	Nevada Bar No.: 15984		
3	CHRISTOPHER M. PETERSON, ESQ. Nevada Bar No.: 13932		
_	SOPHIA A. ROMERO, ESQ.		
4	Nevada Bar No.: 12446 AMERICAN CIVIL LIBERTIES		
5	UNION OF NEVADA		
6	601 South Rancho Drive, Suite B-11 Las Vegas, NV 89106		
7	Telephone: (702) 366-1226		
8	Facsimile: (702) 830-9205 Email: ramic@aclunv.org		
9	Attorneys for Petitioners/Plaintiffs		
10	EIGHTH JUDICIAL DIS	TRICT COURT	
11	CLARK COUNTY,	NEVADA	
12	CANNABIS EQUITY AND INCLUSION		
13	COMMUNITY (CEIC), a domestic nonprofit	Case No.: A-22-851232-W	
	corporation; ANTOINE POOLE, an individual,	Department: 15	
14	Petitioners/Plaintiffs,	Department. 15	
15	VS.	ORDER DENYING RESPONDENT'S/DEFENDANT'S	
16		MOTION TO STAY JUDGMENT	
17	STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State of	AND ORDER PENDING APPEAL	
18	Nevada,		
19	Respondent/Defendant.		
20	This matter having come before this court on	January 9, 2023, on Respondent/Defendant	
21	Nevada Board of Pharmacy's (herein after "the Boa	ard") Motion to Stay Judgment and Order	
22	Pending Appeal; Sadmira Ramic, Esq., and Christop	bher Peterson, Esq., of the American Civil	
23	Liberties Union of Nevada, appearing on behalf of	Petitioners/Plaintiffs, Cannabis Equity and	
24	Inclusion Community (CEIC) and Antoine Poole; Bret	tt Kandt, Esq. and Peter Keegan, Esq., of the	
25	Nevada Board of Pharmacy appearing on behalf of the	State of Nevada; the Court having reviewed	
	the papers and pleadings on file herein, having heard the	he oral arguments of counsel, and with good	
26	cause appearing, the Court hereby finds, concludes, ar	nd orders as follows:	
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FINDINGS OF FACT

On April 15, 2022, Petitioners filed their petition for writ of mandamus, in which Petitioners requested that the Court prevent the Nevada Board of Pharmacy from (1) scheduling cannabis as a Schedule I substance in violation of the Nevada Constitution and (2) cease regulating cannabis as, following the passage of NRS Title 56, cannabis now falls outside the Board's authority.

On June 7, 2022, the Board filed a Motion to Dismiss the Petition for Writ of Mandamus and Complaint for Declaratory and Injunctive Relief. The Court issued an order denying the Motion on July 26, 2022. Specially pertaining to this matter, the Court made a finding that:

1. CEIC had standing to seek writ relief because they suffered harm through the expenditure of money and resources by assisting individuals with prior cannabisrelated criminal convictions in applying for pardons and sealing criminal records, and they served as a representative of the public, thereby meeting the standard for standing under the significant public importance doctrine as outlined in Nev. Pol'y Rsch Inst., Inc. v. Cannizzaro, 507 P.3d 1203.

2. Antoine Poole had standing to seek writ relief because he was adjudicated guilty in the Eighth Judicial District Court of the State of Nevada of Possession of Controlled Substance, a Category E Felony pursuant to NRS 453.336, for possession of marijuana. This adjudication occurred after cannabis was legalized for both medical and recreational use in Nevada.

On October 26, 2022, this Court found that the Board's regulation of cannabis as a Schedule I substance violated the Nevada Constitution and that the Board did not have the authority to regulate substances regulated pursuant the NRS Title 56, which necessarily included cannabis, effectively granting Petitioner's petition. 24

In the Court's Judgement and Order Granting Petition for Writ of Mandamus and Request for Declaratory Relief, the Court made several findings of fact, incorporated herein, including:

 In 1998, Nevada voted on and passed the *Nevada Medical Marijuana Act*, a ballot initiative intended to amend the Nevada Constitution to legalize marijuana for medical use in Nevada.<sup>1</sup> Successful passage of the *Nevada Medical Marijuana Act* resulted in the addition of Article 4, Section 38, of the Nevada Constitution.

2. Article 4, Section 38 of the Nevada Constitution specifically refers to the use of cannabis by a patient, upon the advice of a physician, for the treatment or alleviation of various medical conditions, and authorizes appropriate methods for supply of the plant to patients.

- 3. In 2016, Nevada voted on and passed the *Initiative to Regulate and Tax Marijuana*, which legalized possession of marijuana for recreational purposes.<sup>2</sup> In addition to legalizing the use of cannabis for recreational purposes, the *Initiative* prescribed the regulatory regime that would oversee the market for both recreational and medical cannabis, naming the Nevada Department of Taxation as the prime regulatory agency.
- 4. In 2019, the Nevada Legislature passed NRS Title 56, titled "Regulation of Cannabis", to codify and clarify the *Initiative*. In four chapters, NRS Chapters 678A-D, the Legislature created a comprehensive regulatory regime for the new cannabis industry, tasking the Cannabis Compliance Board with heading the regime while explicitly authorizing specific Nevada state agencies and subdivisions to regulate all aspects of the cannabis industry. The Nevada State Board of Pharmacy was not referenced in any capacity nor explicitly authorized to participate in the regulatory regimes prescribed by the *Initiative* or NRS Title 56.
  - 5. The Board categorizes marijuana, cannabis, and cannabis derivatives as Schedule I substances under NAC 453.510. By classifying marijuana, cannabis, and cannabis

<sup>1</sup> Scott McKenna, *Medical Marijuana Laws in the Silver State*, 6 Nevada Lawyer, Aug. 10, 2002.

<sup>2</sup> *Initiative to Regulate and Tax Marijuana*, Nevada Secretary of State, 1 (April 23, 2014), https://www.nvsos.gov/sos/home/showdocument?id=3294.

derivatives as Schedule I substances, the Board denies that marijuana has "accepted medical use in treatment in the United States."

6. Several Nevada Revised Statutes reference the scheduling classifications designated by the Board to criminalize activities related to controlled substances.

Furthermore, this order incorporates by reference all other factual findings of the Judgment and Order Granting Petition for Writ of Mandamus and Request for Declaratory Relief issued by the Court on October 26, 2022.

On November 23, 2022, the Board filed a Notice of Appeal to the Nevada Supreme Court from the Judgment and Order Granting Petition for Writ of Mandamus and Request for Declaratory Relief entered on October 26, 2022. In conjunction with the notice, the Board filed a Motion to Stay Judgment and Order Pending Appeal. The Board highlighted several steps it would have to undertake to place cannabis back on the list of controlled substances if they are successful on appeal, but nonetheless acknowledged that they are not prevented from doing so.

On December 7, 2022, Petitioners/Plaintiffs filed an Opposition to Respondent's/Defendant's Motion to Stay Judgment and Order Pending Appeal. On December 30, 2022, Respondent/Defendant filed a reply to the opposition. The Board argued, for the first time throughout the proceedings in this case, that if cannabis is removed as a controlled substance, public safety would be at risk. To support this new connotation, it attached a declaration of Captain Joshua Bitsko. Captain Bitsko declared that granting the motion to stay will permit LVMPD to continue to charge individuals under controlled substances statutes in incidents involving cannabis- something they now must cease doing because the Court's judgment and order makes such statutes unconstitutional as applied to cannabis.

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#### **CONCLUSIONS OF LAW REGARDING IMMEDIATE RULING**

NRAP 8(c) outlines four factors that must be considered in determining whether a stay should be granted: 1) whether the object of the appeal or writ petition will be defeated if the stay is denied; 2) whether appellant will suffer irreparable or serious injury if the stay is denied; 3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay is granted; and 4) whether appellant is likely to prevail on the merits of the appeal or writ petition.
No one fact carries more weight than the others. *Mikohn Gaming Corp. v. McCrea*, 120 Nev. 248, 251 (2004).

Under the first factor, the object of the Board's appeal will not be defeated if the Board's motion is denied. If the Board is successful in its appeal, the Board may undertake an administrative process to place cannabis back on the Board's list of controlled substances.

Under the second factor, the Board will not suffer irreparable or serious injury if the stay is denied. *Fritz Hansen A/S v. Eighth Judicial Dist. Court* held that "mere injuries, however substantial, in terms of money, time, and energy necessarily expended in the absence of a stay are not enough to show irreparable harm." 116 Nev. 650, 6 P.3d 982 (2000). The process the Board will have to undertake to place cannabis back on the list of controlled substances if successful on appeal constitutes "mere injuries" described in *Fritz*, and therefore it does not constitute irreparable harm. While under some circumstances the government's interests may coincide with the interests of the public, in this matter the Board's interest does not reflect the interest of the public; the public voted in a referendum to amend the Nevada Constitution to recognize that cannabis has value for medical treatment in this state and then to enact a comprehensive regulatory regime to the govern every aspect of cannabis usage in Nevada. The Board's regulation of cannabis contravenes what the Nevada voting public has stated its interest is.

Under the third factor, respondent CEIC will suffer irreparable harm if the stay is granted. Unlike the Board, Respondent CEIC's interests are the same as those of the public. The public voted on and passed the *Nevada Medical Marijuana Act*, resulting in the amendment of Article 4, Section 38 of the Nevada Constitution. Article 4, Section 38 of the Nevada Constitution specifically recognizes that cannabis has accepted medical use in treatment in the United States. In 2016, Nevada voted on and passed the *Initiative to Regulate and Tax Marijuana*, which legalized possession of marijuana for recreational purposes.<sup>3</sup> The Nevada voting public explicitly

<sup>&</sup>lt;sup>3</sup> *Initiative to Regulate and Tax Marijuana*, Nevada Secretary of State, 1 (April 23, 2014), https://www.nvsos.gov/sos/home/showdocument?id=3294.

stated its intentions through two ballot initiatives, and the fact that the Board's regulations contravene the public's stated interests, is the strongest factor in the Court's decision to deny the motion to stay.

Furthermore, if the stay is granted, individuals of the public will continue to be arrested, incarcerated, and convicted under statutes triggered by the Board's unconstitutional regulation of cannabis. The declaration of Captain Joshua Bitsko attached to Defendant's Reply on Motion to Stay Judgment and Order Pending Appeal was improperly introduced as new evidence. Notwithstanding the improper introduction of the declaration, its substance supports denial of the motion to stay as it makes clear that the harm to the Petitioners is not merely speculative: the Las Vegas Metropolitan Police Department will continue to arrest individuals for possession of cannabis under circumstances where such possession only violates Nevada law if cannabis is scheduled as a controlled substance.

Respondent Antoine Poole will also suffer irreparable harm if the stay is granted. The Court's Judgement and Order Granting Petition for Writ of Mandamus and Request for Declaratory Relief does not nullify the conviction of Mr. Poole and those similarly situated, but the Court's ruling does provide legal remedies that Mr. Poole would otherwise not be able to pursue if the motion to stay is granted.

Under the fourth factor, the Board is not likely to prevail on the merits of the case for the reasons stated in the Court's Judgement and Order Granting Petition for Writ of Mandamus and Request for Declaratory Relief.

For the foregoing reasons, the Court denies the Board's Motion to Stay Judgment and Order Pending Appeal.

1	ORDE	<u>R</u>
2	THEREFORE, IT IS HEREBY ORDERED:	
3	1. Respondent's/Defendant's Motion to Stay Ju	
4	Denied.	Dated this 8th day of February, 2023
5		GoeHandy
6	TT IS SO ORDERED this <u>day of January 2023</u> .	V
7		218 E08 4581 3149 Joe Hardy
8		HONORABIES SOUTHINGS HARDY JR.
9	Respectfully submitted by:	Approved as to form and content by:
10	AMERICAN CIVIL LIBERTIES	NEVADA BOARD OF PHARMACY
11	UNION OF NEVADA	
12	/s/ Sadmira Ramic	/s/ Peter K. Keegan
13	SADMIRA RAMIC, ESQ.	BRETT KANDT, ESQ.
14	Nevada Bar No. 15984 CHRISTOPHER M. PETERSON, ESQ.	Nevada Bar No. 5384 General Counsel
	Nevada Bar No. 13932	PETER K. KEEGAN
15	SOPHIA A. ROMERO, ESQ.	Nevada Bar No. 12237
16	Nevada Bar No.: 12446 601 South Rancho Drive, Suite B-11	Assistant General Counsel Attorneys for Respondent/Defendant
17	Las Vegas, NV 89106 Telephone: (702) 366-1226	Anorneys for Respondent/Defendunt
18	Facsimile: (702) 366-1331	
19	Email: ramic@aclunv.org	
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3		ISTRICT COURT & COUNTY, NEVADA
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6	Cannabis Equity and Inclusion	CASE NO: A-22-851232-W
7	Community, Plaintiff(s)	DEPT. NO. Department 15
8	VS.	
9	Nevada ex reL. Board of Pharmacy, Defendant(s)	
10		
11		CEDTIELCATE OF SEDVICE
12	AUTOMATED CERTIFICATE OF SERVICE	
13		ervice was generated by the Eighth Judicial District Aotion was served via the court's electronic eFile
14		-Service on the above entitled case as listed below:
15	Service Date: 2/8/2023	
16	Luke Rath	lrath@ag.nv.gov
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