
MEETING MINUTES

**Of the Nevada Administrative Code (NAC) Chapter 587 Workshop of the
Nevada Department of Agriculture (NDA)**

LCB File No. R099-20

The Nevada Department of Agriculture (NDA) held a public meeting on March 10, 2022 beginning at 10:00 am at the following location(s):

Phone and/or video conference via:

Webex for all interested parties

Meeting Number: 2555 882 7665

Access code: YjpNMWB3P25 (95766923 from phones and video systems)

Persons in attendance:

- Ashley Jeppson, Administrator, NDA Division of Plant Health and Compliance (Plant)
- Alexa Johnson, Crops Programs Coordinator Agriculturist IV, NDA Division of Plant Health and Compliance
- Meghan Brown, Deputy Administrator, NDA Division of Plant Health and Compliance
- Russell Wilhelm, Seed Program Manager Agriculturist II, NDA Division of Plant Health and Compliance
- Sheryl Hunnewell, Export Program Agriculturist II, NDA Division of Plant Health and Compliance

I. Call to Order:

The meeting was called to order at 10:04am by Plant Administrator Ashley Jeppson. Administrator Jeppson noted that the adoption hearing was being recorded via Webex and would be posted to the NDA website and the workshop/hearing had been properly noticed and was being recorded as required by Nevada Open Meeting Law.

Administrator Jeppson stated that this adoption hearing was being held to review the proposed language and seek public feedback on proposed changes to NAC Chapter 587 regarding various inspection and program fee changes. Being that there were no members of the public present, Ms. Jeppson indicated that the meeting would be available on the website for those interested. Ms. Jeppson discussed the background behind the proposed fees including the public process to date and expected moving forward.

II. Public Comment (1st period):

Administrator Jeppson asked if anyone from the NDA sought to make a comment on the proposed regulations.

No comments were received.

III. Review and Discussion of Proposed Regulations

Administrator Jeppson outlined the Nevada Administrative Code Chapters 587 for proposed amendment. Ms. Jeppson discussed the need for the changes to the department's fee schedules to allow for adequate coverage of administrative costs incurred. Ms. Jeppson stressed that several programs, had been running at a deficit. In addition, inspectors must meet federal program requirements in performing services and the fee structure currently was not covering the requirements as detailed in federal cooperative agreements. She discussed that research had been performed on other state fee structures and on the costs of performing services. The proposed fees were commensurate with other state fee structures and in some cases remained lower.

Ms. Jeppson discussed the definition changes to seed Wholesalers and seed Retailers and the annual fees charged. Ms. Jeppson discussed the annual fee of \$75.00 for seed Retailers and \$750.00 fee for seed Wholesalers. The intent for these fees is to allow NDA staff to complete lab analysis to confirm germination, purity and noxious weed contaminations that could be present within those seeds. The decision to include these fees and program services was supported by another state's study on retail seed that found 11% of the samples were non-compliant (i.e. had germination and purity issues in addition to noxious weeds), Ms. Jeppson discussed engagement with state nurseries and the Board of Agriculture nursery representative on how best to execute this program, disseminate lab analysis information, and trends across the state should this addition proceed. Per feedback from the nursery industry, the NDA would share report information to ensure retailers and wholesalers are being provided with analyses that will allow them to make informed business decisions.

Ms. Jeppson shared her screen and began discussing the proposed changes to NAC 587. Ms. Jeppson noted that changes made in red are proposed removals from NAC 587 and changes made in blue are proposed additions. Ms. Jeppson noted that if fees for the inspection and certification of potatoes would exceed \$3000.00 with any single company, that said company would need to obtain a surety bond or another form of security that is satisfactory to the Director. The original amount required for such bond is currently \$2000.00. Ms. Jeppson indicated that with the increase in fee rates, it was determined that this threshold should also be increased to better fit the needs of industry.

Ms. Jeppson discussed NAC 587 Section 1 Subsection 2 and the change in hourly rate from \$40.00/hr to \$60.00/hr pertaining to grading and certification. Ms. Jeppson stated that \$60.00/hr inspection fees were in line with other state fee structures. Ms. Jeppson discussed NAC 587 Section 1 Subsection 3 and the fee changes from \$50.00 to \$60.00 for the inspection of forage for the presence of noxious weeds. She clarified that the term forage was being struck and replaced with products since the weed-free program is industry driven and there has been an increase in diversity of products requested for certification.

Ms. Jeppson discussed NAC 587 Section 1 Subsection 5 and the fee changes for phytosanitary certificates from \$7.00 to \$10.00 per acre. Ms. Jeppson discussed NAC 587 Section 1 Subsection 6 and the fee change from \$25.00 to \$40.00 per state phytosanitary and free sale certificates. Ms. Jeppson also mentioned that this fee change will also apply to federal phytosanitary certificates. Ms. Jeppson noted that this is a time intensive process and the previous fee structure was not covering these costs. Ms. Jeppson discussed Section 3 Subsection 1 and the change to the certification fee from \$25.00 to \$30.00 with a minimum charge of \$40.00 per application.

Ms. Jeppson discussed the definition changes to seed Wholesalers and seed Retailers and the annual fees charged. Ms. Jeppson discussed the annual fee of \$75.00 for seed Retailers and \$750.00 fee for seed Wholesalers. The intent for these fees is to allow NDA staff to complete lab analysis to confirm germination, purity and noxious weed contaminations that could be present within those seeds. Ms. Jeppson discussed the methods used by Russell Wilhelm to assess seed registration programs across the country to determine a fair and equitable fee schedule for seed analysis. This included information on a 2019 study from North Dakota on retail seed that found 11% of the samples (roughly 1,000 samples taken) were non-compliant (i.e. had germination and purity issues in addition to noxious weeds), Ms. Jeppson discussed engagement with state nurseries and the Board of Agriculture nursery representative on how best to execute this program, disseminate lab analysis information, and trends across the state should this addition proceed. Per feedback from the nursery industry, the NDA would strategize on the seed brand and/or species to ensure retailers and wholesalers are being provided with analyses that will allow them to make informed business decisions. Ms. Jeppson discussed the definitions of seed retailers and seed wholesalers.

IV. Public Comment (2nd period):

Administrator Ashley Jeppson asked if anyone from the public sought to make a comment on the proposed regulations.

No public comment received

V. Adjourn

Administrator Ashley Jeppson thanked the workshop/hearing attendees for their participation and adjourned the public meeting at 10:17am.