

BRIAN SANDOVAL  
Governor

STATE OF NEVADA

JAMES R. BARBEE  
Director

Las Vegas Office:  
2300 E. St Louis Avenue  
Las Vegas NV 89104-4314  
(702) 668-4590  
Fax (702) 668-456



Elko Office:  
4780 E. Idaho Street  
Elko NV 89801-4672  
(775) 738-8076  
Fax (775) 738-2639

## MEMORANDUM

TO: Nevada Department of Agriculture Offices  
State Capitol Building  
State Library and Archives  
Dennis Belcourt – AG's Office

FROM: Lynn Hettrick, Division Administrator – 775-353-3670  
Lhettrick@agri.nv.gov Fax Number 775-353-3661

SUBJECT: Posting of Agenda for Hearing on Notice of Intent to Act Upon a Regulation Scheduled for Wednesday,  
November 29, 2017 at 8:30AM

DATE: October 19, 2017

---

I have attached a copy of the agenda for the Nevada Department of Agriculture Hearing for Notice of Intent to Act Upon a Regulation that will be held on Wednesday, November 29, 2017 at 8:30AM.

Please post the agenda for R155-16 before 9:00am on October 25, 2017 per *open meeting law* and return this memo to my attention, signed with the date of posting, as I need this for our files.

We appreciate your assistance in this posting.

Thank you.

Distribution: State Capitol Building  
State Library and Archives  
Dennis Belcourt – AG's Office  
Sparks Office – Nevada Department of Agriculture  
Las Vegas Office – Nevada Department of Agriculture  
Elko Office – Nevada Department of Agriculture  
Consumer Equitability – Department of Agriculture

OFFICE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE & TIME OF POST: \_\_\_\_\_



## MEETING NOTICE AND AGENDA

Public Hearing

Notice of Intent to Act Upon a Regulation

LOCATION: Nevada Department of Agriculture  
405 S. 21<sup>st</sup> Street  
Sparks, NV 89431  
Phone: 775-353-3601

*Video-conference to:* Nevada Department of Agriculture  
2300 E. St Louis Avenue  
Las Vegas, NV 89104  
Phone: 702-668-4590

Nevada Department of Agriculture  
4780 E. Idaho Street  
Elko, NV 89801  
Phone: 775-738-8076

November 29, 2017

Public comment will be taken on the intent to adopt a regulation. The purpose is to solicit public comments from interested persons on the following proposed regulation: NAC 557; *a regulation relating to industrial hemp; providing for the amendment of an application for certification and registration of a site to be used for growing or cultivating industrial hemp; and providing other matters properly relating thereto.*

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify The Dept. of Agriculture in writing at 405 S. 21<sup>st</sup> Street, Sparks, NV 89431 or contact Jerri Conrad at 775-353-3619.

Copies of both the State of Nevada Board of Agriculture Agenda with supporting documentation and Open Meeting Minutes are available, at no charge, for inspection at the Dept. of Agriculture 405 S. 21<sup>st</sup> Street, Sparks, NV, 89431 or Dept. of Agriculture website at [www.agri.nv.gov](http://www.agri.nv.gov). For additional information contact Jerri Conrad at 775-353-3619.

Notice of this meeting was posted on or before 9:00 a.m. on the third working day before the meeting at the following locations: Nevada Department of Agriculture, 405 S. 21<sup>st</sup> Street, Sparks, NV 89431, Nevada Department of Agriculture, 2150 Frazer Ave., Sparks, NV 89431, Nevada Department of Agriculture, 4780 E. Idaho Street, Elko, NV 89801, Nevada Department of Agriculture, 2300 E. St Louis Avenue, Las Vegas, NV 89104, State of Nevada Capital Building, Carson City NV, State Library and Archives, Carson City.



# PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF AGRICULTURE

LCB File No. 155-16

DIVISION OF PLANT INDUSTRY

## NOTICE OF INTENT TO ACT UPON A REGULATION And NOTICE OF HEARING FOR THE ADOPTION OF REGULATIONS

The Nevada Department of Agriculture will hold a public hearing on Wednesday, November 29, 2017 at 8:30AM, at Agriculture Headquarters, 405 South 21<sup>st</sup> Street, Sparks, NV 89431; Phone: (775) 353-3601. The purpose of the hearing is to receive comments from all interested persons regarding the Amendment of regulations that pertain to chapter 557, of the Nevada Administrative Code. The proposal has been designated as File No. R155-16 by the Nevada Legislative Counsel Bureau.

The following information is provided pursuant to the requirements of NRS 233B.0603:

The purpose is to solicit public comments from interested persons on the following proposed regulation: NAC 557; a *regulation relating to industrial hemp; providing for the amendment of an application for certification and registration of a site to be used for growing or cultivating industrial hemp; and providing other matters properly relating thereto.*

1. The need for and the purpose of the proposed regulation or amendment  
*This regulation change allows a hemp grower to amend the hemp registration application if a change is needed*
2. Either the terms or the substance of the regulations to be adopted, amended or repealed, or a description of the subjects and issues involved.  
*Allows a grower to amend their application and adjusts the fees accordingly*
3. The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately and in each case must include:
  - a) Both adverse and beneficial effects; and  
*The language allows a grower to adjust their application and fees if they wish to do so*
  - b) Both immediate and long-term effects  
*Benefits growers by allowing changes if desired*
4. The estimated cost to the agency for enforcement of the proposed regulation.  
*Minimal cost to allow changes*
5. A description of and citation to any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.  
*This regulation is less restrictive and not duplicative.*
6. If the regulation is required pursuant to federal law, a citation and description of the federal law.  
*The 2014 Federal Farm Bill requires hemp growers to register. This regulation allows a grower to amend their registration.*
7. If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.  
*See #5 above*
8. Whether the proposed regulation establishes a new fee or increases an existing fee.  
*There is a minimal fee to amend a registration.*



A concerted effort was made to determine the impact of the proposed regulation on small businesses. Staff for the hemp program and administration division determined that this regulation is permissive and benefits growers..

The LCB approved revision can be found on the Nevada Department of Agriculture website at [www.agri.nv.gov](http://www.agri.nv.gov).

Persons wishing to comment upon the proposed action of the Nevada Department of Agriculture may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the address below.

**Nevada Department of Agriculture**  
**405 S. 21<sup>st</sup> Street**  
**Sparks, NV 89431**  
**ATTN: Megan Zich**  
**(775) 353-3670**  
**Mzich@agri.nv.gov**

Written submissions must be received by the Nevada Department of Agriculture on or before November 23, 2017. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Department of Agriculture may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be amended will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be amended will be available at:

Nevada Department of Agriculture  
405 South 21<sup>st</sup> Street  
Sparks, NV 89431

Nevada Department of Agriculture  
2300 E. St Louis Avenue  
Las Vegas, NV 89104

Nevada Department of Agriculture  
4780 E. Idaho Street  
Elko, NV 89445

And in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

NRS 233B.064(2) provides: Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

**The Nevada State Library in Carson City, and all Nevada county libraries. The Department of Agriculture offices in Sparks, Las Vegas or Elko during the hours of 8:00 a.m. until 5:00 p.m. Monday through Friday.**

Clark County Library, 833 Las Vegas Boulevard North, Las Vegas, NV 89101  
Douglas County Library, 1625 Library Lane, Minden, NV 89423  
Elko County Library, 720 Court Street, Elko, NV 89801  
Esmeralda County Library, Corner of Crook & 4<sup>th</sup> Streets, Goldfield, NV 89013  
Eureka Branch Library, 10190 Monroe Street, P.O. Box 293, Eureka, NV 89316  
Humboldt County Library, 85 East 5<sup>th</sup> Street, Winnemucca, NV 89445  
Lander County Library, 625 South Broad Street, Battle Mountain, NV 89820  
Lincoln County Library, 63 Main Street, Pioche, NV 89043  
Lyon County Library, 20 Nevin Way, Yerington, NV 89447

Mineral County Public Library, 110 1<sup>st</sup> Street, Hawthorne, NV 89415  
Pershing County Library, 1125 Central Avenue, Lovelock, NV 89419  
Storey County Public Library, 95 South R Street, Virginia City, NV 89440  
Tonopah Public Library, 167 Central Street, Tonopah, NV 89049  
Washoe County Library, 301 South Center Street, Reno, NV 89501  
White Pine County Library, 950 Campton Street, Ely, NV 89301  
Nevada State Legislature Website: [www.leg.state.nv.us](http://www.leg.state.nv.us)





**PROPOSED REGULATION OF THE  
STATE BOARD OF AGRICULTURE**

**LCB File No. R155-16**

August 28, 2017

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

AUTHORITY: §§1 and 2, NRS 557.080, as amended by section 23 of Senate Bill No. 396, chapter 259, Statutes of Nevada 2017, at page 1348, and 561.153.

A REGULATION relating to industrial hemp; providing for the amendment of an application for certification and registration of a site to be used for growing or cultivating industrial hemp; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes the State Department of Agriculture and institutions of higher education to grow or cultivate industrial hemp for certain research purposes and requires each site used for growing or cultivating industrial hemp to be certified by and registered with the Department. (NRS 557.070) Existing regulations provide for the certification and registration of such sites. (Sections 1-10 of LCB File No. R085-15, Adopted Reg. of State Bd. of Agric.)

**Section 1** of this regulation authorizes an applicant for certification and registration of a site to be used for growing or cultivating industrial hemp to request an amendment of his or her application. If such a request is approved, the Department shall recalculate the fees required to accompany the application using the application as amended. **Section 2** of this regulation establishes a nonrefundable fee for the submission of such a request.

**Section 1.** Section 5 of LCB File No. R085-15, which was adopted by the State Board of Agriculture and filed with the Secretary of State on March 10, 2016, is hereby amended to read as follows:

Sec. 5. ***1.*** A person who represents the Department or an institution of higher education, directly or pursuant to a contract to conduct an agricultural pilot program or

other agricultural or academic research on behalf of the Department or institution of higher education, may submit an application to the Department for certification and registration of a site to be used for growing or cultivating industrial hemp in conjunction with the program or research. The application must be accompanied by a current background check performed by a law enforcement agency that includes a check performed by the Federal Bureau of Investigation. The application must be on a form prescribed by the Department and include all information deemed appropriate by the Department. The Department shall certify and register such a site if:

~~[1.]~~ (a) The Department determines that the application adequately describes the purpose of the agricultural pilot program or other agricultural or academic research which requires the growth or cultivation of industrial hemp;

~~[2.]~~ (b) The applicant has not been convicted of any felony related to the possession, production, sale or distribution of a controlled substance in any form within the 5 years immediately preceding the date of the application;

~~[3.]~~ (c) The application includes all other information that the Department determines is appropriate; and

~~[4.]~~ (d) The application is accompanied by all fees determined by the Department to be required at the time the application is submitted.

***2. An applicant may submit a request to amend an application to the Department if the request is accompanied by all fees determined by the Department to be required at the time the request is submitted. Upon approval of such a request, the Department shall***

*use the amended information to adjust the calculation of all fees required to accompany the application.*

**Sec. 2.** Section 8 of LCB File No. R085-15, which was adopted by the State Board of Agriculture and filed with the Secretary of State on March 10, 2016, is hereby amended to read as follows:

Sec. 8. The Department shall assess the following fees:

1. For the submission of an application pursuant to section 5 of this regulation, a nonrefundable application fee of \$500.
2. *For the submission of a request to amend an application pursuant to section 5 of this regulation, a nonrefundable fee of \$500.*
3. For a certified and registered site used for growing and cultivating industrial hemp outdoors, a fee of \$5 per acre or portion thereof.
- ~~3.~~ 4. For a certified and registered site used for growing or cultivating industrial hemp indoors, a fee of 33 cents per 1,000 square feet, or portion thereof.
- ~~4.~~ 5. For inspecting a site used for growing or cultivating industrial hemp:
  - (a) A fee of not more than \$50 per hour for each hour an inspector spends conducting the inspection, including the time spent traveling to and from the site; and
  - (b) The mileage allowance established by the State Board of Examiners for state officers and employees pursuant to subsection 3 of NRS 281.160 for the inspector's travel to and from the site.

~~5.1~~ 6. For sampling and analyzing industrial hemp pursuant to this chapter, a fee in the amount of the actual costs of the Department for the sampling and analysis, as approximated by the Department.



SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY

NRS 233B.0608

(Revised LCB File# R155-16)

- 1. A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.**

The NDA contacted every industrial hemp grower involved in a research trial that may be impacted by this clarification and everyone who has expressed interest in the program. The regulations are available on the website of the Department of Agriculture, [www.argo.nv.gov](http://www.argo.nv.gov) and posted at the following locations.

NDA office Locations:

Department of Agriculture  
405 S. 21st Street  
Sparks, NV 89431

Department of Agriculture  
2300 E. Saint Louis Ave.  
Las Vegas, NV 89104

Department of Agriculture  
4780 E. Idaho Street  
Elko, NV 89801

- 2. The manner in which the analyses was conducted.**

No analyses was conducted because these regulations do not apply to small businesses and the introduction of an amendment fee is merely a clarification of the application process if a grower wishes to amend the original research project.

- 3. The estimated economic effect of the proposed regulation on the small businesses it is to regulate, including, without limitation:**

No economic effect because the business requests the change

- 4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.**

Does not apply. The impact is insignificant; an amendment is initiated by the party who pays the fee. The amendment fee is to cover the agencies cost to issue a permit.

- 5. The estimated cost to the agency for enforcement of the proposed regulation.**

There will be minimal cost, covered by the fee.



- 6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

This regulation will impose a new fee that has been calculated to cover the costs of administering the service. The proposed application amendment fee will generate \$0-\$2,500 with the possibility that fees may be returned to the individual grower.

- 7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.**

Does not apply. Not duplicative.

- 8. The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.**

No impact on small businesses. Application amendment regulations simply clarify the application process and will only apply at the request of the grower.

I certify that to the best of my knowledge or belief, a concerted effort was made to determine the impact of this proposed regulation on small businesses and that the information contained in this statement was prepared properly and is accurate.



James R. Barbee

Director

Nevada Department of Agriculture