BRIAN SANDOVAL Governor

STATE OF NEVADA

JIM BARBEE Director

Sparks Office: 2150 Frazer Avenue Sparks NV 89431-5566 (775) 688-1166 Fax (775) 688-2533

Las Vegas Office: 2300 E. St Louis Avenue Las Vegas NV 89104-4314 (702) 668-4590 Fax (702) 668-4567



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

DEPARTMENT OF AGRICULTURE

405 South 21st Street Sparks, Nevada 89431

MEMORANDUM

TO:

Nevada Department of Agriculture Offices

State Capitol Building
State Library and Archives
Dennis Belcourt – AG's Office

FROM:

Lynn Hettrick, Plant Industry Division Administrator – 775-353-3729

Mzich@agri.nv.gov Fax Number 775-353-3661

SUBJECT:

Posting of Agenda for Workshop Scheduled for: Tuesday, October 17, 2017 at 1:00 PM

DATE:

September 25, 2017

I have attached a copy of the agenda for the Nevada Department of Agriculture Workshop that will be held on; Wednesday, Tuesday, September 25, 2017.

Please post the agenda for NAC 557 (R-155-16) before 9:00am on October 1, 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.

T	han	k	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:	
DATE & TIME OF POST.	

MEETING NOTICE AND AGENDA

Public Hearing Notice of Workshop

LOCATION:

Nevada Department of Agriculture

405 S. 21st 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

DATE AND TIME:

Tuesday, October 17, 2017 at 1:00 PM

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 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. 21st 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. 21st Street, Sparks, NV, 89431 or Dept. of Agriculture website at http://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. 21st 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. R155-16

DIVISION OF PLANT INDUSTRY

NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATION

The Nevada Department of Agriculture, 405 South 21st Street, Sparks, Nevada, 89431, is proposing the Amendment of regulations pertaining to chapter NAC 557, of Nevada Administrative Code. A workshop has been set for; Tuesday, October 17, 2017 at 1:00 PM.

Nevada Department of Agriculture 405 South 21st Street Sparks, Nevada, 89431

The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations:

"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."

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting:

Megan Zich
Plant Industry Division
Nevada Department of Agriculture
405 South 21st Street
Sparks, NV 89431
PHONE (775) 353-3670
Mzich@agri.nv.gov

A reasonable fee for copying may be charged.

This Notice of Workshop to Solicit Comments on Proposed Regulation has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

Nevada Department of Agriculture 405 South 21st 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

State Capitol Building

Nevada State Library and Archives, 100 N. Stewart Street, Carson City, NV

Dennis Belcourt – AG's Office LCB website: www.leg.state.nv.us

Nevada Public Notice website: www.notice.nv.gov

Nevada Department of Agriculture Website: www.agri.nv.gov

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 [emitted 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.] 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)

 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.argi.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 toregulate, 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