PROPOSED REGULATION OF THE
NEVADA DEPARTMENT OF AGRICULTURE

LCB File No. ______

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 587 of Nevada Administrative Code. A workshop has been set for Wednesday, January 18, 2017, 8:30 am, at:

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:

"The general standards for certification of seed as adopted by the Department and NAC 587.931 to 587.937, inclusive, govern the standards for the certification of industrial hemp seed."

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

Ruth Tietjen
Plant Industry Division
Nevada Department of Agriculture
405 South 21st Street
Sparks, NV 89431
(775) 353-3670
rtietjen@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
MEMORANDUM

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

FROM: Robert Little, Plant Industry Division Administrator – 775-353-3729
       rlittle@agri.nv.gov Fax Number 775-353-3661

SUBJECT: Posting of Agenda for Workshop Scheduled for: Wednesday, January 18, 2017, 8:30 am,

DATE: December 20, 2016

I have attached a copy of the agenda for the Nevada Department of Agriculture Workshop that will be held on Wednesday, January 18, 2017, 8:30 am.

Please post the agenda for NAC 587 before 9:00 am, on January 3, 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 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: Wednesday, January 18, 2017, 8:30 am,
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 587, a regulation
relating to The general standards for certification of seed as adopted by the Department and
NAC 587.931 to 587.937, inclusive, govern the standards for the certification of industrial hemp
seed 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

NEVADA DEPARTMENT OF AGRICULTURE
NAC 587: Standards For Certification Of Industrial Hemp Seed
Proposed Amendments

Black Text = Current Regulation  Red Text = Proposed Removed Language
Blue Text = Proposed New Language

Revised 12/20/2016

587. Applicability. (NRS 587.077, 587.083) The general standards for certification of seed as adopted by the Department and NAC 587.931 to 587.937, inclusive, govern the standards for the certification of industrial hemp seed.

587. Requirements for land. (NRS 587.077, 587.083)

1. An industrial hemp seed crop that is grown for certification must not be planted on land on which the previous crop grown was of the same kind, unless the previous crop grown was of the same variety and met all of the certification requirements for the same or higher class.

2. The application for certification must indicate the crops grown the previous 3 years on the land.

3. At least 2 years must elapse between the destruction of varieties of dissimilar adaptation and establishment of a new stand for the production of seed for certification.

4. An industrial hemp crop that is grown for breeder seed designation can be accepted at the approval of the Department.

   (a) A breeder class industrial hemp field must not be planted on land on which the previous 10 crops were industrial hemp of any kind.

587. Requirements for Isolation. (NRS 587.077, 587.083)

1. Isolation areas must be kept free of Industrial Hemp plants. Under optimum conditions, not more than 3 plants per 11 square feet of harmful contaminants (species that can cross pollinate with the inspected crop) are permitted within the required isolation distance(s) adjacent to the inspected crop. The conditions of each crop are assessed by the seed certifying agency which may alter this standard, usually by reducing the number of contaminant plants permitted per square yard, according to the contamination risks involved.

2. The required isolation as outlined in Table 1 must be in place prior to the time of flowering and crop inspection.

3. If dioecious male plants start flowering before removal from field, all plants around them should be destroyed for a radius of 10 feet for Foundation and 6 feet for registered seed crops.
4. Except as otherwise provided in subsection 2, the minimum distance a field of industrial hemp must be from a different variety or a field of the same variety of industrial hemp that does not meet the requirements for the same class designation is:

<table>
<thead>
<tr>
<th>Inspected crop</th>
<th>Other Crop</th>
<th>Isolation Distance Required (Feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dioecious</td>
<td>1) Different varieties of industrial hemp</td>
<td>16,150</td>
</tr>
<tr>
<td>type –</td>
<td>2) Non-certified crop of same kind</td>
<td>16,150</td>
</tr>
<tr>
<td>Registered and Foundation</td>
<td>3) Lower certified class seed crop of same variety</td>
<td>6,640</td>
</tr>
<tr>
<td>Dioecious</td>
<td>1) Different varieties of industrial hemp</td>
<td>3,320</td>
</tr>
<tr>
<td>type –</td>
<td>2) Non-certified crop of same kind</td>
<td>3,320</td>
</tr>
<tr>
<td>Certified</td>
<td>3) Lower certified class seed crop of same variety</td>
<td>646</td>
</tr>
<tr>
<td></td>
<td>4) Same class of certified seed of same variety</td>
<td>3</td>
</tr>
<tr>
<td>Monoecious</td>
<td>1) Dioecious variety of industrial hemp</td>
<td>16,150</td>
</tr>
<tr>
<td>type and</td>
<td>2) Non-certified crop of same kind</td>
<td>16,150</td>
</tr>
<tr>
<td>Hybrids –</td>
<td>3) Different varieties of the same type of industrial hemp (monoecious or female hybrid)</td>
<td>6,460</td>
</tr>
<tr>
<td>Registered and Foundation</td>
<td>4) Lower certified class seed crop of same variety</td>
<td>3,230</td>
</tr>
<tr>
<td></td>
<td>5) Same class of certified class of same variety</td>
<td>3</td>
</tr>
<tr>
<td>Monoecious</td>
<td>-Dioecious variety of industrial hemp</td>
<td>3,230</td>
</tr>
<tr>
<td>type and</td>
<td>-Non-certified crop of same kind</td>
<td>3,230</td>
</tr>
<tr>
<td>Hybrids -</td>
<td>-Different varieties of the same type of industrial hemp (monoecious or female hybrid)</td>
<td>646</td>
</tr>
<tr>
<td>Certified</td>
<td>-Lower certified class seed crop of same variety</td>
<td>646</td>
</tr>
<tr>
<td></td>
<td>-Same class of certified class of same variety</td>
<td>3</td>
</tr>
</tbody>
</table>

5. Industrial hemp seed crops entered for certification are required to be at least 5 miles from a medical marijuana and/or a recreational marijuana cultivation area.

587. Inspection of Seed Crops; Control of Contamination (NRS 587.077, 587.083)

1. The Department will make an inspection of a seed crop of industrial hemp after female flowers are produced.

2. Producers will notify the Department when the ideal inspection time is for each crop at least 2 weeks in advance.

3. A field of industrial hemp entered for certification must show evidence of control of:
   (a) Contaminating crops and varieties; and
   (b) Objectionable and noxious weeds.

4. Industrial hemp varieties of the monoecious gender must show evidence of control of:
   (a) Contaminating genders that exceed the varietal designation amount
(b) Deviation from the varietal characteristic regarding monoecious/dioecious genders cannot exceed more than 10% from varietal definition.

5. The Department will collect one sample of a seed crop per year when the flower is at the most mature state to analyze for total tetrahydrocannabinol (THC).

(a) The sample will be taken using the following method:

1. Of each plant sampled, the top 6 inches of the female flower will be harvested.

2. A total of 10 plants per field, per variety will be sampled following a manner that is proportionate with the designated field.

3. Each field sample will be contained in a single, sealable plastic bag.

4. Latex or nitrile gloves must be worn when sampling and will be sterilized or exchanged upon entering different fields.

5. Samples will be labeled according to date, producer, species, variety and sample number.

587. **Fields of Industrial Hemp: Maximum Tolerances** *(NRS 587.077, 587.083)*

1. Except as otherwise provided in subsections 2 and 3, a field of industrial hemp must meet the following tolerances to be eligible for certification:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Breeder</th>
<th>Foundation</th>
<th>Registered</th>
<th>Certified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Varieties</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>1:5,000</td>
</tr>
<tr>
<td>Other Crops</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>1:2,000</td>
</tr>
</tbody>
</table>

2. Tetrahydrocannabinol (THC) concentrations exceeding 0.3% on a dry weight basis will result in immediate disqualification for seed certification and the crop will be destroyed.

3. Any Cannabis sativa L. other than industrial hemp varieties are prohibited from being present within an industrial hemp field.

(a) In the event that any variety of Cannabis sativa L. other than industrial hemp is suspected, the crop will be ordered to be destroyed.

587. **Maximum Impurity Standards** *(NRS 587.077, 587.083)*

1. Impurity Standards

(a) Impurities should be removed prior to crop inspection.

(b) Any combination of impurities may be reason for declining certified status.

(c) An Industrial Hemp crop for certified status, unless otherwise specified by the Breeder, must not exceed the limits, as outlined in Table 2., of harmful contaminants (species that can cross pollinate
with the inspected crop), plants of other varieties or distinct types foreign to the variety being inspected, weeds or other crops with seeds that are difficult to separate from Industrial Hemp seed (e.g. Hemp Nettle)

(d) Table 2 indicates the maximum number of impurities permitted by AOSCA in approximately 10,000 plants of the inspected crop. The inspector makes at least 6 counts (10,000 plants each) or the equivalent to determine the number of impurities. The resulting average of these counts must not exceed the maximum impurity standards in Table 2.

Table 2:

<table>
<thead>
<tr>
<th>Inspected Crop</th>
<th>Maximum Impurity Standards per 10,000 Plants in Registered and Certified Industrial Hemp Seed Crops</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Maximum Number of “Too Male” monoecious plants</td>
</tr>
<tr>
<td>Dioecious Type – Foundation</td>
<td>-</td>
</tr>
<tr>
<td>Dioecious Type – Registered &amp; Certified</td>
<td>-</td>
</tr>
<tr>
<td>Monoecious Type – Foundation</td>
<td>500</td>
</tr>
<tr>
<td>Monoecious Type – Registered</td>
<td>1000</td>
</tr>
<tr>
<td>Monoecious Type – Certified</td>
<td>-</td>
</tr>
</tbody>
</table>

587. Minimum standards for classes of industrial hemp seed (NRS 587.077, 587.083)

1. Each lot of seed entered for certification must be sampled and meet the minimum standards for the class of seed produced. Samples will be drawn by a representative of the Department pursuant to NAC 587.180 and 587.190, and must meet the following standards:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Breeder</th>
<th>Standards for Each Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pure seed (minimum)</td>
<td>99.0%</td>
<td>98.0%</td>
</tr>
<tr>
<td>Other crop (maximum)</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
<tr>
<td>Weed seed (maximum)</td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Noxious weed seed (maximum)</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Objectionable weed seed (maximum)</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Inert matter (maximum)</td>
<td>1.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Other Varieties (maximum)</td>
<td>0.005%</td>
<td>0.005%</td>
</tr>
<tr>
<td>Other Kinds (maximum)</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
<tr>
<td>Germination and hard seed (minimum)</td>
<td>90.0%</td>
<td>80.0%</td>
</tr>
</tbody>
</table>
587. **Application for certification; contents and submission requirements.** (NRS 587.077, 587.083)

1. For each planting, an applicant must submit to the Department an application for certification.

2. Each application must:

   (a) Be on a form obtained from the Department;

   (b) List all sources of the seed stock planted;

   (c) Include documentation that verifies the eligibility of the seed stock planted;

   (d) Include a map that shows the location of the farm and the planting;

   (e) Include any other information requested by the Department;

   (f) Be received by the Department on or before June 1 of the year the seed stock is planted; if not received by this date a $100.00 fee will be added; and

   (g) Be accompanied by the certification fees.

587. **Fee for certification; refund.** (NRS 587.077, 587.083)

1. For each planting, the Department will charge and collect a certification fee of $15.00 per acre with a minimum charge of $50.00 per application.

2. Checks must be payable to the “Nevada State Department of Agriculture.”

3. An applicant must pay the certification fee set forth in subsection 1:

   (a) On or before June 1 of the year in which the seed stock is planted; or

   (b) If the seed stock is planted after June 1, not later than 5 days after the date on which the seed stock is planted.

4. The Department will refund the certification fees paid for any planting that is withdrawn from certification if the request for a refund is submitted in writing to the Department before the first field inspection.
Workshop for Proposed Regulation Amendments to Nevada Administrative Code
Chapter 587—Certification of Industrial Hemp Seed.

Date: January 18, 2017

Time: 8:30 am (PST)

Location: Video conference between the Nevada Department of Agriculture’s Sparks, Las Vegas and Elko offices (addresses listed above)

This workshop has been properly noticed as required by the Nevada Open Meeting Law. The workshop is being recorded and all attendees are required to sign in and those who wish to speak are asked to identify themselves for the record. All participants are encouraged to engage in discussion; therefore there is no formal public comment period.

Agenda:

I. Welcome & Introductions

II. Overview of Specific Amendments

III. Open Discussion Pertaining to Proposed Amendment(s)

IV. Adjourn
SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY

NRS 233B.0608

(Revised LCB File# here if appropriate)

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.
   - Some participants in the existing Hemp Research trials have requested a hemp seed certification program. There are no existing small businesses that will be impacted by these regulations. Information is available on the website of the Department of Agriculture, www.agri.nv.gov and posted at the following locations:

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

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

     Department of Agriculture
     4760 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 any existing small businesses and changes are by request.

3. The estimated economic effect of the proposed regulation on the small businesses it is to regulate, including, without limitation:
   - These regulations should have a positive economic impact. It is hoped that the potential to produce certified seed will enhance the profitability of growing and processing Hemp in Nevada.

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.
   - The agency did not consider a way to reduce the impact because the impact is positive and is proposed by request.
5. The estimated cost to the agency for enforcement of the proposed regulation.
   • The estimated cost is minimal and will depend on the number and size of the applications.
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.
   • The proposed new fees are estimated to generate $4500.00 the money will be used to offset personnel costs, mileage and laboratory costs.
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.
   • This regulation is not more stringent and is not duplicative of other regulations.
8. The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.

The agency has concluded that these regulations will permit the certification of Hemp seed in Nevada. Producers of certified Hemp seed will benefit economically from the production of certified seed.

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 is accurate.

[Signature]
James R. Barbee
Deputy Director

Director
Nevada Department of Agriculture