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SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 223B.0608

December 13, 2021

Proposed Amendments to NAC Chapter 552

- 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.**

A digital survey was released by the Nevada Department of Agriculture (NDA) to assess the impact of proposed regulation changes to NAC 552, including requiring adjacent neighbors be notified when hives are present on a property (if the hive owner's property is less than five acres) and requiring all hives have signage listing the hive owner's name and contact information.

The survey opened on July 28, 2021 and closed on August 11, 2021. On July 28, 2021, the survey was posted to the NDA's website at www.agri.nv.gov/survey. The survey was sent to licensed honey businesses and beekeepers on record with the NDA. A search was also conducted to supplement the contact list to include businesses and beekeeper organizations in Nevada. In total, this email went out to 128 contacts.

An additional email was sent to all agriculture businesses and contacts registered through the NDA MailChimp account. In total, this email went out to 7,244 contacts. An error was experienced when the survey was issued so, the survey was reopened and communication was sent to those impacted during this period from August 27, 2021 to September 7, 2021, resulting in 6 additional responses.

A link to all active surveys, including NAC 552, was shared on social media and through the NDA Director's July newsletter on July 30, 2021. In addition, the survey was shared by the Nevada Farm Bureau through their newsletters on July 30, 2021 and August 6, 2021. The survey was also posted on the Mason Valley Beekeepers' social media on July 31, 2021.

In total, the survey received 80 responses with a 70% survey completion rate. 30 responses were received through email, while 50 responses were received through social media, website postings, and other survey promotions.

Summary of Survey Responses:

- If enacted would the proposed changes to NAC 552 impact your ability to do business?

- Yes – 27 respondents (38.57%)
 - No – 19 respondents (27.14%)
 - Maybe – 24 respondents (34.29%)
- Estimate the total annual impact the proposed changes to NAC 552 will have on your business.
 - Reported cost of the proposed changes to NAC 552 on small business was reported by respondents to be between \$81,119 and \$141,693. In total, 60% of small business respondents reported there would be less than \$1,000 in additional costs associated with the proposed changes to NAC 552. Information on how the estimates were determined was not provided by survey respondents.
 - What level of negative impact will the proposed changes to NAC 552 have on your business?
 - No impact – 15 respondents (24.59%)
 - Insignificant impact – 3 respondents (4.92%)
 - Minor impact – 6 respondents (9.84%)
 - Moderate impact – 14 respondents (22.95%)
 - Major impact – 11 respondents (18.03%)
 - Severe impact – 12 respondents (19.67%)

Additional responses included:

- Don't add regulations
- Do not add the neighbor notification proposed regulation
- Have a digital means for reporting hive locations to allow for notifications
- The proposed regulations are an education issue on both sides and more public information is particularly needed
- Africanized bees are not an issue in the north
- Stop creating challenges for beekeepers
- Neighbors would then dictate whether hives are permitted
- Disagreement that there are bee complaints being received necessitating neighbor notifications
- Anaphylactic allergies are highly uncommon and neighbor notification is unnecessary
- Hives would need to be moved to areas greater than 5 acres to circumvent the neighbor notification
- Will result in increased cost of products or decreased supply
- Lack of public knowledge on the need for pollinators
- NDA doesn't support beekeepers, urban beekeeping, or the psychological benefits of beekeeping
- No concerns with the proposed regs if the neighbor notifications are removed
- Recognizes benefits in hives being labeled
- Bees are needed and the proposed regulations will prevent beekeeping
- This will impact food production and negatively impact pollinators
- Africanized honeybee quarantine in Southern Nevada may assist with addressing concerns
- Be sure the proposed regulations wouldn't result in neighbor disputes

- The proposed regulations should include funding to support inspection and research staff
- Hives will be stolen if locations are known
- Hobbyists shouldn't be regulated
- Allow for urban issues to be handled through the establishment of local government ordinances
- Suggested direct contact to discuss mutual solutions

A detailed report of all comments received can be provided through contacting the NDA at (775) 353-3601 or awhitenack@agri.nv.gov.

2. The manner in which the analysis was conducted.

A statistical analysis of the survey results was compiled and considered. While most respondents indicated that the proposed changes would have an impact on their business, the majority of respondents indicated that the level of financial impact caused would be severe to moderate.

3. The estimated indirect and direct economic effect of the proposed regulation on the small businesses it is to regulate, including, without limitation.

Cost of the proposed changes to NAC 552 on small business was reported by survey respondents to be between \$81,119 and \$141,693. In total, 60% of small business respondents reported there would be less than \$1,000 in additional costs associated with the proposed changes to NAC 552. This economic impact estimate included the proposed regulations in notifying neighbors. It is anticipated that the cost of providing signage with the owner's name and contact information would be minimal for small business owners and would help protect the industry by allowing the NDA to take enforcement action when a colony is abandoned, mismanaged, potential disease or Africanized bee issues that could affect other colonies.

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 survey allowed respondents to provide recommendations in lessening the impact of the proposed regulations. Most of the comments provided were reiterating opposition to the proposed neighbor notification, which was also expressed in other survey question responses. A summary of the comments is provided in question 2. The neighbor notification portion of the proposed regulation was removed.

To address the concern expressed in posting a beekeepers' contact information, the removal of the home/business address requirement will be considered and discussed during the workshop phase of the administrative rule making process. The intent of proposed language requiring hives have a sign with the name and contact information of the owner is to allow the NDA to make contact should there be a compliance issue.

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

Enforcement would be complaint based or as part of other agriculture inspection services. No additional cost is anticipated.

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.
NA

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.
The NDA assessed if neighbor notification requirements for beekeepers would help address the complaints received involving public safety, and based on the feedback received, the proposed neighbor notification language was removed.

Many neighboring states require the registration of all colony locations. The NDA will move forward with the proposed regulation requiring signage at hives to allow for the NDA to contact the owner if there is a compliance issue. Currently, as complaints are received or an abandoned or diseased hive is found, the NDA is unable to notify the owner as the landowner is not always the beekeeper or aware a hive has been placed on their property. This will allow for the individual responsible for the hive to be contacted with compliance information or needed action.

8. The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses
The NDA removed the proposed language involving the notification of adjacent landowners of hive locations. Most of the concerns expressed through the survey related to this portion of the proposed regulations. Some of the comments received were in opposition to the hive signage requirements, as they felt this industry should be unregulated and signage would encourage vandalism. The NDA is proceeding with this proposed language in the interest of protecting the industry, as it would allow timely notification and response when a diseased, abandoned, or mismanaged colony is found.

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

Jennifer Ott
Director