

CHAPTER 557

HEMP

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## GENERAL PROVISIONS

~~**NAC 557.005 Definitions. (NRS 557.260)**~~ As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 557.011 to 557.032, inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.011 "Acceptable hemp THC level" defined. (NRS 557.260)** "Acceptable hemp THC level" means a THC content concentration level on a dry weight basis that, when reported with the laboratory's measurement of uncertainty, produces a distribution or range that includes a THC content concentration level on a dry weight basis that is equal to or less than the maximum delta-9-tetrahydrocannabinol concentration level on a dry weight basis for hemp established by 7 U.S.C. § 1639o.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.018 "Key participant" defined. (NRS 557.260)**

1. "Key participant" means:

- (a) A sole proprietor;
- (b) A partner in a partnership; or
- (c) A person with executive managerial control in a corporation, including, without limitation, a chief executive officer, chief operating officer and chief financial officer.

2. The term does not include managers who are not executives, including, without limitation, a farm, field or shift manager.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.022 "Measurement of uncertainty" defined. (NRS 557.260)** "Measurement of uncertainty" has the meaning ascribed to it in 7 C.F.R. § 990.1.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.032 "Registrant" defined. (NRS 557.260)** "Registrant" means a person whose application for registration as a grower, handler or producer has been approved by the Department pursuant to NAC 557.102.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.042 Maximum THC concentration for hemp is acceptable hemp THC level. (NRS 557.260)** For the purposes of NRS 557.160, the maximum THC concentration for hemp is the acceptable hemp THC level.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

## REGISTRATION AS GROWER, HANDLER OR PRODUCER OF HEMP

**NAC 557.102 Application for registration: Contents; conditions for approval; consequences for material falsification of information. (NRS 557.200, 557.260)**

1. In addition to any other requirements set forth in chapter 557 of NRS or NAC 587.450 to 587.491, inclusive, an application submitted to the Department for registration as a grower, handler or producer must:

(a) If the applicant is a natural person, contain the physical and mailing addresses, telephone number and electronic mail address of the applicant.

(b) If the applicant is a business entity, contain the employee identification number of the business entity and the name, title, physical and mailing addresses, telephone number and electronic mail address of each key participant.

(c) Be accompanied by a criminal history report of the applicant, or, if the applicant is a business entity, a criminal history report of one key participant of the applicant. The criminal history report must have been completed within 120 days immediately preceding the date on which the application is submitted. The applicant or key participant must not have any change in his or her criminal history between the date on which the criminal history report was completed and the date on which the application is submitted.

(d) Contain the following, as applicable:

- (1) A description of the approvals that the applicant will be required to obtain.
- (2) Proof satisfactory to the Department demonstrating that the applicant is in compliance with all applicable federal and state laws.
- (3) A description of the manner by which the applicant will produce hemp.
- (4) A map of each location where hemp will be produced and stored.
- (5) The street address of each lot or greenhouse where hemp will be produced.
- (6) The geospatial location of each lot or greenhouse where hemp will be produced.
- (7) The acreage of the lot or indoor square footage of the greenhouse dedicated to the production of hemp.

(e) Include all other information deemed appropriate by the Department.

2. The Department will approve an application for registration as a grower, handler or producer only if:

(a) The applicant or, if applicable, the key participant for which the criminal history report was submitted pursuant to subsection 1 is not ineligible pursuant to this section or NAC 557.108 or 557.250.

(b) The Department determines that the application adequately describes the approvals the applicant will be required to obtain.

(c) The Department determines that the application adequately demonstrates that the applicant is in compliance with all applicable federal and state laws.

(d) The application includes all information required pursuant to subsection 1 and any other information that the Department deems appropriate.

(e) The application is accompanied by all fees required by the Department at the time the application is submitted.

3. A person who materially falsifies any information contained in an application for registration as a grower, handler or producer is not eligible for registration as a grower, handler or producer.

4. As used in this section, "criminal history report" has the meaning ascribed to it in 7 C.F.R. § 990.1.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.108 Period of ineligibility to submit application if convicted of certain felony; exception. (NRS 557.260)**

1. Except as otherwise provided in subsection 2, a person who has been convicted of a felony under a state or federal law relating to a controlled substance is not eligible for registration as a grower, handler or producer for a period of 10 years after the date of conviction.

2. The period of ineligibility set forth in subsection 1 does not apply to:

(a) A person who was lawfully growing hemp under section 7606 of the Agricultural Act of 2014, 7 U.S.C. § 5940, before December 20, 2018, and whose conviction occurred before that date; or

(b) A person who was lawfully growing hemp with a license, registration or authorization under a pilot program authorized by section 7606 of the Agricultural Act of 2014, 7 U.S.C. § 5940, before October 31, 2019.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)



**NAC 557.112 Transfer of registration: Request; conditions for approval. (NRS 557.200, 557.260)**

1. ~~The registration of a registrant may be transferred to another person if the Department approves a request for such a transfer.~~

2. A request for the transfer of a registration must be submitted to the Department and must:

(a) Describe the proposed transfer.

(b) Contain proof satisfactory to the Department that both parties to the proposed transfer have agreed to the proposed transfer.

(c) Be accompanied by a criminal history report of the proposed transferee or, if the proposed transferee is a business entity, a criminal history report of one key participant of the proposed transferee. The criminal history report must have been completed within 120 days immediately preceding the date on which the request is submitted. The proposed transferee or key participant must not have any change in his or her criminal history between the date on which the criminal history report was completed and the date on which the application is submitted.

(d) If applicable, contain the approval of the landowner of the land on which the registrant grows hemp or produces agricultural hemp seed.

(e) Be accompanied by the fee for making a revision to an issued registration as set forth in NAC 557.150 or 587.491, as applicable.

(f) Include any other information the Department deems appropriate.

3. The Department will approve a request for the transfer of a registration only if:

(a) The proposed transferee or, if applicable, the key participant for which the criminal history report was submitted pursuant to subsection 2 is not ineligible for registration as a grower, handler or producer pursuant to NAC 557.108 or 557.250.

(b) There will be no change in the physical location where the crop of the registrant is grown, if applicable.

(c) The application includes all information required pursuant to subsection 2 and any other information that the Department deems appropriate.

4. As used in this section, "criminal history report" has the meaning ascribed to it in 7 C.F.R. § 990.1.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.116 Submission of reports by registrant. (NRS 557.260)**

1. Each registrant shall, on or before the date specified by the Department in the registration of the registrant, submit to the Department a report that includes, without limitation, as applicable, the following information:

(a) The total acreage of hemp planted, harvested and disposed;

(b) The license or authorization number of the registrant;

(c) The street address of each lot or greenhouse where hemp will be produced;

(d) The geospatial location of each lot or greenhouse where hemp will be produced; and

(e) The acreage of the lot or indoor square footage of the greenhouse dedicated to the production of hemp.

2. Each registrant shall annually submit a report to the Farm Service Agency of the United States Department of Agriculture containing any information regarding the production of hemp that the United States Department of Agriculture deems appropriate.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.121 Inspection, sampling and analysis of plants of registrant by Department. (NRS 557.260)**

1. The Department may inspect, sample and analyze, during normal business hours and in such manner as the Department deems necessary, all plants of a registrant, whether growing or harvested, and all land, buildings and other structures used by a registrant for growing, cultivating or storing hemp.

2. A registrant shall ensure that the Department is provided with complete and unrestricted access during normal business hours to carry out the purposes set forth in subsection 1.  
(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.125 Notice to Department before harvesting or conducting remediation activities on crop; requirements for sampling procedures and methods. (NRS 557.260, 557.270)**

1. A registrant shall notify the Department before:
  - (a) The harvest or any other form of disposition of a crop; or
  - (b) Conducting remediation activities on a crop.
2. In collecting a sample of a crop pursuant to subsection 2 or 6 of NRS 557.270, the Department will use the sampling procedures and methods set forth in 7 C.F.R. § 990.3.  
(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.131 Adoption of publication by reference relating to requirements for testing. (NRS 557.260, 557.270)**

1. The Department hereby adopts by reference *Standard Method Performance Requirements (SMPRs) for Quantitation of Cannabinoids in Plant Materials of Hemp (Low THC Varieties Cannabis sp.)*, AOAC SMPR 2019.003, published by the Association of Official Analytical Collaboration (AOAC) International on October 9, 2019. A copy of this publication may be obtained free of charge at the Internet address [https://www.aoac.org/wp-content/uploads/2020/11/SMPR202019\\_003.pdf](https://www.aoac.org/wp-content/uploads/2020/11/SMPR202019_003.pdf).
2. If the publication adopted by reference pursuant to subsection 1 is revised, the Department will review the revision to ensure its suitability for this State. If the Department determines that the revision is not suitable for this State, the Department will hold a public hearing to review its determination and give notice of that hearing within 6 months after the date of publication of the revision. If, after the hearing, the Department does not revise its determination, the Department will give notice that the revision is not suitable for this State within 30 days after the hearing. If the Department does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.  
(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.136 Testing procedures; report of results required before crop enters stream of commerce. (NRS 557.260, 557.270)**

1. The testing required pursuant to NRS 557.270 must be conducted using testing procedures that meet the requirements set forth in 7 C.F.R. § 990.3. Such testing procedures must include, without limitation:
  - (a) The conversion of delta-9-tetrahydrocannabinolic acid (THCA) into THC using a post-decarboxylation or similarly reliable method; or
  - (b) Other methods that meet the requirements set forth in 7 C.F.R. § 990.3.
2. In determining whether a crop has a THC concentration that exceeds the acceptable hemp THC level, the Department will use a measurement of uncertainty that meets:
  - (a) The requirements set forth in the publication adopted by reference pursuant to NAC 557.131; and
  - (b) Any requirements set forth in 7 C.F.R. Part 990.
3. A registrant shall not allow a crop to enter the stream of commerce until the registrant has received a report issued by the Department pursuant to subsection 4 of NRS 557.270 indicating that the crop contains a THC concentration that does not exceed the acceptable hemp THC level.  
(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)



**NAC 557.141 Plan for disposal or remediation of crop; order for destruction or remediation if sample exceeds acceptable hemp THC level. (NRS 557.260, 557.270)**

1. A plan submitted to the Department by a grower for the effective disposal or remediation of a crop pursuant to subsection 2 of NRS 557.240 must comply with the requirements for disposal or remediation set forth in 7 C.F.R. § 990.27.

2. If, after testing a sample of hemp, whether growing or harvested, the Department determines that the sample exceeds the acceptable hemp THC level, the Department may order the destruction or remediation, as applicable, of any plants grown by the registrant at the expense of the registrant. The destruction or remediation of such plants must be performed in accordance with a plan for the effective disposal or remediation, as applicable, of the plants that complies with the requirements of 7 C.F.R. § 990.27 and is approved by the Department.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.150 Fees. (NRS 557.200)** The Department will collect the following fees:

1. For an application for registration or renewal of registration as a grower:

(a) If the applicant holds a valid license issued pursuant to NRS 555.235 to 555.249, inclusive, and grows hemp solely for use as nursery stock, as defined in NRS 555.23562, a nonrefundable application fee of \$725 and an additional fee of:

(1) For each acre or portion thereof of an outdoor site used for growing hemp, \$5; and

(2) For each 1,000 square feet or portion thereof of an indoor site used for growing hemp, 33 cents; and

(b) For any applicant other than an applicant described in paragraph (a), a nonrefundable application fee of \$900 and an additional fee of:

(1) For each acre or portion thereof of an outdoor site used for growing hemp, \$5; and

(2) For each 1,000 square feet or portion thereof of an indoor site used for growing hemp, 33 cents.

2. For an application for registration or renewal of registration as a handler, a nonrefundable application fee of \$1,000.

3. For inspecting a site used for growing hemp:

(a) A fee of not more than \$60 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 reimbursement rate 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.

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

5. For making a revision to an issued registration, \$150.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.160 Reporting of information by Department to governmental entities without notice to registrant authorized. (NRS 557.260)** Any information obtained by the Department in carrying out the provisions of this chapter and chapter 557 of NRS may be reported to any governmental entity without notice to the registrant as necessary to comply with the provisions of 7 C.F.R. Part 990.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.250 Disciplinary action: Corrective action plan for negligent violation; revocation of registration. (NRS 557.260)**

1. If a registrant commits a violation that would constitute a negligent violation pursuant to 7 C.F.R. § 990.6, the Department will establish a corrective action plan for the registrant to correct the negligent violation. The registrant shall comply with the corrective action plan. Each corrective action plan established by the Department must meet the requirements of 7 C.F.R. § 990.6.

2. The Department will revoke the registration of a registrant who commits three violations that would constitute negligent violations under 7 C.F.R. § 990.6 within a 5-year period.

3. A person whose registration has been revoked pursuant to subsection 2 is not eligible for registration as a grower, handler or producer for 5 years after the date of the third violation.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)

**NAC 557.260 Imposition of civil penalties; use of money collected. (NRS 557.260, 557.280)**

1. The Department will impose the following civil penalties for violations of the provisions of this chapter or chapter 557 of NRS:

(a) For a first violation, \$250.

(b) For a second violation, \$500.

(c) For a third or subsequent violation, \$1,000 per violation.

2. Any money collected from the imposition of a civil penalty pursuant to subsection 1 must be accounted for separately and:

(a) Fifty percent of the money must be used to fund a program selected by the Director of the Department that provides loans to persons who are engaged in agriculture and who are 21 years of age or younger; and

(b) Fifty percent of the money must be deposited in the Account for the Control of Weeds created by NRS 555.035.

(Added to NAC by Dep't of Agriculture by R011-21, eff. 10-25-2021)