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#### **DEPARTMENT OF AGRICULTURE**

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## LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY NRS 233B.066

#### **INFORMATIONAL**

#### STATEMENT LCB File No.

#### R186-24P

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 586.

### a. A clear and concise explanation of the need for the adopted regulation.

The adoption of these regulations pertains to the fee amount charged for the registration of pesticides in the state of Nevada, and an increase in the amount the Director will deposit in a separate amount to be used to: monitor and dispose of pesticides, protect groundwater and surface water from contamination by pesticides; and eradicate and control noxious weeds. The NDA is proposing an increase of its Pesticide Registration fee from the current rate of \$125, which was adopted in 2013 per LCB File R070-13A and established with industry in 2014, to \$281. The NDA has conducted an evaluation of the sustainability of its Pesticide Registration fee through an assessment of merging budget accounts (4545) and (4552), the introduction of additional funding available through various grants, and the long-term equipment replacement and maintenance service agreement costs for the Chemistry Laboratory.

b. A description of how public comment was solicited, a summary of the public response and an explanation of how other interested persons may obtain a copy of the summary. Copies of the proposed regulations, notices of workshop and notices of intent to act upon the regulation were sent by email to persons who were known to have an interest in the subject of NAC 586 as well as any persons who had specifically requested such notice.

These documents were also posted and made available at the following locations:

- Nevada Department of Agriculture, 405 S. 21<sup>st</sup> St., Sparks, NV 89431
- Nevada Department of Agriculture, 2300 E. Saint Louis Ave., Las Vegas, NV 89104
- Nevada Department of Agriculture, 4780 E. Idaho St., Elko, NV 89801
- Nevada State Library & Archives
- Nevada Department of Agriculture website at agri.nv.gov

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405 South 21st Street Sparks, Nevada 89431-5557 Telephone (775) 353-3601 Fax (775) 353-3661 Website: http://www.agri.nv.gov J.J. GOICOECHEA, DVM Director

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- Nevada Public Notice website at <a href="https://notice.nv.gov/">https://notice.nv.gov/</a>
- Nevada Legislature Administrative Regulation Notices at https://www.leg.state.nv.us/App/Notice/A/

A workshop was held on December 12, 2024. Thereafter, on or about January 29, 2025, the Administrator of the Division of Plant Health and Compliance issued a Notice of Intent to Act Upon a Temporary Regulation which incorporated in the proposed amendments the suggestions of the parties attending the workshop and through public comment as well as any comments from the Legislative Counsel Bureau. The hearing was held on March 3, 2025 to adopt the temporary regulation. The Administrator of the Division of Plant Health and Compliance issued a Notice of Hearing for the Adoption of Regulations on June 18, 2025. The hearing was held on July 22, 2025, and the minutes of that meeting, attached hereto, contain a summary of the discussion held regarding the proposed amendments.

A copy of this summary of the public response to the proposed regulation may be obtained from the Nevada Department of Agriculture, Attn: Dyan Reece, 405 S. 21st St., Sparks, NV 89431, (775) 353-3670, or d.reece@agri.nv.gov.

- c. The number of persons who:
  - 1. Attended each hearing;

Hearing on March 3, 2025: 1 attendee Hearing on July 22, 2025: 3 attendees

2. Testified at each hearing; and

0 attendees testified

3. Submitted to the agency written statements.

1 written statement received at the December 12, 2024 workshop, none from the hearing.

- d. For each person identified in subparagraphs (2) and (3) of paragraph (c), the following information if provided to the agency conducting the hearing:
  - 1. Name:

David Ruf

2. Telephone number;

Not provided

3. Business address;

2450 S. Curry St, Carson City, NV 89703

4. Business telephone number;

(775) 882-8600

5. Electronic mail address; and

Not provided

6. Name of entity or organization represented.

Greenhouse Garden Center & Gift Shop

e. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the

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#### summary.

The NDA prepared and distributed a Small Business Impact Survey to industry members and businesses. A statistical analysis of the survey results was compiled and considered upon the closing of the survey. The survey also included open-ended questions, and the comments received were also considered. The NDA launched the survey on September 4, 2024 and closed it on September 22, 2024. The survey was posted to NDA's website and social media accounts. Interested parties may also obtain a copy of the summary by contacting the Division of Plant Health and Compliance at (775) 353-3670 or d.reece@agri.nv.gov.

Comments were solicited from the public during both the workshop and hearing, as well as allowed for written comments submitted up to 24 hours after.

# f. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

NDA provided a response to the public comment received:

- O Cost in other states:
  - o The average registration fee of the states referenced in public comment is \$407
  - Our proposed fee is \$126 lower
  - O Though our proposed fee is not based on the average of surrounding states, we would be inline other western states.
- Sliding scale registration fee:
  - No other states have sliding scales for their pesticide registration fee
  - Although we could ask manufacturers to self-report sale volume, we have no way to audit for compliance.
  - We do not currently track volume of sales, and do not know the proportion of products that would fall into the three proposed categories. We believe that a significant portion of registrants would fall into the \$400/over 250 gallons of sales. This would significantly impact that segment and bump the proposed fee up \$265 instead of the proposed increase of \$156.
- o Organic 50% reduction in registration:
  - o We do not currently track organic verse conventional pesticides when applicants register.
  - We would have to adjust our online registration application to collect this information, and would add another layer of review to ensure that applicants are correctly identifying their product
  - Organic pesticides still can cause environmental damage and are registered for compliance

# g. 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:

Adverse economic effect on regulated businesses

The proposed temporary regulation change will increase the registration fee for those businesses that register pesticides in Nevada. This increase in the registration fee could affect business by increasing cost and reduce profitability. Smaller businesses will be

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Director

disproportionately affected as they would be required to distribute the fee across a smaller volume of products. Only 1.3% of registrants in 2024 were from Nevada, while the vast majority are located outside the state.

#### o Beneficial economic effect on regulated businesses

It is not anticipated that the proposed temporary regulation will have any beneficial economic effect on the regulated businesses.

#### Immediate economic effect on regulated business

The immediate economic effect on regulated businesses will be the increase in the registration fee paid. There has not been an increase in fees since 2013. The fee change will be implemented for the 2025 registration period, and not in a phased approach.

### o Long-term economic effect on regulated business

The long-term economic effect will be minimal as no further fee increases are proposed at this time.

#### Adverse economic effect on the public

There is potential for a marginal increase in the cost of pesticide products sold in Nevada that may affect the public that purchase those products.

#### o Beneficial economic effect on the public

It is not anticipated that the proposed temporary regulation will have any beneficial economic effect to the public.

#### o Immediate economic effect on the public

The potential economic effect on the public would be the potential for a marginal increase in cost of pesticides in Nevada.

#### o Long-term economic effect on the public

The long-term economic effect will be minimal as no further fee increases are proposed at this time.

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

The agency does not have costs associated with the enforcement of the proposed fee change. Notice of the changes will be sent electronically to those companies that have previously registered pesticides with the department. Compliance will be conducted through regular marketplace inspections.

i. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The proposed regulations do not duplicate federal, state or local standards, that regulate the same activity.

## j. If the regulation includes provisions which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

The proposed regulations are not more stringent than federal standards that regulate the same activity.

### k. If the regulation provides a new fee or increases an existing fee, the total annual amount the

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#### agency expects to collect and the manner in which the money will be used.

This proposed regulation change does increase an existing fee. The fee had not been updated since 2013. These regulation changes are necessary to aid in achieving long-term solvency in budget account (4545). The NDA has conducted an evaluation of its Pesticide Registration fee through an assessment of merging budget accounts (4545) and (4552), and the addition of additional funding available through various grants, projections of rising personnel costs, and the long-term equipment replacement and maintenance

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