ADOPTED TEMPORARY REGULATION OF THE DIRECTOR OF THE STATE DEPARTMENT OF AGRICULTURE

LCB FILE NO. T003-25A

The following document is an adopted temporary regulation submitted by the agency on 04/09/2025

SECRETARY OF STATE FILING DATA

· FN ED.NV.505 2025 APR D AKLISTS

Form For Filing Administrative Regulations

Agency:
Nevada Department of Agriculture

FOR EMERGENCY REGULATIONS ONLY
Effective date
Expiration date
Governor's signature

Classification:

PROPOSED

ADOPTED BY AGENCY

EMERGENCY

X TEMPORARY

Brief description of action:

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. (NRS 586.250) Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

Authority citation other than 233B:

NRS 586.270 Fees established by regulation; deposit and use of money.

Notice date: January 29, 2025

Date of Adoption by Agency: March 4, 2025

Hearing date: March 3, 2025



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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 temporary 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, projections of personnel costs, 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. 21st 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
- State Capitol Building
- Nevada State Library & Archives
- County Public Libraries, email contact available at https://nsla.nv.gov/find-a-library-directory
- Nevada Department of Agriculture website at agri.nv.gov

STATE OF NEVADA **DEPARTMENT OF AGRICULTURE**

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 https://notice.nv.gov/
- Nevada Legislature Administrative Regulation Notices at https://www.leg.state.nv.us/App/Notice/A/

A workshop was held on December 12, 2024, and the minutes of that meeting, attached hereto, contain a summary of the discussion held regarding the proposed amendments. 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, 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;

1 attendee

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 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

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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:
 - o 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.
 - O 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:
 - 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 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.

Beneficial economic effect on regulated businesses

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

o 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.

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.

Beneficial economic effect on the public

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

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 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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service agreement costs for the Chemistry Laboratory. The Department estimates that \$3,091,000 in fees will be collected annually.

PROPOSED REGULATION OF THE

DIRECTOR OF THE

STATE DEPARTMENT OF AGRICULTURE

LCB File No. R186-24

July 25, 2024

EXPLANATION - Matter in italics is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: § 1, NRS 586.237 and 586.270.

A REGULATION relating to pesticides; increasing the annual registration fee for each brand of pesticide registered with the Office of the Director of the State Department of Agriculture and the amount of the annual registration fee deposited in a separate account; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. (NRS 586.250) Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

- **Section 1.** NAC 586.011 is hereby amended to read as follows:
- 586.011 1. Each registrant must pay an annual registration fee of [\$125] \$281 for each pesticide registered.
- 2. The Director will deposit, in a separate account, [\$40] \$80 of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:

- (a) Monitor and dispose of pesticides;
- (b) Protect groundwater and surface water from contamination by pesticides; and
- (c) Eradicate and control noxious weeds.



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PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF AGRICULTURE

LCB FILE NO. R186-24P DIVISION OF PLANT HEALTH AND COMPLIANCE

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 Nevada Administrative Code (NAC) Chapter 586. A workshop has been set for:

Date: Thursday December 12, 2024

Time: 9:00am PST

Location: This meeting will be held both in person and via Teams

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

Nevada Department of Agriculture 4780 E. Idaho Street Elko, NV 89445

Phone: (775) 738-8076

Remote Meeting Information*:

To join the meeting virtually, click on the URL and enter the meeting number and password when prompted:

Join the meeting now

Meeting Number: 265 694 254 475

Access code: jo2imj

Las Vegas Office: 2300 E. St. Louis Ave.

(702) 668-4590

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Las Vegas, NV 89104-4211

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Director

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To join by telephone, call the phone-in number and enter the access code when prompted.

Phone-in Access #: 1 775-321-6111 Access Code: 443 519 057#

*Per 2021 AB253

ALL PERSONS WISHING TO ATTEND THE MEETING MUST ATTEND VIA THE IDENTIFIED VIRTUAL MEETING PLATFORM OR TELEPHONICALLY.

Nevada Revised Statute Chapter 287 has been amended through 2021 AB 253 to allow public meetings to be completed by use of remote technology and without a physical location.

This workshop will be conducted in accordance with the Open Meeting Law (NRS 241.020).

The purpose of the workshop is to solicit comments from interested persons on changes to NAC Chapter 586 pertaining to pesticides; increasing the annual registration fee for each brand of pesticide registered with the Office of the Director of the State Department of Agriculture and the amount of the annual registration fee deposited in a separate account. NAC 586 revisions are in response to the need to achieve long-term solvency in budget account (4545). 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, projections of personnel costs, and the long-term equipment replacement and maintenance service agreement costs for the Chemistry Laboratory.

A copy of all materials relating to the proposal may be obtained by visiting the Department's website at agri.nv.gov or by contacting the Division of Plant Health and Compliance at 775-353-3670 or d.reece@agri.nv.gov. Copies may also be requested or inspected by visiting the NDA offices located in Elko, Las Vegas or Sparks or the Nevada State Library and Archives at 100 Stewart Street, Carson City, NV 89701. A reasonable fee for copying or postage may be charged for those requesting a print copy. Members of the public who would like additional information about a proposed regulation may contact the Division of Plant Health and Compliance by 775-353-3670 or d.reece@agri.nv.gov.

Persons wishing to make oral comment upon the regulation draft of the Nevada Department of Agriculture may participate at the scheduled workshop. Persons wishing to submit written testimony or documentary evidence may submit the material by emailing d.reece@agri.nv.gov or by mailing to the following address: Nevada Department of Agriculture, Attn: Plant Health and Compliance, 405 S. 21st ST, Sparks, NV 89431.

Reasonable efforts will be made for members of the public who have disabilities and require special accommodations for assistance at the meeting. Please contact the Department at 775-353-3670 or d.reece@agri.nv.gov prior to the meeting.

Notice of this meeting was sent to all persons on the Department's mailing list for administrative regulations and posted on or before 9 a.m. fifteen days before the meeting at the following locations: the Nevada Department of Agriculture website at agri.nv.gov, Nevada Public Notice website at https://notice.nv.gov/ and Nevada Legislature Administrative Regulation Notices at https://www.leg.state.nv.us/App/Notice/A/.

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NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATION AGENDA

Thursday, December 12, 2024 9:00 a.m. PST

Note: Items on the agenda may be taken out of the posted order, items may be combined for consideration, and items may be pulled or removed from the agenda.

I. Call to Order

- II. **Public Comment:** In consideration of others who may wish to provide public comment, please avoid repetition and limit your comment to three minutes per person. Unused time may not be reserved by the speaker nor allocated to another speaker.
- III. Overview of Proposed Changes to NAC Chapter 586: Review and discussion on proposed regulations.
- IV. **Public Comment:** In consideration of others who may wish to provide public comment please avoid repetition and limit your comment to three minutes per person. Unused time may not be reserved by the speaker nor allocated to another speaker.

V. Adjourn

PROPOSED REGULATION OF THE

DIRECTOR OF THE

STATE DEPARTMENT OF AGRICULTURE

LCB File No. R186-24

July 25, 2024

EXPLANATION – Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: § 1, NRS 586.237 and 586.270.

A REGULATION relating to pesticides; increasing the annual registration fee for each brand of pesticide registered with the Office of the Director of the State Department of Agriculture and the amount of the annual registration fee deposited in a separate account; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. (NRS 586.250) Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

Section 1. NAC 586.011 is hereby amended to read as follows:

- 586.011 1. Each registrant must pay an annual registration fee of [\$125] \$281 for each pesticide registered.
- 2. The Director will deposit, in a separate account, [\$40] \$80 of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:

- (a) Monitor and dispose of pesticides;
- (b) Protect groundwater and surface water from contamination by pesticides; and
- (c) Eradicate and control noxious weeds.



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SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 233B.0608

LCB File No. R186-24

October 2, 2024 PROPOSED AMENDMENTS TO NAC CHAPTER 586

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.

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. Below are the results of a survey that was posted from September 4, 2024, through September 22, 2024, regarding proposed revisions to NAC 586.011.

- Of the 26 survey respondents, 5 are located outside Nevada (Colorado, Illinois, Idaho, and Wisconsin).
 - Regarding the counties in Nevada: 4 respondents were from Washoe County, 6 were from Clark County, 2 were from Churchill County, 2 from Humboldt County, 1 from Lyon County, 1 from Carson City, 1 from Elko County, 1 from Pershing, 1 from Esmeralda County, and 2 from Nye County.
- All 26 survey respondents replied the question asking if they fall under the definition of a small business as defined by NRS 233B.0382:
 - o 21 indicated they fall under the definition of a small business, 4 stated they did not.
 - o 1 respondent stated they were unsure.
 - Ouestion regarding the number of employees their business has:
 - 16 respondents stated they had 1-15 employees.
 - 1 respondent stated they have 16-30 employees.
 - 1 respondent stated they have 31-45 employees.
 - 2 respondents stated they have 76-100 employees.
 - 4 respondents stated they have 151+ employees.
- All 26 survey respondents replied the question asking if changes to NAC 586 would impact their ability to do business:
 - o 3 unsure, 12 yes and 11 no.

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- o 0 respondents skipped the question.
- The following is a breakdown of the 20 survey respondents who answered the question on how the changes to NAC 555 would impact their ability to do business:
 - o 4 answered there would be no impact and 1 stated there would be "very little" impact.
 - o 11 stated that changes would raise/increase costs and/or fees.
 - o Remaining responses:
 - "Nutrien Ag Solutions."
 - "Negatively."
 - "It doubles the fees for my amount of horses."
 - "Push companies out."

2) The manner in which the analyses was conducted.

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. In addition, it was distributed to an e-mail list comprised of 1,134 recipients (including pest control businesses, pesticide dealerships and registrants within the State of Nevada).

- 3) The estimated indirect and direct economic effect of the proposed regulation on the small businesses it is to regulate:
- Level of negative impact the proposed changes would have on their business (all 26 respondents responded):
 - o No impact: 4 respondents.
 - o Insignificant impact: 5 respondents.
 - o Minor impact: 5 respondents.
 - o Moderate impact: 5 respondents.
 - o Major impact: 6 respondents.
 - Severe impact: 1 respondent.
- One survey question asked the participant to check one *or* both parts, of the proposed revision, that would have the most financial impact on their business:
 - Part 1. Each registrant must pay an annual registration fee of \$281 for each pesticide registered: Part 2. The Director will deposit, in a separate account, \$80 of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:
 - (a) Monitor and dispose of pesticides;
 - (b) Protect groundwater and surface water from contamination by pesticides; and
 - (c) Eradicate and control noxious weeds.

Results:

6 respondents checked both parts.

19 respondents checked only the first part (\$281 for each pesticide registered).

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9 respondents checked only the second part (depositing \$80 of each registration fee into an account).

- 16 of the 26 respondents replied the question asking how the proposed revisions can be adjusted to mitigate their level of negative financial impact. 7 respondents stated that the NDA should either remove them, lower the fee increase, or keep it the same.
 - o Remaining comments:
 - "Have the state pay for the costs.
 - "Because of the size of our company, the registration/renewal price increase would be minor to our company, but they would be quite significant to smaller businesses. I would suggest implementing the fee increase over a time period as opposed to an "all at once" fee increase."
 - "Less than a 100% increase in fees for an "each" line item."
 - "Make the bureaucrats reduce their costs internally. Pay cuts and head count reductions."
 - "Cut spending in Department or costs so fee not raised."
 - "Find other ways to reduce cost instead of increasing revenue on the backs of small businesses."
 - "Smaller increase would be beneficial, therefore, not adding the cost to current clients." prices. and giving them a lower increase possibly not losing them."
 - "Government stay out."
 - "Shift greater funding to noxious weed control."
- 9 of the 26 respondents provided feedback on what they would like us to consider in relation to the proposed changes to NAC 586.011. 3 respondents stated that they could not afford additional fees and that the increase seems excessive.
 - o Remaining Comments:
 - "We not only pay for the registration of our products, but we also pay to register our customer's products."
 - "100% increase is insane. If it has been neglected to increase pricing at an appropriate increment, the penalty should not be placed upon the small business to correct the issue caused by poor management by the State."
 - "Raise will be pasted on to my business."
 - "Please take into account the consumers who depend on pest control to keep their homes and areas they frequent at a pest level they can tolerate. With these increases, some of those people will no longer be able to afford it, causing a chain of unfortunate events to unfold."
 - "I think the fees should cover the cost of any potential mitigation and clean-up, spills, etc. And/or the cost of maintaining records of the persons responsible so if there is a spill or misuse- those responsible are held accountable."
 - "Counties are not providing support for treatment of noxious weeds due to lack of funding."

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- 4 respondents stated the cost of the proposed changes would be \$0, 2 reported their annual impact to be between \$1-\$99, 8 respondents reported their annual impact to be \$100-\$1,000, 9 respondents reported their annual impact to be \$1,001-\$10,000, and 3 respondents reported that the annual impact would exceed \$10,000.
- 22 survey respondents answered the question asking if they would need to make operational changes to their business because of the financial impact of proposed change:
 - o Yes: 11.
 - o No: 9
 - O Remaining Responses:
 - "No, I work for the State of Nevada DPBH-EHS and then have a personal garden. I do not operate as a pesticide applicant/business."
 - "Possibly."
- 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 department used an estimate of equipment cost and maintenance contracts to calculate the fee increase. Any reduction in the proposed fee will mean when equipment may fail or when the department is unable to service equipment it will likely mean reduced services provided by our Chemistry and Pest Control team. The department wants to ensure customer service as well as have the equipment to test pesticides and fertilizers for compliance to ensure public health and safety.

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

These revisions will add minor administrative work such as communication with industry to notify them of the new provisions and directing individuals to the new requirements. No other estimated cost to the agency 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.

Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

The money will be used to supplement personnel costs because of salary increases (from budget bill AB522) and reduced grant fee revenue.

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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.

N/A

8) The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.

Dated Pesticide Registration fee rates and personnel and grant fee revenue spread across multiple budget accounts, (4545) and (4552), are the two main challenges affecting long term-term solvency in budget account (4545). To aid in achieving long-term solvency in budget account (4545) the Nevada Department of Agriculture (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 in an effort to help stabilize revenues 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, overall averages of revenue and expenditures, and long-term equipment replacement and maintenance service agreement costs, to arrive at the proposed \$281 Pesticide Registration fee. It should be noted that the Pesticide Registration fee is paid by pesticide companies to register their product(s) in Nevada.

Individuals interested in a copy of the complete survey can contact NDA at 775-353-3715 or bret.allen@agri.nv.gov.

J.J. Goicoechea,

DVM

Digitally signed by J.J. Goicoechea, DVM

Date: 2024.10.29 09:39:07 -07'00'

J.J Goicoechea, DVM

Director

Nevada Department of Agriculture



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PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF AGRICULTURE

LCB FILE NO. R186-24P DIVISION OF PLANT HEALTH AND COMPLIANCE

NOTICE OF INTENT TO ACT UPON A TEMPORARY REGULATION and HEARING AGENDA

The Nevada Department of Agriculture (NDA) will hold a public hearing on March 3, 2025. The purpose of the hearing is to receive comments from all interested persons regarding the amendment of regulations pertaining to chapter 586 of the Nevada Administrative Code (NAC).

Date: March 3, 2025 Time: 11:00 a.m.

Location: This meeting will be held both in person and via Teams

In Person and Video conference:

Nevada Department of Agriculture Nevada Department of Agriculture

2300 E. St. Louis Avenue 4780 E. Idaho Street

Las Vegas, NV 89104 Elko, NV (702) 668-4590 (775) 738-8076

NOTE: Due to construction in our Sparks office location, this meeting is being held in person only at our Las Vegas and Elko locations. If you regularly attend in Sparks, we encourage you to participate in Las Vegas, Elko, or remotely.

Remote Meeting Information:

The meeting link: <u>Join meeting now</u> Meeting Number: 266 030 080 939

Access code: iy7r9jE6

To join by telephone, call the phone-in number and enter the access code when prompted.

Access Code: 728 410 691#

Phone-in Access #: (775) 321-6111

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Informational Statements

Pursuant to NRS 233B.0603, the NDA is providing the following statements pertaining to the public hearing on proposed changes to Chapter 583 of NAC.

1. The need for and the purpose of the proposed regulation or amendment.

The adoption of these temporary 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, projections of personnel costs, and the long-term equipment replacement and maintenance service agreement costs for the Chemistry Laboratory.

2. If the proposed regulation is a temporary regulation, either the terms or substance of the proposed regulation or a description of the subjects and issues involved.

The proposed regulation changes the fee outlined in NAC 586.01. Specifically, it changes the annual pesticide registration fee from \$125 to \$281 for each pesticide registered and changes the amount of that fee moved into a separate account from \$40 to \$80.

3. If the proposed regulation is a permanent regulation, a statement explaining how to obtain the approved or revised text of the proposed regulation prepared by the Legislative Counsel pursuant to NRS 233B.063.

This is not a permanent regulation and will be effective through November 2025. The NDA will host another round of workshop and hearing for permanent adoption before the end of November 2025.

A copy of all materials relating to the proposal may be obtained by visiting the Department's website at agri.nv.gov or by contacting the Division of Plant Health and Compliance at 775-353-3670 or d.reece@agri.nv.gov. Copies may also be requested or inspected by visiting the NDA offices located in Elko, Las Vegas or Sparks or the Nevada State Library and Archives at 100 Stewart Street, Carson City, NV 89701. A reasonable fee for copying or postage may be charged for those requesting a print copy. Members of the public who would like additional information about a proposed regulation may contact the Division of Plant Health and Compliance by 775-353-3670 or d.reece@agri.nv.gov.

4. An 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:

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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 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.

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.

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.

Beneficial economic effect on the public

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

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.

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.

The methods used by the agency in determining the impact on a small business.

The NDA prepared and distributed a Small Business Impact Survey to industry members and businesses (sent to 2,304 recipients). 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 estimated cost to the agency for enforcement of the proposed regulation.

The agency does have costs associated with the establishment of this new program coinciding with the proposed changes to NAC 586. Notice of the changes will be sent electronically to those companies that have previously registered pesticides with the department.

7. A description of and citation to any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or

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overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.

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

8. If the regulation is required pursuant to federal law, a citation and description of the federal law.

The proposed regulation is not required by federal law.

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

This regulation does not include such provisions.

10. Whether the proposed regulation establishes a new fee or increases an existing fee.

Yes, this proposed regulation change does increase an existing fee. The fee had not been updated since 2013.

This Hearing will be conducted in accordance with the Open Meeting Law (NRS 241.020).

A copy of all materials relating to the proposal may be obtained by visiting the Department's website at agri.nv.gov or by contacting the Division of Plant Health and Compliance at 775-353-3670 or d.reece@agri.nv.gov. Copies may also be requested or inspected by visiting the NDA offices located in Elko, Las Vegas or Sparks or the Nevada State Library and Archives at 100 Stewart Street, Carson City, NV 89701. A reasonable fee for copying or postage may be charged for those requesting a print copy. Members of the public who would like additional information about a proposed regulation may contact the Division of Plant Health and Compliance by 775-353-3670 or d.reece@agri.nv.gov.

Notice of this meeting was sent to all persons on the Department's mailing list for administrative regulations and posted on or before 9 a.m. thirty days before the meeting at the following locations:

- Nevada Department of Agriculture website at www.agri.nv.gov
- Nevada Public Notice website at https://notice.nv.gov/
- Nevada Legislature Administrative Regulation Notices at https://www.leg.state.nv.us/App/Notice/A/.

Persons wishing to make oral comment upon the regulation draft of the Nevada Department of Agriculture may participate at the scheduled hearing. Persons wishing to submit written testimony or documentary evidence may submit the material by emailing <u>d.reece@agri.nv.gov</u> or by mailing to the following address by March 7, 2025: Nevada Department of Agriculture, Attn: Plant Health and Compliance, 405 S. 21st Street, Sparks, NV 89431.

Reasonable efforts will be made for members of the public who have disabilities and require special accommodations for assistance at the meeting. Please contact the Department at 775-353-3670 or NDA Rev. 03-2019

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d.reece@agri.nv.gov prior to the meeting.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

NOTICE OF HEARING TO SOLICIT COMMENTS ON PROPOSED REGULATION AGENDA

March 3, 2025 11:00 a.m. PST

Note: Items on the agenda may be taken out of the posted order, items may be combined for consideration, and items may be pulled or removed from the agenda.

I. Call to Order

- II. **Public Comment**: In consideration of others who may wish to provide public comment, please avoid repetition and limit your comment to three minutes per person. Unused time may not be reserved by the speaker nor allocated to another speaker.
- III. For Possible Action: Discussion and adoption of proposed temporary regulations.
 - a. Amendment of regulations that pertain to Chapter 586 of the Nevada Administrative Code.
- IV. **Public Comment**: In consideration of others who may wish to provide public comment please avoid repetition and limit your comment to three minutes per person. Unused time may not be reserved by the speaker nor allocated to another speaker.

V. Adjourn

PROPOSED REGULATION OF THE

DIRECTOR OF THE

STATE DEPARTMENT OF AGRICULTURE

LCB File No. R186-24

July 25, 2024

EXPLANATION - Matter in italics is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: § 1, NRS 586.237 and 586.270.

A REGULATION relating to pesticides; increasing the annual registration fee for each brand of pesticide registered with the Office of the Director of the State Department of Agriculture and the amount of the annual registration fee deposited in a separate account; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. (NRS 586.250) Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

Section 1. NAC 586.011 is hereby amended to read as follows:

- 586.011 1. Each registrant must pay an annual registration fee of [\$125] \$281 for each pesticide registered.
- 2. The Director will deposit, in a separate account, [\$40] \$80 of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:

- (a) Monitor and dispose of pesticides;
- (b) Protect groundwater and surface water from contamination by pesticides; and
- (c) Eradicate and control noxious weeds.



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SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 233B.0608

LCB File No. R186-24

October 2, 2024 PROPOSED AMENDMENTS TO NAC CHAPTER 586

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.

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. Below are the results of a survey that was posted from September 4, 2024 through September 22, 2024 regarding proposed revisions to NAC 586.011.

- Of the 26 survey respondents, 5 are located outside Nevada (Colorado, Illinois, Idaho, and Wisconsin).
 - Regarding the counties in Nevada: 4 respondents were from Washoe County, 6 were from Clark County, 2 were from Churchill County, 2 from Humboldt County, 1 from Lyon County, 1 from Carson City, 1 from Elko County, 1 from Pershing, 1 from Esmeralda County, and 2 from Nye County.
- All 26 survey respondents replied the question asking if they fall under the definition of a small business as defined by NRS 233B.0382:
 - o 21 indicated they fall under the definition of a small business, 4 stated they did not.
 - o 1 respondent stated they were unsure.
 - O Question regarding the number of employees their business has:
 - 16 respondents stated they had 1-15 employees.
 - 1 respondent stated they have 16-30 employees.
 - 1 respondent stated they have 31-45 employees.
 - 2 respondents stated they have 76-100 employees.
 - 4 respondents stated they have 151+ employees.
- All 26 survey respondents replied the question asking if changes to NAC 586 would impact their ability to do business:
 - o 3 unsure, 12 yes and 11 no.

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- o 0 respondents skipped the question.
- The following is a breakdown of the 20 survey respondents who answered the question on how the changes to NAC 555 would impact their ability to do business:
 - o 4 answered there would be no impact and 1 stated there would be "very little" impact.
 - o 11 stated that changes would raise/increase costs and/or fees.
 - o Remaining responses:
 - "Nutrien Ag Solutions."
 - "Negatively."
 - "It doubles the fees for my amount of horses."
 - "Push companies out."

2) The manner in which the analyses was conducted.

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. In addition, it was distributed to an e-mail list comprised of 1,134 recipients (including pest control businesses, pesticide dealerships and registrants within the State of Nevada).

- 3) The estimated indirect and direct economic effect of the proposed regulation on the small businesses it is to regulate:
- Level of negative impact the proposed changes would have on their business (all 26 respondents responded):
 - o No impact: 4 respondents.
 - o Insignificant impact: 5 respondents.
 - o Minor impact: 5 respondents.
 - o Moderate impact: 5 respondents.
 - o Major impact: 6 respondents.
 - o Severe impact: 1 respondent.
- One survey question asked the participant to check one *or* both parts, of the proposed revision, that would have the most financial impact on their business:
 - Part 1. Each registrant must pay an annual registration fee of \$281 for each pesticide registered: Part 2. The Director will deposit, in a separate account, \$80 of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:
 - (a) Monitor and dispose of pesticides;
 - (b) Protect groundwater and surface water from contamination by pesticides; and
 - (c) Eradicate and control noxious weeds.

Results:

6 respondents checked both parts.

19 respondents checked only the first part (\$281 for each pesticide registered).

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9 respondents checked only the second part (depositing \$80 of each registration fee into an account).

- 16 of the 26 respondents replied the question asking how the proposed revisions can be adjusted to mitigate their level of negative financial impact. 7 respondents stated that the NDA should either remove them, lower the fee increase, or keep it the same.
 - o Remaining comments:
 - "Have the state pay for the costs.
 - "Because of the size of our company, the registration/renewal price increase would be minor to our company, but they would be quite significant to smaller businesses. I would suggest implementing the fee increase over a time period as opposed to an "all at once" fee increase."
 - "Less than a 100% increase in fees for an "each" line item."
 - "Make the bureaucrats reduce their costs internally. Pay cuts and head count reductions."
 - "Cut spending in Department or costs so fee not raised."
 - "Find other ways to reduce cost instead of increasing revenue on the backs of small businesses."
 - "Smaller increase would be beneficial, therefore, not adding the cost to current clients." prices. and giving them a lower increase possibly not losing them."
 - "Government stay out."
 - "Shift greater funding to noxious weed control."
- 9 of the 26 respondents provided feedback on what they would like us to consider in relation to the proposed changes to NAC 586.011. 3 respondents stated that they could not afford additional fees and that the increase seems excessive.
 - Remaining Comments:
 - "We not only pay for the registration of our products, but we also pay to register our customer's products."
 - "100% increase is insane. If it has been neglected to increase pricing at an appropriate increment, the penalty should not be placed upon the small business to correct the issue caused by poor management by the State."
 - "Raise will be pasted on to my business."
 - "Please take into account the consumers who depend on pest control to keep their homes and areas they frequent at a pest level they can tolerate. With these increases, some of those people will no longer be able to afford it, causing a chain of unfortunate events to unfold."
 - "I think the fees should cover the cost of any potential mitigation and clean-up, spills, etc. And/or the cost of maintaining records of the persons responsible so if there is a spill or misuse- those responsible are held accountable."
 - "Counties are not providing support for treatment of noxious weeds due to lack of funding."

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 - o Yes: 11.
 - o No: 9
 - o Remaining Responses:
 - "No, I work for the State of Nevada DPBH-EHS and then have a personal garden. I do not operate as a pesticide applicant/business."
 - "Possibly."
- 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.

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

These revisions will add minor administrative work such as communication with industry to notify them of the new provisions, and directing individuals to the new requirements. No other estimated cost to the agency is anticipated.

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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.

N/A

8) The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.

Dated Pesticide Registration fee rates and personnel and grant fee revenue spread across multiple budget accounts, (4545) and (4552), are the two main challenges affecting long term-term solvency in budget account (4545). To aid in achieving long-term solvency in budget account (4545) the Nevada Department of Agriculture (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 in an effort to help stabilize revenues 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, overall averages of revenue and expenditures, and long-term equipment replacement and maintenance service agreement costs, to arrive at the proposed \$281 Pesticide Registration fee. It should be noted that the Pesticide Registration fee is paid by pesticide companies to register their product(s) in Nevada.

Individuals interested in a copy of the complete survey can contact NDA at 775-353-3715 or bret.allen@agri.nv.gov.

J.J. Goicoechea, DVM

Digitally signed by J.J. Goicoechea, DVM

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J.J Goicoechea, DVM Director Nevada Department of Agriculture