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

LCB File No. R127-23P

July 28, 2025 PROPOSED AMENDMENTS TO NAC CHAPTER 555

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.

The NDA launched a digital survey to assess the impact of the proposed regulation changes to NAC 555 on July 8, 2025 and closed it on July 23, 2025. The survey included questions regarding the training requirements in the proposed regulation as these were expected to be the most likely components of the proposed regulation to have a negative impact.

The survey was posted to NDA's website and social media accounts and was distributed to an e-mail list comprised of 8,671 contacts including pest control businesses, pesticide dealerships and registrants within the State of Nevada. 4,190 contacts opened the email (52.2%); 906 contacts clicked on the links in the email: 217 on R127-23P changes, and 33 on the R127-23 survey; 24 email contacts responded to the survey. Social media outreach resulted in 1422 impressions, 15 engagements, and 6 clicks on to the linked survey.

Summary of Survey Responses:

- If enacted would the proposed changes to NAC 555 impact your ability to do business?
 - Yes: 2 respondents (15%)
 - o No: 8 respondents (62%)
 - o Unknown: 3 (23%)
- How would changes to NAC 555 impact your ability to do business?
 - o "I feel it will greatly benefit my business."
 - o "These changes would help my business operations in a positive way. It would help with us being able to hire and employ people in our industry. Giving them more time to prepare for and learn everything needed to pass the DOA tests"
 - o "Please read detailed response below"
 - o "I am not involved in this industry."
 - o "immensely improve it"
 - o "It would not affect my ability to do business"

- Please estimate the total annual impact that proposed changes to NAC 555 will have on your business?
 - \$0: 10 respondents (77%)
 - o \$1,001-\$10,000: 2 respondents (15%)
 - o Over \$10,000: 1 respondent (8%)
- What level of negative impact will the proposed changes to NAC 555 have on your business?
 - o No impact: 11 respondents
 - o Minor impact: 1 respondent
 - o Major impact: 1 respondent
- Would you need to make operational changes to your business because of the financial impact of proposed change to NAC 555?
 - o "The financial impact listed would be an improvement. This would be very beneficial."
 - o "not at all these proposed changes would only make a positive impact on our operation and any other company in town"
 - o "no"
 - o "No, Everything from this bill will positively impact the business."
 - o "Please see detailed response below"
 - o "No I would not."
 - o "No"
- Please check the boxes corresponding to the sections of NAC 555 that would have the most financial impact on your business.
 - Sec 5.1 to 5.5 regarding hazards, signs of pesticide poisoning, first aid and decontamination: 8 respondents (62%)
 - Sec 5.6 to 5.15 regarding handwashing, washing clothing, reporting violations,
 personal protective equipment, transportation and environmental concerns: 4 (31%)
 - o Maintaining records documenting training: 5 38%
 - Sec 6.3 regarding providing protective and application equipment and instructions on the application of pesticides: 4 (31%)
- How could these section(s) be adjusted to mitigate their level of negative financial impact?
 - "none of these would have a financial impact on our company but it made me choose at ;least one I agree that all of them are needed to roll this our correctly"
 - o "none I can see no negative impacts at all"
 - o "This section is unnecessary as the label is the law and by teaching the new applicant about how to use ppe and understanding the label they have the safety information they need."
 - "See detailed response below"
- Additional feedback included:
 - o "This is a great step forward in allowing more people to enter our industry. Many other states are utilizing programs like this to great success. This would allow registrants to obtain more hands-on experience making the licensing exams easier. Many people have to be turned away because of issues with passing the licensing

- exams that could be mitigated by allowing more of a grace period at the beginning of employment."
- "These are very positive proposed changes and would allow us to operate more efficiently. I was previously involved in operations in Arizona where they have this same set up and it made a huge positive impact on our operations there. This is definitely needed here in Nevada"
- o "We are excited to have this new regulation help our industry be more efficient and hopefully bring more people into it."
- "Considerations for the changes, notifying pet owners of the possible negative affects of pet exposure to pesticides"
- "Section 5 of the proposed regulations would be the most difficult part for the pest control industry to comply with and equally difficult for the NDA to enforce. The simplest solution to amending this section is to give an alternative to all the proposed training, record keeping, etc., by simply requiring the applicant to pass the "General/Laws" portion of the licensing exam, which covers the topics and requirements proposed in section 5! This option would accomplish two fundamental needs, #1, as in the past, passing the general exam would demonstrate a fundamental knowledge of the topics in the manual and those proposed in section 5: and #2, passing the general exam not only provides a level of competency with respect to the subject matter, but also brings the applicant one step closer to passing a "category exam" and becoming fully licensed as an Operator. This proposal would be a win-win for the pest control industry by simplifying the process of someone becoming a Applicator Trainee and would benefit the NDA by greatly reducing the inherent complexity proposed in section 5 and the difficulty of tying to enforce it! KEEP IT SIMPLE—PASS THE GENERAL EXAM AND THEN APPLY FOR AN APPLICATOR TRAINEE CERTIFICATE!"

A complete summary can be obtained by contacting the NDA at (775) 353-3670 or d.reece@agri.nv.gov.

2. The manner in which the analysis was conducted.

A statistical analysis of the survey results was conducted. Most respondents indicated that the proposed changes would have a positive impact, or no impact on their business.

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

Seventy-seven percent of respondents estimated an impact of \$0 to their business and 85% of respondents indicated the proposed regulation will have no negative impact on their business. A response to a follow-up question regarding the need for operational changes because of the financial impact of proposed changes indicated that the financial impact listed would be a beneficial impact.

The NDA estimates that the proposed regulation will have a positive direct economic effect on the small businesses it is to regulate by enabling the generation of revenue by new employees during their training period, offsetting costs associated with hiring and training. Indirect impacts may be

realized by businesses or individuals using pest control services through improved response time due to increased availability of pest control technicians.

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 proposed regulation is intended to reduce the impact of existing regulation on small businesses while maintaining the benefits to safety, health and the environment provided by existing regulations.

- When considering the pest control categories in which to enable applicator trainee registrations, the NDA weighed the potential economic benefit to small businesses against the level of training and skills necessary to safely and effectively perform work in each category while minimizing risk to the applicator, the public, other businesses, and the environment.
- The proposed regulation includes requirements for training and exchange of information which must be provided to the applicator trainee prior to applying pesticides. The scope and content of this training and information exchange was selected to inform the applicator trainee of health and safety procedures when applying pesticides pursuant to state and federal law.
- The estimated cost to the agency for enforcement of the proposed regulation.

 The costs associated with the proposed regulation will primarily consist of staff time related to administration and record keeping. Some printing costs will be incurred for printing registration forms and photo IDs for applicator trainees, and will depend on the industry's utilization of the registration enabled by this proposed regulation.
- 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. This regulation does not provide a new fee or increase an existing fee.
- 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 proposed regulation reduces the burden on existing licensed businesses and individuals new to the pest control industry by providing a training period in which individuals may apply pesticides while completing the licensing process. The supervision, training, and information exchange requirements in the proposed regulation ensure that trainees are equipped with essential information necessary to protect themselves and the public and to maintain compliance with state and federal law during this training period.

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

The NDA concludes that the proposed regulation will have a positive impact on small businesses it is to regulate based on its intent to enable earlier productivity of new applicators, the responses received to this survey, and industry feedback.

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 businesses, and that the information contained in this statement was prepared properly and is accurate.

J.J. Goicoechea (Aug 1, 2025 11:00:51 PDT)

J.J. Goicoechea, DVM Director Nevada Department of Agriculture