PROPOSED REGULATION OF THE STATE BOARD OF AGRICULTURE

LCB File No. R085-15

MEETING NOTICE AND AGENDA

Public Hearing Notice of Intent to Act Upon a Regulation

LOCATION: Nevada Department of Agriculture

405 S. 21st Street Sparks, NV 89431 Phone: 775-353-3601

Video-conference to: Nevada Department of Agriculture

2300 McLeod Street Las Vegas, NV 89104 Phone: 702-668-4590

Nevada Department of Agriculture

4780 E. Idaho Street Elko, NV 89801 Phone: 775-738-8076

DATE AND TIME: Monday, February 22, 2016 at 9:00am

Public comment will be taken on the intent to adopt a regulation. The purpose is to solicit public comments from interested persons on the following proposed regulation: NAC 557; a regulation relating to Title 49 - Implement the Industrial Hemp Research regulations; and providing other matters properly relating thereto.

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify The Dept. of Agriculture in writing at 405 S. 21st Street, Sparks, NV 89431 or contact Jerri Conrad at 775-353-3619.

Copies of both the State of Nevada Board of Agriculture Agenda with supporting documentation and Open Meeting Minutes are available, at no charge, for inspection at the Dept. of Agriculture 405 S. 21st Street, Sparks, NV, 89431 or Dept. of Agriculture website at www.agri.state .nv.us. For additional information contact Jerri Conrad at 775-353-3619.

Notice of this meeting was posted on or before 9:00 a.m. on the third working day before the meeting at the following locations: Nevada Department of Agriculture, 405 S. 21st Street, Sparks, NV 89431, Nevada Department of Agriculture, 2150 Frazer Ave., Sparks, NV 89431, Nevada Department of Agriculture, 4780 E. Idaho Street, Elko, NV 89801, Nevada Department of Agriculture, 2300 McLeod Street, Las Vegas, NV 89104, State of Nevada Capital Building, Carson City NV, State Library and Archives, Carson City.

PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF AGRICULTURE

LCB File No. R085-15

DIVISION OF PLANT INDUSTRY

NOTICE OF INTENT TO ACT UPON A REGULATION And NOTICE OF HEARING FOR THE ADOPTION OF REGULATIONS

The Nevada Department of Agriculture will hold a public hearing on Monday, February 22, 2016 at 9:00 am at Agriculture Headquarters, 405 South 21st Street, Sparks, NV 89431; Phone: (775) 353-3601. The purpose of the hearing is to receive comments from all interested persons regarding the Amendment of regulations that pertain to chapter 557 of the Nevada Administrative Code. The proposal has been designated as File No. R085-15 by the Nevada Legislative Counsel Bureau.

The following information is provided pursuant to the requirements of NRS 2338.0603:

The purpose is to solicit public comments from interested persons on the following proposed regulation: NAC 557; a regulation relating to Title 49 - Implement the Industrial Hemp Research regulations; and providing other matters properly relating thereto.

- 1. The need for and the purpose of the proposed regulation or amendment
 - The provisions of SB 305 (2015) and these proposed regulations mirror federal law pertaining to Hemp research conducted by institutions of higher education or the Department of Agriculture. There are no existing small businesses that will be impacted by these regulations.
- 2. Either the terms or the substance of the regulations to be adopted, amended or repealed, or a description of the subjects and issues involved.
 - These regulations mirror federal law and allow for research in industrial Hemp production. There are no small businesses impacted by these regulations. Participation is voluntary and may identify profit potential in Nevada based industrial Hemp production.
- 3. 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:
 - These regulations should have a positive economic impact. It is hoped that potential research will demonstrate the profitability of growing and processing Hemp in Nevada.
- 4. The estimated cost to the agency for enforcement of the proposed regulation.
 - It is estimated that it will cost the Department between \$500.00 and \$1,000.00 per test plot plus the required laboratory testing. We could have as many as 15 test plots.

- 5. 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 overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.
 - Does not apply
- 6. If the regulation is required pursuant to federal law, a citation and description of the federal law
 - The regulation is required pursuant to federal law and is referenced to the 2014 Farm Bill Section 7606.
- 7. If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.
 - Does not apply
- 8. Whether the proposed regulation establishes a new fee or increases an existing fee.
 - The proposed fees will generate \$600.00 to \$1,100.00 per test plot and the actual laboratory costs. Total annual revenue will depend on the number of test plots certified. The money will be used to offset personnel costs, mileage and laboratory costs.

A concerted effort was made to determine the impact of the proposed regulation on small businesses. Division administration determined that this regulation change will not have an impact on small businesses.

The LCB approved revision can be found on the Nevada Department of Agriculture website at www.agri.nv.gov.

Persons wishing to comment upon the proposed action of the Nevada Department of Agriculture may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the address below.

Nevada Department of Agriculture 405 S. 21st Street Sparks, NV 89431 ATTN: Russell Wilhelm (775) 353-3711 Rwilhelm@agri.nv.gov

Written submissions must be received by the Nevada Department of Agriculture on or before 5:00 pm on Wednesday, February 17, 2016. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Department of Agriculture may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be amended will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be amended will be available at:

Nevada Department of Agriculture 405 South 21st Street Sparks, NV 89431 Nevada Department of Agriculture 2300 McLeod Las Vegas, NV 89104

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

And in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B .0653, and on the Internet at http://www.leg.state.nv.us. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

NRS 233B .064(2) provides: Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will 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.

This notice of hearing has been posted at the following locations:

The Nevada State Library in Carson City, and all Nevada county libraries. The Department of Agriculture offices in Sparks, Las Vegas or Elko during the hours of 8:00a.m. until 5:00p.m. Monday through Friday.

Clark County Library, 833 Las Vegas Boulevard North, Las Vegas, NV 89101 Douglas
County Library, 1625 Library Lane, Minden, NV 89423
Elko County Library, 720 Court Street, Elko, NV 89801
Esmeralda County Library, Corner of Crook & 4th Streets, Goldfield, NV 89013
Eureka Branch Library, 10190 Monroe Street, P.O. Box 293, Eureka, NV 89316
Humboldt County Library, 85 East 5th Street, Winnemucca, NV 89445
Lander County Library, 625 South Broad Street, Battle Mountain, NV 89820
Lincoln County Library, 63 Main Street, Pioche, NV 89043
Lyon County Library, 20 Nevin Way, Yerington, NV 89447
Mineral County Public Library, 110 1st Street, Hawthorne, NV 89415

Pershing County Library, 1125 Central Avenue, Lovelock, NV 89419
Storey County Public Library, 95 South R Street, Virginia City, NV 89440
Tonopah Public Library, 167 Central Street, Tonopah, NV 89049
Washoe County Library, 301 South Center Street, Reno, NV 89501
White Pine County Library, 950 Campton Street, Ely, NV 89301
Nevada State Legislature Website: www.leg.state.nv.us

SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 233B.0608 (Revised LCB File# R085-15)

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 provisions of SB 305 (2015) and these proposed regulations mirror federal law pertaining to Hemp research conducted by institutions of higher education or the Department of Agriculture.

There are no existing small businesses that will be impacted by these regulations. Information was available on the website of the Department of Agriculture, www.agri.nv.gov and posted at the following locations:

Department of Agriculture 405 S. 21st Street Sparks, NV 89431 Department of Agriculture 2300 McLeod Street Las Vegas, NV 89104

Department of Agriculture 4780 E. Idaho Street Elko, NV 89801

2. The manner in which the analyses was conducted.

No analyses was conducted because these regulations do not apply to any existing small businesses.

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

These regulations should have a positive economic impact. It is hoped that potential research will demonstrate the profitability of growing and processing Hemp in Nevada.

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.

Does not apply.

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

It is estimated that it will cost the Department between \$500.00 and \$1,000.00 per test plot plus the required laboratory testing. We could to have as many as 15 test plots.

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.

The proposed fees will generate \$600.00 to \$1,100.00 per test plot and the actual laboratory costs. Total annual revenue will depend on the number of test plots certified. The money will be used to offset personnel costs, mileage and laboratory costs.

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.

Does not apply.

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

These regulations mirror federal law and allow for research in industrial Hemp production. There are no small businesses impacted by these regulations. Participation is voluntary and may identify profit potential in Nevada based industrial Hemp production.

I certify that 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 is accurate.

For Director Barber

James R. Barbee

Director

Nevada Department of Agriculture