

**PROPOSED REGULATION OF THE  
STATE DEPARTMENT OF AGRICULTURE**

**LCB FILE NO. R099-201**

**The following document is the initial draft regulation proposed  
by the agency submitted on 06/25/2020**

## Background

Since 2018, exports of agricultural products have increased significantly to foreign countries. In SFY 2019, 534 shipping point certificates were issued by the department for the export of 6,660,927 pounds of onions. In SFY 2020, 718 certificates have been issued for the export of 9,761,028 pounds of onions, demonstrating a 34% increase of certificates for the 46% increase in onion exports. The industry has requested that the department provide additional staff to support services for current and future export shipments. Currently there is one dedicated staff for inspections for onions. The staff members must be USDA certified to do these inspections. The onion budget has been running at a deficit in previous years and in order to support the increasing demand, fees need to be increased. An increase in fees to \$60.00 per hour for inspections and \$40.00 for phytosanitary certificates (from \$25) is needed to cover the costs of trainings and resources for staff to complete inspections. It is estimated there will be another significant increase in production of approximately 30%. These fee increases will help sustain the program and support growth of the agriculture industry.

Additions are marked in *blue* and verbiage removal is marked in *red* with a line indicating the stricken language.

### AGRICULTURAL PRODUCTS AND FARM EQUIPMENT

#### **NAC 587.340 Fees for inspection, grading and certification; security for payment of fees. (NRS 587.360)**

1. The fees for the inspection and certification of potatoes at their point of shipping will be determined by agreement between the State Quarantine Officer and the processor of the potatoes. If those fees will exceed \$2,000 in a 30-day period, the processor of the potatoes must provide to the Department a surety bond or another form of security that is satisfactory to the Director to guarantee the payment of the fees for the 30-day period immediately succeeding the date the security is provided. The fees will not be less than:

(a) The actual cost of providing the inspection and certification services; and

(b) The fee charged in accordance with the contract between the Department and the Federal Government for certifying that the potatoes comply with the standards and conditions established by the Federal Government.

2. The fees for inspection, grading or certification of other agricultural products:

(a) Are:

(1) ~~Forty~~*Sixty* dollars for each hour the inspector spends conducting the inspection, grading or certification, including the time spent traveling to and from the location where the inspection and certification are conducted;

(2) The mileage allowance 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; and

(3) Any fee charged in accordance with the contract between the Department and the Federal Government; and

(b) Unless they are for a one-time or intermittent inspection, grading or certification, must be secured by providing to the Department a surety bond or another form of security that is satisfactory to the Director to guarantee the payment of the fees for the 90-day period immediately succeeding the date the security is provided.

3. In addition to any fees required pursuant to this section, the State Quarantine Officer will charge a fee of ~~\$50~~ \$60 for the inspection of forage for the presence of noxious weeds.

4. Special arrangements, including arrangements for fees, must be made with the State Quarantine Officer for the inspection of agricultural products for processing. The fees for such an inspection must be secured by providing to the Department a surety bond or another form of security that is satisfactory to the Director to guarantee the payment of the fees for the 90-day period immediately succeeding the date the security is provided.

5. If the State Quarantine Officer or his or her designee inspects agricultural products in the field for the purpose of issuing a phytosanitary certificate required by the government of a state or of a foreign country before those agricultural products may be exported to that state or country, the State Quarantine Officer will impose a fee of \$7 per acre for the inspection.

6. If the State Quarantine Officer or his or her designee issues a phytosanitary certificate, an export certificate for processed plant products, a certificate of origin or a free-sale certificate as required by the government of a state or of a foreign country before agricultural products or farm equipment may be exported to that state or country, the State Quarantine Officer:

(a) Will impose a fee of ~~\$25~~40; and

(b) Will impose any fee required to be collected and passed through to the United States Department of Agriculture.

7. As used in this section:

(a) “Certificate of origin” means a certificate which certifies that the shipment of agricultural products or farm equipment, or any combination thereof, originated in the State of Nevada and that the agricultural products or farm equipment, or combination thereof, is free from infestation in accordance with NRS 561.147.

(b) “Export certificate for processed plant products” has the meaning ascribed to it in 7 C.F.R. § 353.1.

(c) “Free-sale certificate” has the meaning ascribed to it in paragraph (d) of subsection 4 of NAC 587.345.

(d) “Phytosanitary certificate” has the meaning ascribed to it in NRS 555.23575.

[St. Quarantine Officer, § 1, eff. 8-6-80] — (NAC A 4-27-84; 11-18-93; R124-97, 6-23-98; R034-01, 1-17-2002; R003-02, 5-6-2002; R004-03, 9-24-2003; R029-04, 6-16-2004; R089-07, 6-17-2008; R085-11, 12-30-2011; R019-13, 3-28-2014)

**NAC 587.345 Federal phytosanitary, state phytosanitary and free-sale certificates, export certificate for processed plant products and certificate of origin: Issuance; revocation; fee. (NRS 587.360)**

1. The State Quarantine Officer or his or her designee may issue:

- (a) A federal phytosanitary certificate.
- (b) A state phytosanitary certificate.
- (c) A free-sale certificate.
- (d) An export certificate for processed plant products.
- (e) A certificate of origin.

2. If the State Quarantine Officer or his or her designee determines that an applicant for a federal phytosanitary certificate, state phytosanitary certificate, export certificate for processed plant products, certificate of origin or free-sale certificate issued pursuant to subsection 1 provided inaccurate information in conjunction with the application for that certificate, the State Quarantine Officer or his or her designee may revoke that certificate.

3. In addition to any other applicable fees, the State Quarantine Officer or his or her designee will impose a fee of \$2540 for the issuance of a federal phytosanitary certificate, state phytosanitary certificate, export certificate for processed plant products, certificate of origin or free-sale certificate that replaces a certificate revoked pursuant to subsection 2.

4. As used in this section:

(a) "Certificate of origin" means a certificate which certifies that the shipment of agricultural products or farm equipment, or any combination thereof, originated in the State of Nevada and that the agricultural products or farm equipment, or combination thereof, is free from infestation in accordance with NRS 561.147.

(b) "Export certificate for processed plant products" has the meaning ascribed to it in 7 C.F.R. § 353.1.

(c) "Federal phytosanitary certificate" means a phytosanitary certificate issued pursuant to federal law.

(d) "Free-sale certificate" means a certificate that certifies that the plants or plant products being exported are the same type of plants or plant products freely marketed and for sale in the State of Nevada.

(e) "State phytosanitary certificate" means a phytosanitary certificate that documents the origin and, if required, the inspection of plants and unprocessed or unmanufactured plant products that do not qualify for a federal phytosanitary certificate.

(Added to NAC by St. Quarantine Officer by R004-03, eff. 9-24-2003; A by R089-07, 6-17-2008; R019-13, 3-28-2014)

**NAC 587.350 Nevada standard potatoes: Standards for classification and grading. (NRS 587.550, 587.570)**

1. Nevada standard potatoes consist of one variety or are potatoes of similar varietal characteristics which:

- (a) Are not seriously misshapen;
- (b) Are free from freezing injury, black heart, late blight, southern bacterial wilt, ring rot, soft rot and wet breakdown;
- (c) Are free from serious damage caused by external defects from air cracks, bruises, dirt, enlarged lenticels, discoloration, flea beetle injury, greening, rhizoctonia, scab, sunburn, second growth, growth cracks, wireworm or grass damage, insect or worm damage, cuts (except that potatoes with clipped ends will be scored against the tolerance for external defects); and
- (d) Are free from serious damage of internal defects caused by hollow heart, ingrown sprouts and internal discoloration.

2. Nevada standard potatoes must meet the requirements for the grade of U.S. No. 2 if they do not have clipped ends. They must be not less than 2 inches in diameter or 4 ounces in weight, except as provided in this section. At least 40 percent of the potatoes by weight in the lot must be 6 ounces or larger.

3. To allow for variations incident to proper grading and handling, not more than 10 percent of the Nevada standard potatoes in any lot may be below the requirements of the grade and not more than the following percentages are allowed for the defects listed:

- (a) Six percent for external defects.
- (b) Six percent for internal defects.
- (c) One percent for soft rot or wet breakdown.

4. Not more than 3 percent of the Nevada standard potatoes in any container may be below the minimum size except that a tolerance of 5 percent is allowed for potatoes packed to meet a minimum size of 6 ounces or larger. A further requirement is that not more than 2 percent of the potatoes may be smaller than 2 inches in diameter or 4 ounces in weight.

5. Individual samples of Nevada standard potatoes must not have more than 1 1/2 times the tolerances specified, except that at least one defective and one offsize potato may be permitted in any sample if the averages for the entire lot are within the tolerances specified.

[Dep't of Agriculture Reg., 87.51, eff. 3-1-73; A 5-15-73; 8-6-80]

**NAC 587.355 Potatoes: Adoption by reference of United States standards; exception.** (NRS 561.105, 587.390, 587.550, 587.570)

1. The United States Standards for Grades of Potatoes set forth in 7 C.F.R. §§ 51.1540 to 51.1566, inclusive, as those sections existed on March 27, 1991, are adopted by reference as the standards for grades of potatoes in Nevada, except for the minimum diameter size and weight of a U.S. No. 1 potato. The minimum diameter size and weight of a U.S. No. 1 potato in Nevada are 2 inches and 4 ounces, respectively.

2. These standards may be acquired from the Department at no cost.  
[Dep't of Agriculture Reg., § 2, 8-6-80] — (NAC A by Bd. of Agriculture, 7-10-96;  
A by St. Quarantine Officer by R123-02, 11-4-2002)

**NAC 587.359 Onions: Adoption of United States standards.** (NRS  
561.105, 587.550, 587.580)

1. The “United States Standards for Grades of Bermuda-Granex-Grano Type Onions” set forth in 7 C.F.R. §§ 51.3195 to 51.3209, inclusive, as amended by 60 Fed. Reg. 46976 (1995), and the “United States Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Types)” set forth in 7 C.F.R. §§ 51.2830 to 51.2854, inclusive, as amended by 60 Fed. Reg. 46976 (1995), are adopted by reference as the standards for grades of onions in Nevada.

2. These standards may be acquired from the Department at no cost.  
[Dep't of Agriculture Reg., §§ 2 & 3, eff. 8-6-80] — (NAC A by Bd. of Agriculture,  
7-10-96) — (Substituted in revision for NAC 587.410)