

STEVE SISOLAK
Governor

Las Vegas Office:
2300 East St. Louis Ave.
Las Vegas, NV 89104
Telephone (702) 668-4590
Fax (702) 668-4567



JENNIFER OTT
Director

Elko Office:
4780 East Idaho St.
Elko, NV 89801-4672
Telephone (775) 738-8076
Fax (775) 738-2693

STATE OF NEVADA
DEPARTMENT OF AGRICULTURE

405 South 21st St.
Sparks, Nevada 89431-5557
Telephone (775) 353-3601 Fax (775) 353-3661
agri.nv.gov

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

INFORMATIONAL STATEMENT

**Permanent Adoption of Regulation for
Nevada Administrative Code 554 LCB File No. R130-20**

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

Firewood is a primary source of pest introduction to Nevada's agriculture, forestlands, and rangelands. Harmful pests are difficult to detect in firewood and are frequently present when sourced from areas with established pests of concern. The frequent and expansive movement of firewood and associated pest introduction is a nationwide issue, however, due to limited resources and varying circumstances, regulation and enforcement of firewood movement has been the responsibility of individual states. It is critical that the Nevada Department of Agriculture (NDA) establish regulations to prevent the movement of firewood from quarantined areas to protect agriculture and vulnerable forests and rangelands. Introduction of harmful pests to forests is particularly concerning due to the recent wildfires that make forests more susceptible to pest establishment and habitat decline. Neighboring states have established similar regulations and the lack of regulation in Nevada creates an easy entry point for non-compliant and infested wood.

In addition, the proposed fee increases for garlic and onion inspections will enable the NDA to meet staffing and supply needs to perform program requirements, including field inspections, crop sample preparations and sample analyses. Inspections are time sensitive and require multiple staff members to inspect thousands of acres of garlic and onions shortly before harvest to ensure crops are not compromised by a highly contagious fungus, white rot, or other harmful pests.

2. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

To assess the potential economic impact to businesses and encourage public comment on the proposed regulations, the NDA released a digital survey, along with proposed regulation changes to Nevada Administrative Code (NAC) 554, to 7,244 businesses via email. In total, the survey received 25 responses. A general summary of comments received are provided in question 5.

A workshop was held on January 13, 2022 and an adoption hearing was held on June 7, 2022. A recording of the workshop and hearing and any other meeting related documents can be found at

[https://agri.nv.gov/Plant/Workshop and Hearing Meetings/Division of Plant Health and Compliance Workshops and Hearings](https://agri.nv.gov/Plant/Workshop%20and%20Hearing%20Meetings/Division%20of%20Plant%20Health%20and%20Compliance%20Workshops%20and%20Hearings).

A copy of the summary of public responses to the proposed regulations may be obtained from the NDA by contacting Ashley Jeppson at (775) 353-3729 or ajeppson@agri.nv.gov.

3. The number persons who (a) Attended each hearing, (b) Testified at each hearing, (c) Submitted to the agency written comments.

- Workshop held on January 13, 2022
 - Number in attendance: 5
 - Number testifying: 4
 - Written statements submitted: 1

- Hearing held on June 7, 2022
 - Number in attendance: 2
 - Number testifying: 1
 - Written statements submitted: 0

4. A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency.

Workshop January 13, 2022	Adoption Hearing June 7, 2022
Kacey Kasey Nevada Division of Forestry	Ashley Jeppson NDA ajeppson@agri.nv.gov (775) 353-3729
Ryan Shane Nevada Division of Forestry	Jeff Knight NDA jknight@agri.nv.gov (775) 353-3767
Meghan Brown NDA m.brown@agri.nv.gov (775) 353-3604	
Allen Whitenack NDA awhitenack@agri.nv.gov (775) 353-3670	

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

2300 East St. Louis Ave.
Las Vegas, NV 89104
Telephone (702) 668-4590
Fax (702) 668-4567

405 South 21st St.
Sparks, Nevada, 89431
Telephone (775) 353-3601
Fax (775) 353-3661

4780 East Idaho St.
Elko, NV 89801
Telephone (775) 738-8076
Fax (775) 738-2693

To assess potential economic impact to businesses and encourage public comment on the proposed regulations, the NDA released a digital survey, along with proposed regulation changes to Nevada Administrative Code (NAC) 554 to 7,244 businesses via email, however only 25 survey responses were received. 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 firewood and firewood distribution as well as any persons who had specifically requested such notice. Approximately 258 agriculture operations that receive onion and garlic inspections were also contacted to complete the survey due to the proposed fee increase for allium producers.

A link to all active surveys was shared on social media and the NDA Director's July newsletter on July 30, 2021. This survey was also posted again to social media on August 11, 2021, August 18, 2021, and August 21, 2021. The survey was shared by the Nevada Farm Bureau through their monthly newsletter on July 30, 2021 and August 6, 2021.

Summary of survey responses:

- 7 respondents reported that the proposed regulations may have an impact on their ability to do business and 3 respondents reported that it would impact their ability to do business.
- Some responses indicated that the regulation would make it too difficult to do business, purchase wood, maintain records and that alternative distribution methods would need to be pursued.
- 3 respondents indicated that the annual economic impact would exceed \$5,000, 1 respondent indicated up to a \$5,000 annual impact, and 11 respondents indicated it would be less than a \$1,000 annual impact.
- Specific to onion and garlic proposed changes, 2 respondents indicated that the proposed regulations would impact their ability to do business and 1 respondent indicated it may impact their ability to do business.
- Specific to onion and garlic proposed changes, 1 respondent indicated the proposed change would result in an annual economic impact that would exceed \$10,000, 1 respondent indicated it would range from \$1,000-\$5,000, 1 respondent indicated it would range from \$100-\$1,000, and 1 respondent indicated \$0.

A workshop was held on January 13, 2022 and an adoption hearing was held on June 7, 2022. A recording of the workshop and hearing and any other meeting related documents can be found at https://agri.nv.gov/Plant/Workshop_and_Hearing_Meetings/Division_of_Plant_Health_and_Compliance_Workshops_and_Hearings.

A copy of the summary of public responses to the proposed regulations may be obtained from the NDA by contacting Ashley Jeppson at (775) 353-3729 or ajeppson@agri.nv.gov.

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

Changes proposed by the Nevada Division of Forestry were accepted.

7. The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include: (a) Both adverse and beneficial effects; and (b) Both immediate and long-term effects.

2300 East St. Louis Ave.
Las Vegas, NV 89104
Telephone (702) 668-4590
Fax (702) 668-4567

405 South 21st St.
Sparks, Nevada, 89431
Telephone (775) 353-3601
Fax (775) 353-3661

4780 East Idaho St.
Elko, NV 89801
Telephone (775) 738-8076
Fax (775) 738-2693

(a) Adverse and beneficial effects on regulated businesses and the public

- Adverse
 - The proposed regulation may limit firewood access from areas previously sourced by the public to prevent the introduction of harmful species from quarantined areas. They would need to source wood from non-quarantined areas or have it treated.
- Beneficial
 - These regulations will protect commodities from the introduction of harmful pests that would reduce the value and availability of products. Furthermore, by preventing the introduction of harmful pests, Nevada will be protected from quarantines declared by other states that would reduce export and product values. The increase in fees for garlic and allium will allow for improved services in having staff and resources, particularly vehicles, readily available to perform time sensitive inspections.

(b) Immediate and long-term effects on regulated businesses and the public

- Immediate
 - The proposed regulation may limit firewood access from areas previously sourced by the public to prevent the introduction of harmful species from quarantined areas. They would need to source wood from non-quarantined areas or have it treated.
- Long-term
 - The proposed regulation may limit firewood access from areas previously sourced by the public to prevent the introduction of harmful species from quarantined areas. They would need to source wood from non-quarantined areas or have it treated.

8. The estimated cost to the agency for enforcement of the adopted regulation.

Firewood quarantine and labeling enforcement would be completed through education and outreach to retailers, including random inspections. Enforcement would also be completed in coordination with state and federal partners as firewood is identified in recreational areas. At this time, additional staff are not needed since federal resources provide support for education and outreach. There is no additional cost to the NDA related to collecting the increase in garlic and onion inspection fees.

9. 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.

Efforts have been made at a national level to limit the movement of firewood from infested areas or areas where pests of particular concern have been detected. However, due to limited resources and varying state circumstances, the regulation and enforcement of firewood movement has been the responsibility of individual states. It is critical that the NDA establish regulations to prevent the movement of firewood from quarantined areas to protect Nevada's agriculture and vulnerable forests and rangelands. Neighboring states have also established similar requirements. This regulation does not duplicate federal regulations as it is expected that firewood movement is addressed by individual states.

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

2300 East St. Louis Ave.
Las Vegas, NV 89104
Telephone (702) 668-4590
Fax (702) 668-4567

405 South 21st St.
Sparks, Nevada, 89431
Telephone (775) 353-3601
Fax (775) 353-3661

4780 East Idaho St.
Elko, NV 89801
Telephone (775) 738-8076
Fax (775) 738-2693

Due to the extent and challenges associated with regulating firewood, USDA has expressed that it is the expectation that the movement of firewood from quarantined areas be regulated on an individual state basis. Efforts have been made on a national level to limit the movement of firewood from infested areas or areas where pests of particular concern have been detected. However, due to limited resources and varying state circumstances, the regulation and enforcement of firewood movement has been the responsibility of individual states. It is critical that Nevada establish regulations to prevent the movement of firewood from quarantined areas in the interest of Nevada’s agriculture and vulnerable forests and rangelands. Neighboring states have also established these requirements.

11. 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.

The table below provides a breakdown of 2021 acreage and revenues for garlic and onion inspections and the anticipated revenues. The increase in fees would be used to cover program administration costs.

Crop Type	2021 Acreage	2021 Revenue	2022 Projected Acreage	2022 Projected Revenue**	2022 Projected Revenue with fee increase***
Garlic	715.46	\$26,060.05*	725.00	\$26,407.54*	\$26,407.54*
Onion	5,195.62	\$25,978.10	5,300.00	\$26,500.00**	\$42,400.00***
Total	5,911.08	\$52,038.15	6,025.00	\$52,907.54**	\$68,807.54***

*Includes Allium registration fee, seed certification fee, and optional stem and bulb nematode assessment fee.

**Does not include proposed onion (true seed) fee increase.

***The proposed onion (true seed) fee increase (\$5.00/acre to \$8.00/acre).

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.

Jennifer Ott
 Director
 Nevada Department of Agriculture