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STATE OF NEVADA
DEPARTMENT OF AGRICULTURE

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PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF AGRICULTURE

**NOTICE OF INTENT TO ACT UPON A REGULATION
AND
HEARING AGENDA**

Notice of Hearing for the Adoption of Permanent Regulations Nevada Administrative Code chapter 581.

LCB File No. R026-21

The Nevada Department of Agriculture (NDA) will hold a public hearing at 10:00 a.m. PST on Monday, December 19, 2022. The purpose of the hearing is to receive comments from all interested persons regarding the amendment of regulations pertaining to chapter 581 of the Nevada Administrative Code (NAC).

Date: Monday, December 19, 2022
Time: 10:00 a.m. PST
Location: This meeting will be held remotely via Zoom

Remote Meeting Information*:

To join the meeting virtually, access the URL below and enter the meeting ID and passcode when prompted:

<https://us02web.zoom.us/j/87259583609?pwd=V3hUNWM4VG5ab1FnaFJXck9UWG0wQT09>

Meeting ID: 872 5958 3609

Passcode: 646567

To join by telephone, call the phone-in access number below and enter the meeting ID and passcode when prompted.

Phone-in Access #: +1 669 900 9128 US

Meeting ID: 872 5958 3609

Passcode: 646567

***Per 2021 AB253**

ALL PERSONS WISHING TO ATTEND THE MEETING MUST ATTEND VIA ZOOM OR TELEPHONICALLY.

Nevada Revised Statutes chapter 287 was amended through [2021 AB 253](#) to allow public meetings to be completed by use of remote technology and without a physical location.

INFORMATIONAL STATEMENTS

Pursuant to [NRS 233B.0603](#), the NDA is providing the following statements pertaining to the public hearing on proposed changes to Chapter 581 of NAC.

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

The proposed regulation is necessary to implement the provisions of Senate Bill 404 of the 81st session of the Nevada Legislature. The purpose of the proposed regulation is to establish the requirements for use and licensure of cannabis weighing and measuring equipment.

2. If the regulation is a temporary one, either the text of the proposed rule or a description of the substance of the rule and the subjects and issues involved. If the regulation is a permanent one, a statement explaining how to obtain the approved or revised text of the proposed regulation prepared by the Legislative Counsel Bureau pursuant to NRS 233B.063.

Text of the proposed regulations prepared by the Legislative Counsel Bureau may be inspected by visiting the NDA offices located in Elko, Las Vegas, or Sparks, the addresses of which are listed on the header of this notice.

Requests for mailed copies may be directed to:

Nevada Department of Agriculture
Division of Measurement Standards
405 South 21st Street
Sparks, NV 89431
Phone: 775-353-3783; Email: ce@agri.nv.gov

A digital copy of the regulation file may also be accessed on the internet at the following addresses:

- https://agri.nv.gov/Protection/Weights_and_Measures/Workshop_and_Hearing_Meetings/WeightsandMeasuresHMW/
- <https://www.leg.state.nv.us/Division/Legal/LawLibrary/Register/index.html>

3. The estimated economic effect of the regulation on the business which it is to regulate and on the public.
 - Adverse economic effect on regulated business
Businesses subject to the proposed regulation are estimated to experience direct economic effects between \$50 and \$2,000 for the cost of license fees for weighing and measuring devices not currently licensed as commercial weighing and measuring equipment and for the cost of staff time to facilitate the agency's inspection of these devices. Additionally, some businesses subject to the regulation are estimated to experience direct economic effects between \$250 and \$5,000 to replace weighing and measuring equipment currently in use in their establishments that does not meet the requirements of the proposed regulations. These

direct economic impacts would be adverse as they would increase the operational costs of the small business.

- Beneficial economic effect on regulated business
Some businesses, which had previously elected to have the agency perform special testing of weighing and measuring devices used for a non-commercial purpose, are estimated to experience direct economic effects between \$25 and \$1,000 as they would no longer need to pay the special test fees charged for such tests. These direct economic impacts would be beneficial as they would decrease the operational costs of the business.
- Immediate economic effect on regulated business
The agency estimates that the cannabis industry will immediately be subject to a total of \$7,500 in licensing fees.
- Long-term economic effect on regulated business
The \$7,500 in licensing fees identified above will be required to be paid annually each year following the approval of the proposed regulation.
- Adverse economic effect on the public
The cannabis industry could pass the cost of these licenses on to their customers, increasing the retail price for cannabis products purchased by the public.
- Beneficial economic effect on the public
The agency estimates that there will be no direct beneficial economic effect on the public.
- Immediate economic effect on the public
The agency estimates that there will be no immediate economic effect on the public.
- Long-term economic effect on the public
The retail price of cannabis products could be increased to cover the cost of the additional license fees required by the proposed regulation.

4. The estimated cost to the agency for enforcement of the proposed regulation.
\$7,500

5. The methods used by the agency in determining the impact on a small business.
Notice of the proposed regulations was mailed via the United States Postal Service to 246 entities currently holding licenses for the type of weighing and measuring equipment used in cannabis establishments (scale devices with a capacity of 500 pounds and under tested with a Class II, Echelon II weight kit). Seven notices were returned as undeliverable. In addition, notice of the proposed regulations was sent via email from the Nevada Department of Agriculture (NDA) to 7,026 potentially interested parties. NDA also requested assistance from the Nevada Cannabis Compliance Board (CCB) in providing notice of the regulations. The CCB provided the NDA's notice to approximately 450 points of contact for its licensees; some of these points of contact may have been duplicates of NDA's licensees. All the notices included the website address for an electronic survey and a request that the recipient participate in the survey to assist the NDA in determining the potential impacts of the proposed regulations on businesses in Nevada. An option was offered for recipients to request a hard copy of the survey and/or the text of the regulations be sent to them by mail or email, but the department did not receive any such requests. Notice of the proposed

regulations and the survey link were posted to www.agri.nv.gov on March 3, 2022. The survey was open from March 3, 2022, through March 25, 2022.

A statistical analysis of the survey results was compiled and considered. In addition, the comments received in response to the open-ended survey questions and directly from one interested party were considered.

6. 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.

This regulation does not overlap or duplicate any regulations of other state or local governmental agencies.

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

This regulation is not required pursuant to federal law.

8. 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 provisions which are more stringent than federal regulations that regulate the same activity.

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

This regulation establishes a new fee for the licensing of cannabis weighing and measuring equipment.

10. Copies of this notice and proposed regulations will be mailed to members of the public upon request. Copies may also be requested or inspected by visiting the NDA offices located in Elko, Las Vegas, the addresses for which are included on the header of this notice. Requests for mailed copies may be directed to:

Nevada Department of Agriculture
Division of Measurement Standards
405 South 21st Street
Sparks, NV 89431
Phone: 775-353-3783; Email: ce@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 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 ce@agri.nv.gov or via mail to the following address: Nevada Department of Agriculture, Attn: Measurement Standards, 405 S. 21st ST, Sparks, NV 89431. Written submissions must be received by the NDA on or before 5 PM on Friday, December 16, 2022.

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 775-353-3783 or ce@agri.nv.gov at least three (3) business days prior to the meeting.

If no person who is directly affected by the proposed action appears to request time to make and oral presentation, the NDA may proceed immediately to act upon any written submissions.

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.

**ADOPTION HEARING AGENDA
NEVADA DEPARTMENT OF AGRICULTURE**

December 19, 2022
10:00 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. The agency is precluded from action on items raised during Public Comment that are not on the agenda.

III. For possible action: Discussion and Adoption of Proposed Permanent Regulations
a. Amendment of regulations that pertain to Chapter 581 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. The agency is precluded from action on items raised during Public Comment that are not on the agenda.

V. Adjourn