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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 583.

LCB File No. R003-23P

The Nevada Department of Agriculture (NDA) will hold a public hearing on March 15, 2024. The purpose of the hearing is to receive comments from all interested persons regarding the amendment of regulations pertaining to chapter 583 of the Nevada Administrative Code (NAC).

Date: Friday, March 15, 2024

Time: 9 a.m. PST

Location: This meeting will be held in a combination of in-person and virtually via Zoom, as it allows participation by computer or phone.

Meeting Location: Nevada Department of Agriculture
405 S. 21st Street
Sparks, NV 89431
Phone: (775) 353-3601

Video conference: Nevada Department of Agriculture Nevada Department of Agriculture
2300 E. St. Louis Avenue 4780 E. Idaho Street
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Virtual Meeting Information: <https://us02web.zoom.us/j/86901262000>
Meeting ID: 869 0126 2000
Phone: +1-669-444-9171
Access Code: 869 0126 2000

INFORMATIONAL STATEMENTS

Pursuant to [NRS 233B.0603](#), the NDA is providing the following statements pertaining to the public hearing on proposed changes to Chapter 583 of NAC.

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

The adoption of these permanent regulations pertains to the inspection of meat and poultry. Currently, facilities in Nevada who wish to sell meat or poultry products must be inspected by The United States Department of Agriculture Food Safety and Inspection Service (USDA FSIS). Currently, Nevada has only 3 USDA inspected facilities and 13 active custom processing facilities, therefore the need to increase options for meat and poultry inspection is clear.

In-state processing can help address the industry's bottleneck in meat and poultry processing. The addition of state inspection can provide consumers more options for locally produced meat and poultry, allow for producers to have better control of the pricing of their meat and poultry products, reduce transportation costs, and improve accessibility for producers in rural areas.

For a state to be able to administer their own meat and poultry inspection program, they must meet USDA FSIS's "at least equal to" requirements. The NDA has performed an assessment of what it would take to establish a state meat and poultry inspection program that meets USDA FSIS's "at-least equal to" requirements, and the program establishment is underway.

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 pursuant to NRS 233B.063.

The proposed regulation is not a temporary one.

A copy of all materials relating to the proposal may be obtained by visiting the Department's website at agri.nv.gov or by contacting Shayda Sanjideh at 775-710-1723 or ssanjideh@agri.nv.gov. Copies may also be requested by visiting NDA offices located Elko, Las Vegas or Sparks or by visiting the Nevada State Library and Archives at 100 Stewart Street, Carson City, NV 89701. A reasonable fee for copying or postage may be charged for those requesting a print copy. Members of the public who would like additional information about the proposed regulation may contact Shayda Sanjideh at 775-710-1723 or ssanjideh@agri.nv.gov.

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**

Although these regulations cause some level of adverse economic impact, it is anticipated to be low. Survey responses from industry stakeholders reported as: 58% of respondents stating no impact, 9%

stating insignificant and 7% stating minor impact when asked what level of negative impact the proposed changes may have on their business.

- **Beneficial economic effect on regulated business**

It is anticipated that these regulation changes can be beneficial as they will provide producers and processors with another option for business revenue if they desire to produce a commercial/saleable product. It is also expected that animal transport costs can be reduced since less animals will need to be sent out of state for processing due to an increase of in-state processing services.

- **Immediate economic effect on regulated business**

Small businesses operating as an official establishment are estimated to experience immediate economic effects up to \$1250 for the first year when submitting for a permit. Additionally, businesses who choose to operate as an official establishment may incur immediate direct costs based on if they need to restructure their business to meet the requirements of these regulations. Custom establishments will incur a cost of \$850 for the first year of licensing fees.

- **Long-term economic effect on regulated business**

Small businesses operating as an official establishment are subject to a yearly renewal fee of \$500. Small businesses operating as a custom establishment are subject to a yearly renewal fee of \$250. If a small business chooses to operate as an official establishment, it is predicted that they will be able to expand their meat and poultry processing capacity. It may allow small meat and poultry processing businesses to be more competitive in their pricing, while also allowing more producers to have their livestock and poultry processed within the state in a manner that permits for their sale. It is also predicted that there will be cost savings for producers on transportation costs in the long term.

- **Adverse economic effect on the public**

Little to no adverse economic effect will pertain to the public, as they will not be charged directly or indirectly for the upcoming regulation changes.

- **Beneficial economic effect on the public**

The public will have more opportunities to buy meat and poultry locally, as there may be more meat and poultry available in the supply chain within Nevada. With business expansions in the state, it is anticipated that jobs will be created within the industry as well.

- **Immediate economic effect on the public**

There may be little to no immediate economic effect on the public as the proposed regulations pertain to meat and poultry producers/processors.

- **Long-term economic effect on the public**

In the first year and beyond the public will have more opportunities to purchase meat and poultry products from small businesses.

4. The estimated cost to the agency for enforcement of the proposed regulations.

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The agency does have costs associated with the establishment of this new program coinciding with the proposed changes to NAC 583. Primarily, provided by internal resources, the program will be funded to conduct inspections throughout the state.

The agency anticipates an estimated one-time cost of approximately \$400 to print and mail a notice of the revised regulations to all known custom processors and industry partners following the adoption of the regulation.

5. The methods used by the agency in determining the impact on a small business.

The NDA prepared and distributed a Small Business Impact Survey to industry members and businesses (sent to 7,985 recipients). A statistical analysis of the survey results was compiled and considered upon the closing of the survey. The survey also included open-ended questions and the comments received were also 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.

While the proposed regulations do not duplicate federal, state or local standards, they do adopt by reference, the applicable parts of the regulations governing meat inspection from the United States Department of Agriculture, the Federal Meat Inspection Act (FMIA), the Poultry Products Inspection Act (PPIA), and the Humane Methods of Slaughter Act (HMSA). For Nevada to be able to enter into a cooperative agreement with USDA FSIS, Nevada must enforce program requirements that are “at least equal to” federal guidelines.

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

State meat and poultry inspection programs are required to operate under authorities that are “at least equal to” the provisions for ante-mortem and post-mortem inspection, reinspection, sanitation, recordkeeping, and enforcement in the FMIA and PPIA and implementing regulations. State meat and poultry inspection programs are also expected to ensure that livestock are treated humanely, with livestock handling methods “at least equal to” the HMSA.

The FMIA prohibits adulteration or misbranding of meat and meat products and ensures that these products are slaughtered and processed under strictly regulated sanitary conditions. The PPIA requires the inspection of domesticated birds when slaughtered and processed for human consumption. The HMSA requires the humane treatment and handling of livestock.

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

The agency did not intend to create regulations that are more stringent than federal regulations to regulate the same inspection activity.

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

The proposed regulations provide new fees including: an application for a license to operate custom processing establishment (\$250), plan review fee for licensure (\$600), and a license renewal fee (\$250). An application for a permit to operate a state inspected facility (\$500), a plan review fee (\$750), and a permit renewal fee (\$500).

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 or Sparks or the Nevada State Library and Archives at 100 Stewart Street, Carson City, NV 89701. A reasonable fee may be charged for copies or postage if it is deemed necessary. Requests for mailed copies may be directed to

Nevada Department of Agriculture
Division of Animal Industry
405 South 21st Street
Sparks, NV 89431
Phone: 775-710-1723; Email: ssanjideh@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 ssanjideh@agri.nv.gov or via mail to the following address: Nevada Department of Agriculture, Attn: Nevada Meat and Poultry Inspection Program, 405 S. 21st St., Sparks, NV 89431. Written submissions must be received by the NDA on or before March 15, 2024.

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 775-710-1723 or ssanjideh@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 an 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
March 15, 2024
9:00 am 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 Comments 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 583 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 Comments that are not on the agenda.

V. Adjourn

**PROPOSED REGULATION OF THE
STATE QUARANTINE OFFICER**

LCB File No. R003-23

September 11, 2023

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§ 1-11, 15-27, 30-54, NRS 583.055 and 583.539; § 12, NRS 561.153, 583.055, 583.453 and 583.539; §§ 13, 28 and 29, NRS 561.153, 583.055, 583.454 and 583.539; § 14, NRS 561.153, 583.055, 583.453, 583.454 and 583.539.

A REGULATION relating to meat and poultry inspection; defining certain terms relating to meat and poultry inspections; establishing requirements for a person to obtain a permit to operate an official establishment; establishing requirements for a person to obtain a license to operate a custom processing establishment or a mobile processing unit; establishing certain fees relating to official establishments, custom processing establishments and mobile processing units; setting forth certain requirements relating to custom processing; establishing certain sanitary requirements for such establishments and units; revising certain requirements related to the processing of meat and poultry; eliminating certain obsolete references; revising references to certain federal regulations adopted by reference; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes the State Quarantine Officer, under certain circumstances, to prescribe regulations under which carcasses, parts of carcasses, meat and meat food products or poultry, and certain animals capable of use as human food, must be stored or otherwise handled for intrastate commerce. (NRS 583.539) Existing law authorizes the State Department of Agriculture to prescribe fees by regulation for any service provided by the Department. (NRS 561.153)

Existing law further requires the Officer to adopt regulations providing a process for a person to obtain a permit to operate an official establishment which on a commercial basis slaughters for hire any meat animal, game mammal, poultry or game bird for human consumption. (NRS 583.454) Existing law authorizes the Department to establish fees to be collected from slaughtering or other processing operations for the purpose of grading and certifying meats, prepared meats and meat products. (NRS 583.055) **Section 12** of this regulation: (1) requires a person who wishes to operate an official establishment to submit an application for a permit to the Department; (2) establishes fees to obtain or renew a permit; (3) requires the applicant to submit certain plans for the construction of the official establishment

covered by the permit under certain circumstances; (4) establishes a fee for the review of such plans by the Department; and (5) establishes certain provisions governing such permit.

Existing law requires the Officer to adopt regulations providing a process for a person to obtain a license to operate a custom processing establishment or mobile processing unit, including, without limitation, regulations setting forth fees for the issuance or renewal of such a license. (NRS 583.454) **Section 13** of this regulation: (1) requires a person who wishes to operate a custom processing establishment or a mobile processing unit to submit an application for a license to the Department; (2) establishes fees to obtain or renew a license; (3) requires the applicant to submit certain plans for the construction of the custom processing establishment or mobile processing unit covered by the license under certain circumstances; (4) establishes a fee for the review of such plans by the Department; and (5) establishes certain provisions governing such a license.

Section 14 of this regulation requires a holder of a permit or license to operate an official establishment, custom processing establishment or mobile processing unit who intends to remodel, renovate or alter an official establishment, custom processing establishment or mobile processing unit, as applicable, to, before performing any such work, submit to the Department: (1) a plan detailing the proposed changes; and (2) a fee for the review of the plan by the Department.

Section 15 of this regulation: (1) authorizes, with certain exceptions, the Department to grant inspection services to each person issued a permit or license to operate an official establishment, a custom processing establishment or a mobile processing unit if the permittee or licensee satisfies certain requirements; and (2) requires the Department to notify a permittee or licensee if the Department grants inspection services to such person.

Sections 16 and 17 of this regulation establish certain requirements for the construction, design and use of a mobile processing unit.

Existing regulations require the Officer to order inspections of the sanitary conditions of establishments. (NAC 583.430) **Section 44** of this regulation: (1) requires custom processing establishments and mobile processing units to be kept in a clean and sanitary condition; (2) authorizes the Department to prescribe additional sanitary standards and require sanitary inspections; and (3) authorizes the Officer or the Department to withdraw inspection services for custom processing establishments and mobile processing units that do not comply with such sanitary standards.

Sections 18-21 of this regulation establish various requirements relating to the sanitization procedures used and the handling of certain food products in a mobile processing unit.

Section 22 of this regulation requires a custom processing establishment or mobile processing unit to comply with certain provisions of federal law.

Section 23 of this regulation requires a person who holds a license to operate a custom processing establishment to: (1) tag each animal for slaughter and carcass of such animal as “Not For Sale”; and (2) keep products for custom processing separate from other products under inspection.

Section 24 of this regulation requires an inspector to mark certain equipment, utensils, rooms or compartments that are not sanitary or could adulterate a product with a “Nevada Rejected” tag.

Section 25 of this regulation authorizes the Department to detain or embargo meat or poultry in a custom processing establishment or mobile processing unit if: (1) the meat or poultry does not have proper identification; or (2) the meat or poultry does not comply with certain requirements.

Section 26 of this regulation requires each person issued a permit or license to operate an official establishment, custom processing establishment or a mobile processing unit to comply with certain federal laws relating to humane methods of slaughter.

Section 27 of this regulation: (1) requires each person issued a license to operate a custom processing establishment or a mobile processing unit to keep records in accordance with certain federal laws; and (2) authorizes the Department, at reasonable times, to access such records.

Section 28 of this regulation: (1) authorizes the Department to issue a written warning to a person who holds a license to operate a custom processing establishment or a mobile processing unit who is suspected of committing certain repeated violations; (2) provides certain requirements for such a warning; and (3) authorizes the Department to perform an inspection to determine if the violation was corrected and charge a fee for such an inspection.

Section 29 of this regulation: (1) authorizes the Department to suspend a license to operate a custom processing establishment or a mobile processing unit under certain circumstances; (2) authorizes a person whose license was suspended to request a hearing before the Department; and (3) authorizes the licensee to apply to the Department for reinstatement of the license. **Section 29** also authorizes the Department to charge a fee for the reinstatement of a license.

Existing regulations require: (1) an antemortem examination of certain animals before slaughter; and (2) diseased animals and carcasses to be disposed of in accordance with certain federal regulations. (NAC 583.400) **Section 41** of this regulation instead requires: (1) any official establishment to perform antemortem examinations of certain animals before slaughter; and (2) any animal that is suspected of being affected with any disease or shows symptoms of disease to be kept separate and not be slaughtered until a veterinary inspection is performed.

Existing regulations require: (1) a postmortem examination and inspection of certain carcasses; (2) carcasses that are not adulterated to be labeled “Inspected and Passed”; and (3) carcasses that are adulterated to be labeled “Inspected and Condemned.” (NAC 583.410) **Section 42** of this regulation: (1) revises such labels to say “Nevada Inspected and Passed” and “Nevada Inspected and Condemned”; and (2) additionally requires that any meat or poultry which is not fit for human consumption to be denatured or destroyed, as approved by the Department.

Sections 31, 34, 38, 49 and 52 of this regulation replace: (1) references to the State Board of Health with the Department; and (2) references to the State Health Officer with the State Quarantine Officer. **Section 54** of this regulation eliminates an obsolete reference to the State Health Officer. **Sections 35-37 and 41** of this regulation make conforming changes to clarify certain references to the United States Department of Agriculture.

Sections 32-34, 37, 39-48, 50 and 53 of this regulation revise certain requirements relating to meat and meat food products to additionally apply to poultry and poultry food products.

Sections 2-11 of this regulation define certain terms that relate to the inspection of meat and poultry.

Existing regulations provide certain requirements for the labeling of certain meat and 41 meat food products. (NAC 583.440) **Section 45** of this regulation additionally requires that: (1) custom processing products be labeled “Not For Sale”; and (2) shipping containers carrying certain poultry products be labeled “Exempt P.L. 90492.”

Existing regulations adopt certain federal regulations of the United States Department of Agriculture. (NAC 583.520) **Section 52** of this regulation adopts by reference, with certain exceptions, additional regulations adopted by the United States Department of Agriculture and certain federal laws.

Existing regulations establish certain exemptions to the provisions of chapter 583 of the Nevada Administrative Code. (NAC 583.530) **Section 53** of this regulation additionally adopts, with certain exceptions, certain exemptions provided in federal law.

Sections 30 and 51 of this regulation revise references to certain federal laws. **Section 51** eliminates an obsolete provision requiring the Officer to cooperate with the Secretary of Agriculture of the United States Department of Agriculture by a certain date.

Section 1. Chapter 583 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 29, inclusive, of this regulation.

Sec. 2. *“Antemortem inspection” means the inspection of an animal before the animal is slaughtered.*

Sec. 3. *“Carcass” means each part, including viscera, of a slaughtered animal that is capable of use as human food.*

Sec. 4. *“Custom processing” means the slaughter, skinning and preparation of livestock and poultry through humane means upon the request of the owner or person in lawful possession of the livestock or poultry and for consumption by the owner or person, including, without limitation, immediate family members and nonpaying guests.*

Sec. 5. *“Equipment” has the meaning ascribed to it in NAC 446.01287.*

Sec. 6. *“Hazard” has the meaning ascribed to it in NAC 446.01461.*

Sec. 7. *“Inedible” means adulterated, uninspected or not intended for use as human food.*

Sec. 8. *“Mobile processing” means custom processing that is provided at a mobile processing unit.*

Sec. 9. *“Postmortem inspection” means the inspection of the carcass of an animal after the animal is slaughtered.*

Sec. 10. *“Poultry Products Inspection Act” means the Federal Poultry Products Inspection Act, 21 U.S.C. §§ 451 et seq.*

Sec. 11. *“Specified risk material” means the tissues in cattle that are considered to be of high risk for prion contamination.*

Sec. 12. 1. *Pursuant to NRS 583.453, a person who wishes to operate an official establishment must apply for a permit on a form prescribed by the Department.*

2. *In addition to any information required by subsection 2 of NRS 583.453 for an application for a permit to operate an official establishment, an application for a permit to operate an official establishment must include, without limitation:*

(a) The name of the business

(b) The telephone number and electronic mail address of the applicant;

(c) An application fee of \$500; and

(d) Any other information required by the Department.

3. *In addition to the requirements of subsection 2, a person who submits an application to operate an official establishment must, except as otherwise provided in subsection 6, submit to the Department:*

(a) Plans for the construction of the official establishment, including, without limitation:

(1) The layout, arrangement and construction materials of processing areas in the official establishment;

(2) The location, size and types of equipment used in and around the official establishment; and

(3) The surrounding areas of the official establishment, including, without limitation, other businesses, streets, outside equipment, animal pens, wells and septic tanks.

(b) A fee of \$750 for the review of the plans required by paragraph (a) by the Department.

4. Upon receipt of an application submitted pursuant to this section, inspection of the official establishment and approval by the Department, the Officer will issue a permit to the applicant.

5. A permit issued pursuant to this section expires on December 31 of the year in which the permit was issued and must be renewed annually on or before December 31 by paying a permit renewal fee of \$500 to the Department.

6. A new application for a permit must be submitted pursuant to this section if there is a change of ownership or location. An application for a change of ownership is not subject to the requirements of subsection 3.

Sec. 13. *1. No person shall operate a custom processing establishment or mobile processing unit unless the Department has issued the person a license to operate the custom processing establishment or mobile processing unit pursuant to this section.*

2. A person who wishes to operate a custom processing establishment or a mobile processing unit must apply for a license to operate a custom processing establishment or mobile processing unit on a form prescribed by the Department.

3. An application for a license to operate a custom processing establishment or a mobile processing unit must include, without limitation:

(a) The name of the applicant, including, without limitation, the names of the partners, officers or business directors, if applicable;

(b) The name of the business;

(c) The mailing address of the applicant;

(d) The telephone number and electronic mail address of the applicant;

(e) The location of the business;

(f) An application fee of ~~\$500~~ 250; and

(g) Any other information required by the Department.

4. In addition to the requirements of subsection 3, a person who submits an application to operate a custom processing establishment or mobile processing unit must, except as otherwise provided in subsection 7, submit to the Department:

(a) Plans for the construction of the custom processing establishment or mobile processing unit, including, without limitation:

(1) The layout, arrangement and construction materials of processing areas in the custom processing establishment or mobile processing unit;

(2) The location, size and types of equipment used in and around the custom processing establishment or mobile processing unit; and

(3) As applicable, the surrounding areas of the custom processing establishment or mobile processing unit, including, without limitation, other businesses, streets, outside equipment, animal pens, wells and septic tanks.

(b) A fee of ~~\$750~~ 600 for the review of the plans required by paragraph (a) by the Department.

5. Upon receipt of an application submitted pursuant to this section, inspection of the custom processing establishment or mobile processing unit and approval by the Department, the Officer will issue a license to the applicant.

6. A license issued pursuant to this section expires on December 31 of the year in which the license was issued and must be renewed annually on or before December 31 by paying a license renewal fee of ~~\$500~~ 250 to the Department.

7. A new application for a ~~permit~~ license must be submitted pursuant to this section if there is a change of ownership or location. An application for a change of ownership is not subject to ~~from~~ the requirements of subsection 4.

8. Licensees shall, at a minimum, be inspected on an annual basis.

Sec. 14. A holder of a permit or license to operate an official establishment, custom processing establishment or mobile processing unit who intends to remodel, renovate or alter the official establishment, custom processing establishment or mobile processing unit, as applicable, must, before he or she may perform any such work, submit to the Department:

1. A plan detailing the proposed changes to the official establishment, custom processing establishment or mobile processing unit, as applicable; and

2. A fee of \$750 for the review of the plan ~~required by subsection 1 by the Department~~ for an official establishment.

3. A fee of \$600 for the review of the plan for a custom processing establishment or mobile processing unit.

Sec. 15. 1. Upon the issuance of a permit or license, the Department shall send a written notice to the permittee or licensee, as applicable, of the eligibility of the permittee or licensee to receive inspection services from the Department pursuant to subsection 3. The

notice must specify the areas of the official establishment, custom processing establishment or mobile processing unit to which the grant of inspection services will apply.

2. The Department shall issue a provisional grant of inspection services to the permittee or licensee, as applicable, for a period not to exceed 90 days for the permittee or licensee, applicable, to develop and validate a Hazard Analysis Critical Control Point plan in accordance with 9 C.F.R. Part 417.

3. Except as otherwise provided in subsections 2 and 4, the Department may grant inspection services to each person issued a permit or license to operate an official establishment, custom processing establishment or mobile processing unit, as applicable, if the person has:

(a) Developed written standard operating procedures, written sanitation standard operating procedures and written recall procedures; and

(b) Performed a hazard analysis and developed and validated a written Hazard Analysis Critical Control Point plan in accordance with 9 C.F.R. Part 417.

4. The Department shall not grant inspection services pursuant to subsection 3 if the Department determines that the official establishment, custom processing establishment or mobile processing unit has not complied with the provisions of NAC 583.211 to 583.530, inclusive, or the applicant has not received approval for labeling pursuant to 9 C.F.R. Part 412.

Sec. 16. 1. A mobile processing unit must be constructed:

(a) To maintain a clean and sanitary condition;

(b) Of durable materials that are light in color, impervious and easy to clean; and

(c) To protect openings against the entry of dirt, debris, water and insects.

2. *A mobile processing unit must have:*

(a) *Light bulbs that are shielded, coated or otherwise shatter-resistant in any areas where there may be exposed food, clean equipment, utensils, hand-washing, dressing and locker rooms or toilets.*

(b) *A minimum lighting intensity of 50 foot-candles (540 lux) at each surface where an employee may handle food, utensils or equipment, including, without limitation, knives, slicers, grinders and saws.*

(c) *A potable water tank that is approved by the Department with a minimum capacity of 40 gallons for poultry processing or 10 gallons per head of livestock that may be processed based on the slaughter capacity of the mobile processing unit— or immediate access to a potable water source on site.*

• If using the water source on site, an operator of a mobile processing unit is required to, before any slaughter activities commence, obtain a signed statement from the property owner certifying that the water from the source on site is potable. The signed statement must be submitted to the Department before the mobile processing unit may use the water source.

(d) *A wastewater recovery tank that has a capacity that is at least 15 percent greater than the potable water tank or a method, approved by the Department, to catch blood and waste when performing slaughter activities outside of a unit, as needed to avoid the contamination of any water sources or run-off onto adjacent properties.*

(e) *A sanitation container large enough to allow complete immersion of the tools used for sanitation.*

(f) *For all surfaces that will have direct contact with food products, smooth surfaces that do*

not contain pits, cracks, crevices, scale or rust. Such surfaces must be corrosion and abrasion resistant, nonabsorbent, shatterproof, nontoxic and not capable of entering into food products.

(g) ~~Toilet and handwashing facilities constructed and maintained in accordance with 9 C.F.R. § 416.2.~~ Appropriate handwashing facilities shall be provided, including hot and cold and/or warm running water, soap and individual sanitary towels or other approved hand-drying devices. Handwashing facilities shall be kept in a clean condition and in good repair. Access to toilet facilities is required.

(h) Adequate storage facilities for all nonmeat or nonpoultry products, including, without limitation, spices, paper products and utensils.

(i) ~~If the mobile processing unit slaughters livestock, a hoist that is made of metal with a capacity to hoist not less than 1.5 tons and~~ a lifting mechanism ~~that is capable of lifting a carcass at least 12 inches above the ground. The hoist~~ lifting mechanism ~~must be located in a place where any carcass suspended from the hoist~~ lifting mechanism ~~does not touch the mobile processing unit, including, without limitation, a truck or trailer body that is part of the mobile processing unit. A mobile processing unit that contains a hoist must have a beef spreader made of metal.~~

(j) ~~A mobile processing unit must have~~ Cleaning agents and paper towels available at all times.

Sec. 17. 1. A potable water tank used in a mobile processing unit must:

- (a) Be maintained in a sanitary condition;*
- (b) Only use potable water from a source approved by the Department; and*
- (c) Have a pump and hose system with a minimum pressure of 60 psi.*

2. If the water used in a potable water tank is not from a municipal water system, the

owner of the mobile processing unit shall submit the results of a test of the water to the Department that verifies the water does not contain coliforms.

3. If the mobile processing unit uses hot water for sanitation, the mobile processing unit must have a hot water source capable of heating water to at least 180 degrees Fahrenheit and a minimum capacity large enough to fill the sanitation container installed on the mobile processing unit.

4. A sanitization container must be filled with potable water during slaughter operations and maintain a water temperature of at least 180 degrees Fahrenheit or use approved chemicals to sterilize equipment. If approved chemicals are used in lieu of hot water heated to at least 180 degrees Fahrenheit, the mobile processing unit must have readily available at all times, hot water, cleaning agents, disinfectant and sanitizer test strips. As used in this subsection, “approved chemical” means chloramine, hypochlorite, quaternary ammonium compounds or any other chemical approved by the Department.

5. A mobile processing unit must dispose of wastewater at a dumping station or a location approved by the local health authority. The owner of the mobile processing unit shall provide written approval from the local health authority to the Department before disposing of wastewater.

Sec. 18. *1. The equipment and utensils used in a mobile processing unit to handle edible food products must be:*

(a) Constructed in such a manner and made of such materials to ensure the equipment and utensils may be thoroughly cleaned such that the equipment and utensils do not cause the adulteration of such edible food products; and

(b) Constructed, located and operated in such a manner that allows employees to inspect

the equipment or utensils to determine the sanitary condition of such equipment or utensils.

2. All equipment and utensils used in a mobile processing unit must be:

(a) Maintained in a sanitary condition;

(b) Designed and installed to prevent contamination of edible food products by foreign materials, including, without limitation, lubricants, heat exchanger media, condensate, cleaning solutions, sanitizers and other nonfood materials; and

(c) Self-draining or designed to be cleared of water.

3. Any equipment in a mobile processing unit that uses a clean-in-place system must have sanitation procedures that are as complete and as effective as the procedures for cleaning and sanitizing disassembled equipment.

Sec. 19. *A mobile processing unit that transports carcasses, meat or poultry that has not been inspected to an official establishment or custom processing establishment must:*

1. Transport such carcasses, meat or poultry in a manner to prevent adulteration, misbranding or mislabeling;

2. Ensure that such carcasses, meat or poultry are placed under refrigeration ~~refrigerated at 40 degrees Fahrenheit or less within 1 hour after~~ immediately after evisceration slaughter;

3. Ensure each carcass, meat or poultry is hung in the mobile processing unit such that the carcass, meat or poultry does not touch the floor of the mobile processing unit or touch any other carcass, meat or poultry; and

4. Ensure that each carcass, meat or poultry is tagged pursuant to section 23 of this regulation and NAC 583.390 and 583.410.

Sec. 20. *A person holding a license to operate a mobile processing unit issued pursuant*

to section 13 of this regulation shall comply with the following standards:

1. The mobile processing unit must be thoroughly cleaned between each slaughter site or daily, whichever occurs first.

2. All surfaces of equipment and utensils must be cleaned and sanitized as necessary to prevent unsanitary conditions and adulteration.

3. All equipment, utensils and other surfaces that are in contact with food must be cleaned, rinsed and sanitized before and after each slaughter.

4. Except as otherwise provided in subsection 5, surfaces of utensils and equipment that contact potentially hazardous food must be cleaned every 4 hours.

5. Surfaces of utensils and equipment that contact potentially hazardous food may be cleaned less than every 4 hours if:

(a) The utensils and equipment are used in a refrigerated room or area that is maintained at one of the temperatures set forth in and in accordance with the requirements of subsection 6; and

(b) The cleaning frequency of such utensils and equipment is documented in the sanitation standard operating procedures of the mobile processing unit.

6. Any utensil or equipment that is maintained in a refrigerated room:

(a) At 41 degrees Fahrenheit or below must be cleaned every 24 hours.

(b) Between 42 and 45 degrees Fahrenheit must be cleaned every 20 hours.

(c) Between 46 and 50 degrees Fahrenheit must be cleaned every 16 hours.

(d) Between 51 and 55 degrees Fahrenheit must be cleaned every 10 hours.

7. Inedible articles of a carcass must be placed in containers designated for such articles and must be clearly labeled “Inedible Not for Human Consumption” in letters not less than 4

inches in height. A container designated for inedible articles must be kept clean and separate from edible carcasses. Any inedible articles, including, without limitation, specified risk materials, must be disposed of in accordance with 9 C.F.R. §§ 303.1(b)(4), 325.11(a) and 381.193(a).

8. Any aprons, frocks and other outer clothing that is worn by a person who handles meat must be kept clean and be made of material that is easy to clean.

9. Any person entering a mobile processing unit shall:

(a) Take all measures necessary to prevent contamination of carcasses from fecal material, ingesta, milk, perspiration, hair, cosmetics, medications and similar substances;

(b) Not eat or drink in the processing area;

(c) Not use tobacco, e-cigarettes or vapes in the slaughter and processing areas; and

(d) Use handwashing facilities as needed to maintain good personal hygiene.

10. A person shall not participate in slaughtering at a mobile processing unit if such person has a communicable disease, is the carrier of a disease, is infected with boils, has an infected wound, has a sore or has an acute respiratory infection.

11. The area immediately surrounding the operational site of a mobile processing unit must be maintained to prevent insanitary conditions and contain blood or any other waste products from slaughter to avoid the contamination of any water sources or run off onto adjacent property.

12. Any packaging materials and ingredients used in a mobile processing unit must be stored in a sanitary manner, labeled and protected from contamination. Such materials and ingredients may not be stored on the floor of a mobile processing unit.

Sec. 21. 1. The owner and the employees of a mobile processing unit shall ensure that

carcasses are protected from adulteration during the processing, handling, storage, loading, unloading and transportation of such carcasses to a custom processing establishment.

2. No person shall slaughter meat or poultry in a mobile processing unit while other carcasses are hanging therein, unless the area in which the carcasses are situated is separated by a physical barrier from the area used for slaughter.

3. No carcass may be dressed or transported in a mobile processing unit with the hide on, unless the carcass is that of a swine that was scalded and dehaired.

Sec. 22. *1. A custom processing establishment or mobile processing unit must:*

(a) Prepare meat food products in compliance with 9 C.F.R. § 303.1(a)(2)(i); and

2. Comply with the provisions of 9 C.F.R. §§ 416.1 to 416.6, inclusive, except for the provisions of 9 C.F.R. § 416.2(g)(2)-(6).

3. A custom processing establishment that custom processes livestock in a federal or state inspected establishment must comply with the provisions of 9 C.F.R. Part 416.

4. A custom processing establishment or mobile processing unit that custom processes poultry must comply with the sanitary standards, practices and procedures set forth in 9 C.F.R. § 381.10(a)(4).

Sec. 23. *Any person who holds a license to operate a custom processing establishment issued pursuant to section 13 of this regulation shall:*

1. Tag each ~~animal for slaughter and the carcass of such animal~~ and parts therefrom with a “Not For Sale” tag in accordance with the provisions of 9 C.F.R. § 316.16; and

2. Keep any product for custom processing separate from any other products that are subject to inspection.

Sec. 24. *1. An inspector shall mark any equipment, utensil, room or compartment at*

any official establishment, custom processing establishment or mobile processing unit that is not sanitary or could adulterate a product with a “Nevada Rejected” tag.

2. Any equipment, utensils, rooms or compartments marked with a “Nevada Rejected” tag may not be used until an inspector performs another inspection and finds the equipment, utensil, room or compartment is in compliance with the provisions of NAC 583.211 to 583.530, inclusive.

3. Only an inspector may remove a “Nevada Rejected” tag.

Sec. 25. *The Department may detain or embargo any meat or poultry in a custom processing establishment or mobile processing unit for which a license was issued pursuant to section 13 of this regulation if:*

1. The meat or poultry does not have proper identification; or

2. The meat or poultry does not comply with the requirements of this chapter.

Sec. 26. *1. Except as otherwise provided in subsection 3, each person issued a permit or license to operate an official establishment, custom processing establishment or mobile processing unit shall comply with the Humane Methods of Slaughter Act of 1978, 7 U.S.C. §§ 1901 et seq., 21 U.S.C. § 458(a)(1) and 9 C.F.R. § 381.65(b), as applicable.*

2. A custom processing establishment or mobile processing unit that slaughters poultry must follow good commercial practices for the slaughtering of poultry.

3. A person who wishes to slaughter an animal in accordance with religious dietary laws must request an exemption in writing from the Department before he or she may slaughter the animal.

4. The Department shall refuse to provide inspection services or temporarily suspend inspection services if an official establishment, custom processing establishment or mobile

processing unit handles or slaughters animals in violation of the Humane Methods of Slaughter Act of 1978, 7 U.S.C. §§ 1901 et seq.

Sec. 27. 1. Any person who holds a license to operate a custom processing establishment or a mobile processing unit pursuant to section 13 of this regulation shall maintain accurate records that disclose all business transactions subject to the provisions of NAC 583.211 to 583.530, inclusive.

2. Any person who engages in the custom processing of livestock shall keep records in accordance with the provisions of 9 C.F.R. § 303.1(b)(3) and 9 C.F.R. Part 320.

3. Any person who engages in the custom processing of poultry shall keep records in accordance with the provisions of 9 C.F.R. Part 381, Subpart Q.

4. Except as otherwise provided in subsections 5 and 6, the records required to be maintained pursuant to this section must be maintained in a safe location at the place of business of the person required to keep such records.

5. If the business operates in multiple locations, the records required to be maintained pursuant to this section must be maintained in a safe location at the headquarters of the business.

6. Any records maintained pursuant to this section concerning ground beef must be kept at the location where the raw beef is ground.

7. Any records maintained pursuant to this section must be maintained for the period of time required pursuant to NRS 583.485.

8. Pursuant to NRS 583.485, the Department may, at reasonable times, access the records maintained pursuant to this section and must be afforded access to the necessary facilities for the examination and copying of records and for the examination and sampling of inventory.

Sec. 28. 1. *The Department may issue a written warning to a person who holds a license to operate a custom processing establishment or mobile processing unit issued pursuant to section 13 of this regulation if the licensee is suspected of repeated violations of any provisions of this chapter or chapter 583 of NRS, as determined by the Department.*

2. The written warning must, without limitation:

(a) Specify each violation;

(b) Provide the licensee with an opportunity to correct the violation and set forth the date by which such violation must be corrected; and

(c) Notify the licensee of the right of the licensee to request a hearing pursuant to subsection 3 of section 29 of this regulation.

3. The Department may conduct an inspection to determine whether the violation was corrected pursuant to subsection 2. The fee for such inspection is \$500. If the licensee fails to pay such fee within 60 days after the inspection, the Department may suspend the license of the licensee pursuant to section 29 of this regulation.

Sec. 29. 1. *The Department may suspend a license issued pursuant to section 13 of this regulation if:*

(a) The Department has reason to believe that an imminent public health hazard exists.

(b) The custom processing establishment or mobile processing unit of a licensee is insanitary such that any carcass processed at such establishment or unit would be adulterated or contaminated.

(c) A licensee interferes with the performance of the duties of the Department.

(d) A licensee violates any provision of this chapter.

(e) A licensee has not made a custom processing establishment or mobile processing unit

available for inspection upon a reasonable request from the Department.

(f) A licensee has not corrected a violation by the date set forth in the written warning issued pursuant to section 28 of this regulation.

(g) The Department finds insanitary conditions, insanitary practices, adulterated products or misbranded products in a custom processing establishment or mobile processing unit that violate the Poultry Products Inspection Act, 21 U.S.C. §§ 451 et seq. The suspension of a license pursuant to this paragraph must comply with the applicable rules of practice, 9 C.F.R. Part 500.

2. If a license is suspended pursuant to this section, the Department shall notify the licensee in writing. The notice must include a statement informing the licensee that he or she may request a hearing pursuant to subsection 3.

3. Any licensee whose license is suspended pursuant to subsection 1 or a licensee who is issued a warning pursuant to section 28 of this regulation may request in writing a hearing before the Department.

4. A licensee whose license is suspended pursuant to subsection 1 may apply to the Department for reinstatement of the license. The Department shall reevaluate the applicant and determine whether the applicant has corrected the violations that were the basis for the suspension. The Department may charge the applicant a reinstatement fee of ~~\$500~~ 250. Upon payment of the fee and approval from the Department, the Department shall reinstate the license.

Sec. 30. NAC 583.010 is hereby amended to read as follows:

583.010 Definitions, labeling and the composition of meat and products not otherwise defined must be as described in the Regulations Governing Meat Inspection of the *United States*

Department of Agriculture, 9 C.F.R. ~~[Part]~~ *Parts 301 and 319*.

Sec. 31. NAC 583.020 is hereby amended to read as follows:

583.020 1. Each ~~[approved slaughter or processing]~~ *official* establishment must be issued a number for use on a stamp. Sufficient stamps bearing this number and the name of the plant must be provided.

2. Stamps must be affixed only by an authorized inspector. Stamps must remain in the possession of the authorized inspector at all times.

3. No other stamp may be used by an *official* establishment other than the approved stamp.

4. Stamps must be surrendered to the ~~[Board of Health]~~ *Department* when approved inspection services are withdrawn.

Sec. 32. NAC 583.030 is hereby amended to read as follows:

583.030 The approved stamp authorized by NAC 583.020 must be the stamp of the Meat *and Poultry* Inspection ~~[Division]~~ *Program* of the *United States* Department of Agriculture indicating that the meat ~~[or]~~, meat *food* product, *poultry or poultry food product* has been processed, inspected and is in full compliance with Regulations Governing Meat Inspection of the *United States* Department of Agriculture or the approved stamp of Nevada indicating processing in accordance with NAC 583.211 to 583.500, inclusive.

Sec. 33. NAC 583.040 is hereby amended to read as follows:

583.040 Game and similar uninspected products are not to be stored before processing or processed with inspected meat products ~~[]~~ *or poultry products*. These products must be cleaned, prepared for processing and stored in a plant. These products must be handled and processed separately from other meats and foods.

Sec. 34. NAC 583.050 is hereby amended to read as follows:

583.050 The term “adulterated” applies to any carcass, part thereof, meat ~~[or]~~, meat food product, *poultry or poultry food product* which:

1. Bears or contains any poisonous or deleterious substance which may render it injurious to health. If the substance is not an added substance, the article is not considered adulterated if the quantity of the substance in or on the article does not ordinarily render it injurious to health.

2. Bears or contains, by reason of the administration of any substance to the live animal or otherwise, any added poisonous or added deleterious substance, other than one which is:

(a) A pesticide chemical in or on a raw agricultural commodity;

(b) A food additive; or

(c) A color additive, which may, in the judgment of the State ~~[Health]~~ *Quarantine* Officer, make the article unfit for human food.

3. Is, in whole or in part, a raw agricultural commodity and the commodity bears or contains a pesticide chemical which is unsafe within the meaning of section 408 of the Federal Food, Drug and Cosmetic Act.

4. Bears or contains any food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug and Cosmetic Act.

5. Bears or contains any color additive which is unsafe within the meaning of section 706 of the Federal Food, Drug and Cosmetic Act if an article which is not adulterated under subsections 3 to 5, inclusive, is adulterated if use of the pesticide chemical, food additive or color additive in or on the article is prohibited by the regulations of the ~~[Board of Health]~~ *Department* in establishments at which inspections are conducted.

6. Consists, in whole or in part, of any filthy, putrid or decomposed substance or is for any other reason unsound, unhealthful, unwholesome or otherwise unfit for human food.

7. Has been prepared, packed or held under unsanitary conditions where it may have become contaminated with filth or where it may have been rendered injurious to health.
8. Is, in whole or in part, the product of an animal which has died other than by slaughter.
9. Is in a container composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.
10. Has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to section 409 of the Federal Food, Drug and Cosmetic Act.
11. Has a valuable element that has been, in whole or in part, omitted or abstracted from it, any substance has been substituted, wholly or in part, for it, damage to it or inferiority has been concealed in any manner, or any substance has been added to it, mixed or packed, to increase its bulk or weight, reduce its quality or strength or make it appear better or of greater value than it is.
12. Is margarine containing animal fat and any of the raw material used therein consisting in whole or in part of any filthy, putrid or decomposed substance.

Sec. 35. NAC 583.070 is hereby amended to read as follows:

583.070 1. Poultry for sale, shipment or distribution in Nevada must be from establishments approved and in compliance with the Poultry Products Inspection Act of the *United States* Department of Agriculture, and the regulations concerning food and drink establishments in chapter 446 of NAC. Poultry or containers containing poultry must be labeled indicating processing in an approved plant in Nevada, or from a plant approved and on the current list of approved plants of the *United States* Department of Agriculture.

2. Poultry must be handled and prepared separately from other meat products in retail establishments.

3. Rabbits, pheasants, pigeons and similar products not under the federal inspection program must be from an approved plant in compliance with chapter 446 of NRS, and must be inspected and labeled as required for other meat products.

Sec. 36. NAC 583.231 is hereby amended to read as follows:

583.231 “Color additive” means a material which:

1. Is a dye, pigment or other substance made by a process of synthesis or similar article, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral or other source; and

2. When added or applied to a food, drug or cosmetic, or to the human body or any part thereof, is capable, alone or through a reaction with another substance, of imparting color thereto. The term does not include any material which the Secretary of Agriculture ~~of the~~ *United States*, by regulation, determines is used, or intended to be used, solely for a purpose or purposes other than coloring.

Sec. 37. NAC 583.350 is hereby amended to read as follows:

583.350 The provisions of NAC 583.211 to 583.530, inclusive, provide for:

1. The mandatory inspection of the slaughter of cattle, sheep, swine, goats, ~~and~~ equines ~~and~~ and *poultry and* the preparation of carcasses, parts of carcasses, meat, ~~and~~ meat food products of the animals ~~and~~, *poultry and poultry food products of the animals*, solely for distribution in Nevada;

2. The regulation of related industries; and

3. Cooperation with the *United States* Department of Agriculture.

Sec. 38. NAC 583.370 is hereby amended to read as follows:

583.370 The ~~Board of Health~~ *Department* may employ or approve employment of

veterinary inspectors, lay inspectors or contract with private veterinarians or lay inspectors skilled or trained in the inspection of meat and animals to supervise sanitation and perform examinations at approved slaughtering establishments. These assigned representatives are responsible for sanitation in the plant where they are assigned. They shall enforce the provisions of NAC 583.211 to 583.530, inclusive, and affix the required stamps of approval of meat and meat products in the assigned plant.

Sec. 39. NAC 583.380 is hereby amended to read as follows:

583.380 1. The Officer shall appoint inspectors to make examinations and inspections of all cattle, sheep, swine, goats, horses, mules , ~~and~~ other equines ~~and~~ *poultry*, of all carcasses and parts thereof, of all meat , ~~and~~ meat food products, *poultry and poultry food products* and of the *humane handling and* sanitary conditions of all *official establishments, custom processing* establishments *or mobile processing units* in which the meat , ~~and~~ meat *food* products , *poultry and poultry food products* are prepared.

2. The inspectors shall refuse to stamp, mark, tag or label any carcass or any part thereof, or meat food product *or poultry food product* prepared in any *official establishment, custom processing* establishment ~~and~~ *or mobile processing unit* until they have actually been inspected and found to be not adulterated.

3. The inspectors shall perform any other duties provided by NAC 583.211 to 583.530, inclusive.

4. All inspections and examinations made pursuant to NAC 583.211 to 583.530, inclusive, must be made in the manner prescribed by the Officer.

Sec. 40. NAC 583.390 is hereby amended to read as follows:

583.390 1. For any examination and inspection, the inspectors must have access at all

times, whether or not the *official establishment, custom processing establishment or mobile processing unit* is operating, to every part of the *official establishment, custom processing establishment* ~~[.]~~ *or mobile processing unit, as applicable.*

2. The inspectors shall mark, stamp, tag or label as “Nevada Inspected and Passed” all products *for use in intrastate commerce* found to be not adulterated.

3. The inspectors shall label, mark, stamp or tag as “Nevada Inspected and Condemned” all products *for use in intrastate commerce* found to be adulterated. All condemned meat food products *and poultry food products* must be destroyed for food purposes.

4. The Officer may remove inspectors from any *official establishment, custom processing establishment or mobile processing unit* who fail to destroy any condemned meat food products ~~[.]~~ *or poultry food products.*

Sec. 41. NAC 583.400 is hereby amended to read as follows:

583.400 1. ~~[An]~~ *Any official establishment shall ensure an* antemortem examination ~~[must be]~~ *is* made of all cattle, sheep, swine, goats or other meat food animals before slaughter. This examination must be on the day of slaughter, in pens on the premises.

2. Horses, mules or burros must not be slaughtered in the same *official* establishment as other animals for human consumption.

3. Each ~~[slaughter]~~ *official* establishment must obtain the current Regulations Governing Meat Inspection of the *United States* Department of Agriculture and at all times have a copy of this booklet on the premises. The regulations regarding definitions, composition and labeling apply.

4. ~~[Diseased animals, carcasses and parts must be disposed of according to the Regulations Governing Meat Inspection of the Department of Agriculture.]~~ *Any animal that is suspected of*

being affected with any disease or that shows symptoms of disease must be kept separate from other livestock and poultry and may not be slaughtered until the animal has been found fit for slaughter by veterinary inspection. If an animal is showing symptoms of disease, the animal must be slaughtered separately from other livestock and poultry after the animal has been found fit for slaughter by veterinary inspection.

5. Slaughtered animals must be cleaned and suspended from an overhead rail, then dressed, examined, prepared and processed, as described in Regulations Governing Meat Inspection of the *United States* Department of Agriculture. When the processing and examination of the animal has been completed, the acceptable carcasses and all primal cuts must be stamped with the authorized inspection stamp and numbered by the authorized inspector of the particular establishment.

Sec. 42. NAC 583.410 is hereby amended to read as follows:

583.410 1. The Officer shall appoint inspectors to make a postmortem examination and inspection of the carcasses and parts of all cattle, sheep, swine, goats, horses, mules , ~~and~~ other equines ~~and~~ *and poultry*, capable of use as human food, to be prepared at any slaughtering, meat canning, salting, packing, rendering or similar establishment in this State if these articles are prepared solely for intrastate commerce.

2. The carcasses and parts of all such animals found to be not adulterated must be marked, stamped, tagged or labeled as ~~["Inspected"]~~ *"Nevada Inspected* and Passed."

3. The inspectors shall label, mark, stamp or tag as ~~["Inspected"]~~ *"Nevada Inspected* and Condemned" all carcasses and parts of animals found to be adulterated.

4. All carcasses and parts thereof inspected and condemned must be destroyed for food purposes by the *official* establishment in the presence of an inspector.

5. The Officer may remove inspectors from any *official* establishment which fails to destroy any condemned carcass or part thereof.

6. The inspectors, after the first inspection, shall, when they deem it necessary, reinspect the carcasses or parts thereof to determine whether, since the first inspection, they have become adulterated. If any carcass or any part thereof has upon an examination and inspection subsequent to the first examination and inspection, been found to be adulterated, it must be destroyed for food purposes by the *official* establishment in the presence of an inspector. The Officer may remove inspectors from any *official* establishment which fails to destroy any condemned carcass or part thereof.

7. Any meat or poultry which is not fit for human consumption must be denatured or destroyed, as approved by the Department.

Sec. 43. NAC 583.420 is hereby amended to read as follows:

583.420 The Officer must order an examination and inspection of all cattle, sheep, swine, goats, horses, mules , ~~and~~ other equines ~~and~~ *and poultry*, and the food products thereof, slaughtered and prepared in establishments for the purpose of intrastate commerce to be made during the nighttime as well as during the daytime when the slaughtering of cattle, sheep, swine, goats, horses, mules , ~~and~~ other equines ~~and~~ *and poultry*, or the preparation of food products is conducted during the nighttime.

Sec. 44. NAC 583.430 is hereby amended to read as follows:

583.430 1. The Officer shall order inspections made, by experts in sanitation or by other competent inspectors, of all slaughtering, ~~meat~~ canning, salting, packing, rendering or similar establishments in which cattle, sheep, swine, goats, horses, mules and other equines are slaughtered and the meat , ~~and~~ meat food products , *poultry and poultry food products* are

prepared solely for intrastate commerce.

2. These inspections may be made as necessary to inform the Officer of the sanitary conditions.

3. The Officer shall prescribe the conditions of sanitation under which ~~the~~ *official* establishments must be maintained.

4. If the sanitary conditions of any *official* establishment are such that the meat ~~or~~, meat food products , *poultry or poultry food products* are rendered adulterated, the Officer shall refuse to allow the meat ~~or~~, meat food products , *poultry or poultry food products* to be labeled, marked, stamped or tagged as “Nevada Inspected and Passed.”

5. All custom processing establishments and mobile processing units subject to the provisions of NAC 583.211 to 583.530, inclusive, must be kept in a clean and sanitary condition during all periods of operation.

6. In addition to any sanitary requirements set forth in this chapter, the Department may prescribe additional sanitary standards and require sanitary inspections of any custom processing establishment or mobile processing unit.

7. The Officer or the Department may withdraw inspection services from any custom processing establishment or mobile processing unit that the Officer or Department determines does not comply with the appropriate sanitary standards.

Sec. 45. NAC 583.440 is hereby amended to read as follows:

583.440 1. When any meat , ~~or~~ meat food product , *poultry or poultry food product* prepared for intrastate commerce has been inspected and marked “Nevada Inspected and Passed” and is placed or packed in any can, pot, tin, canvas or other receptacle or covering in any *official*

establishment where the inspection is conducted, the person preparing the product must attach a label to the can, pot, tin, canvas or other receptacle or covering, under the supervision of an inspector. The label must state that the contents have been “Nevada Inspected and Passed” under the provisions of NAC 583.211 to 583.530, inclusive.

2. No inspection and examination of meat, ~~{or}~~ meat food products, *poultry or poultry food products* deposited or enclosed in cans, tins, pots, canvas or other receptacle or covering in any *official* establishment where the inspection is conducted is complete until the meat ~~{or}~~, meat food products, *poultry or poultry food products* have been sealed or enclosed in the can, tin, pot, canvas or other receptacle or covering under the supervision of an inspector.

3. All carcasses, parts of carcasses, meat, ~~{and}~~ meat food products, *poultry or poultry food products* inspected at any *official* establishment and found to be not adulterated, must, at the time they leave the *official* establishment ~~{,}~~ *or mobile processing unit*, bear, in distinctly legible form, directly on it or on their containers, as the Officer may require, the information required under NAC 583.410.

4. The Officer, whenever he or she determines action is necessary for the protection of the public, may prescribe:

(a) The styles and sizes of type to be used with respect to material required to be incorporated in labeling to avoid the false or misleading labeling of any articles or animals.

(b) Definitions and standards of identity or composition for articles and standards for filling containers for the articles which are not consistent with any standards established under the Federal Food, Drug and Cosmetic Act, ~~{or}~~ under the Federal Meat Inspection Act ~~{,}~~ *or under the Poultry Products Inspection Act*. There must be consultation between the Officer and the Secretary of Agriculture of the United States before the issuance of the standards to avoid

inconsistency between the standards and the federal standards.

5. No article may be sold or offered for sale by any person in intrastate commerce, under any name or other marking or labeling, which is false or misleading, or in any container of a misleading form or size. Established trade names and other marking and labeling and containers which are not false or misleading and which are approved by the Officer are permitted.

6. If the Officer has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any article is false or misleading, the Officer may direct that the use be withheld unless the marking, labeling or container is modified in such a manner that it will not be false or misleading. If the person using or proposing to use the marking, labeling or container does not accept the determination of the Officer, the person may request a hearing. The use of the marking, labeling or container must, if the Officer directs, be withheld pending hearing and a final determination by the Officer. Any determination by the Officer is subject to judicial review.

7. Custom processing products must be labeled "Not For Sale."

8. Shipping containers carrying poultry food products exempt from this chapter must be marked with the name and address of the owner and the statement "Exempt P.L. 90492."

Sec. 46. NAC 583.450 is hereby amended to read as follows:

583.450 1. The provisions of NAC 583.380 to 583.460, inclusive, apply to all carcasses or parts of carcasses of cattle, sheep, swine, goats, horses, mules , ~~and~~ other equines ~~;~~ *and poultry*, or the meat , ~~or~~ meat *food* products , *poultry or poultry food products* thereof, capable of use as human food, which may be brought into any ~~slaughtering, meat~~ canning, salting, packing, rendering or similar *official* establishment, where inspection is maintained.

2. The examination and inspection must be made before the carcasses or parts thereof are

allowed to enter into any department where they are to be treated and prepared for meat food products ~~[H]~~ *or poultry food products*.

3. The provisions of NAC 583.380 to 583.460, inclusive, also apply to all products which, after having been issued from any slaughtering, ~~[meat]~~ canning, salting, packing, rendering or similar establishment, are returned and an inspection is maintained.

4. The Officer may limit the entry of carcasses, parts of carcasses, meat , ~~[and]~~ meat food products ~~[H]~~ , *poultry or poultry food products*, and other materials into any *official* establishment at which an inspection is maintained, under such conditions as the Officer may prescribe to assure that allowing the entry of the articles into inspected establishments will be consistent with the purposes of NAC 583.211 to 583.530, inclusive.

5. No carcass, animal, meat, meat food product, poultry or poultry food product that was not prepared in accordance with the provisions of NAC 583.211 to 583.500, inclusive, may enter or be inspected at any official establishment.

Sec. 47. NAC 583.460 is hereby amended to read as follows:

583.460 1. No brand manufacturer, printer or other person may cast, print, lithograph or otherwise make any device containing any official mark or imitation, or any label bearing any mark or imitation or any form of official certificate or imitation except as authorized by the Officer.

2. No person may:

(a) Forge any official device, mark or certificate;

(b) Without authorization from the Officer, use any official device, mark, certificate or imitation, or alter, detach, deface or destroy any official device, mark or certificate;

(c) Contrary to the regulations prescribed by the Officer, fail to use, detach, deface or destroy

any official device, mark or certificate;

(d) Knowingly possess, without promptly notifying the Officer or his or her representative, any official device or any counterfeit, simulated, forged or improperly altered official mark;

(e) Knowingly make any false statement in any shipper's certificate or other nonofficial or official certificate provided for in the regulations prescribed by the Officer; or

(f) Knowingly represent that any article has been inspected and passed or exempted when it has not been inspected, passed or exempted.

3. No person may offer for sale or transportation any meat, meat food product, poultry or poultry food product subject to the provisions of NAC 583.211 to 583.500, inclusive, unless such products and any containers used for such products are labeled in accordance with the provisions of NAC 583.211 to 583.500, inclusive.

Sec. 48. NAC 583.470 is hereby amended to read as follows:

583.470 1. The Officer may, for such period as the Officer deems necessary to effectuate the purposes of NAC 583.211 to 538.530, inclusive, refuse to provide or withdraw inspection services for any *official establishment, custom processing* establishment *or mobile processing unit* if he or she determines, after opportunity for a hearing is accorded to the applicant for, or recipient of, the service, that the applicant or recipient is unfit to engage in any business requiring inspection because the applicant or recipient, or anyone responsibly connected with the applicant or recipient has been convicted in any federal or state court, of:

(a) A felony; or

(b) More than one violation of any law, other than a felony, based upon the acquiring, handling or distributing of unwholesome, mislabeled or deceptively packaged food or upon fraud in connection with transactions in food.

2. This section does not affect other provisions for the withdrawal of inspection services from establishments failing to maintain sanitary conditions or to destroy condemned carcasses, parts, meat, ~~or~~ meat food products ~~or~~, *poultry or poultry food products*.

3. For the purpose of this section, a person is responsibly connected with the business if the person was a partner, officer, director, holder or owner of at least 10 percent of its voting stock or employee in a managerial or executive capacity. The determination and order of the Officer under this section is final and conclusive unless the affected applicant for, or recipient of, inspection services files an application for judicial review.

Sec. 49. NAC 583.480 is hereby amended to read as follows:

583.480 1. Any person, or any agent or employee of any person, who gives, pays or offers, directly or indirectly, to any inspector, deputy inspector, chief inspector, or any other officer or employee of this State authorized to perform any of the duties prescribed by NRS 583.255 to 583.555, inclusive, or by the regulations of the ~~Board of Health,~~ *Department or the Officer*, any money or other thing of value, with an intent to influence the inspector, deputy inspector, chief inspector, or other officer or employee of this State in the discharge of any duty, is subject to prosecution for bribery ~~or~~ *pursuant to NRS 583.543*.

2. Any inspector, deputy inspector, chief inspector or other officer or employee of this State authorized to perform any of the duties prescribed by NAC 583.211 to 583.530, inclusive, who accepts any money, gift or other thing of value from any person or the officers, agents or employees of the person, given with an intent to influence his or her official action, or who receives or accepts from any person engaged in intrastate commerce any gift, money or other thing of value given with any purpose or intent, is subject to prosecution for bribery *pursuant to NRS 583.543* and, upon conviction, will be summarily discharged from office.

Sec. 50. NAC 583.490 is hereby amended to read as follows:

583.490 1. Any carcass, part of a carcass, meat or meat food product of cattle, sheep, swine, goats, horses, mules or other equines, *poultry or poultry food product*, or any dead, dying, disabled or diseased cattle, sheep, swine, goat ~~{or}~~, equine ~~{}~~ *or poultry*, that is being transported in intrastate commerce, or is held for sale in this State after transportation and that:

(a) Is or has been prepared, sold, transported or otherwise distributed or offered or received for distribution in violation of NAC 583.211 to 583.530, inclusive;

(b) Is capable of use as human food and is adulterated or misbranded; or

(c) In any other way is in violation of NAC 583.211 to 583.530, inclusive, may be proceeded against and seized and condemned, by any court of competent jurisdiction.

2. If the article or animal is condemned, it must, after entry of the decree, be disposed of by destruction or sale as the court may direct.

3. In no case may the article or animal be sold contrary to the provisions of NAC 583.211 to 583.530, inclusive, the Federal Meat Inspection Act , *the Poultry Products Inspection Act* or the Federal Food, Drug and Cosmetic Act.

4. The provisions of this section do not limit the authority for condemnation or seizure conferred by other provisions of NAC 583.211 to 583.530, inclusive, or other laws.

Sec. 51. NAC 583.510 is hereby amended to read as follows:

583.510 1. ~~{The Officer will cooperate with the Secretary of Agriculture under the provisions of Section 301 of the Federal Meat Inspection Act in developing and administering the program for inspecting meat in this State to assure that not later than November 15, 1969, the program's requirements will be at least equal to those imposed under Titles I and IV of the Federal Meat Inspection Act and in developing and administering the program in a manner that~~

~~will effectuate the purposes of NAC 583.211 to 583.530, inclusive, and the Federal Act.~~

~~—2.]~~ In cooperative efforts, the Officer will accept from the Secretary ~~[.]~~ *of Agriculture of the United States Department of Agriculture* advisory assistance in planning and developing the State’s program, technical and laboratory assistance and training, including necessary curricular and instructional materials and equipment, and financial and other aid for the administration of the program.

~~[3.]~~ 2. The Officer shall recommend to the Secretary of Agriculture *of the United States Department of Agriculture* officials or employees of Nevada designated by the Officer, for appointment to the advisory committees provided for in Section ~~[304]~~ *661* of the Federal Meat Inspection Act. The Officer shall serve as consultant with the Secretary under ~~[paragraph (e) of]~~ Section ~~[304]~~ *661* of the Act.

Sec. 52. NAC 583.520 is hereby amended to read as follows:

583.520 1. The cooperative agreement between the ~~[Health Division of the Department of Health and Human Services]~~ *Department* and the ~~[Consumer and]~~ *Agricultural* Marketing Service of the *United States* Department of Agriculture contemplates that the status of slaughter and processing plants in Nevada will be equal to those required at plants under federal inspection. To accomplish this, the ~~[Board of Health]~~ *Department* hereby adopts ~~[as regulations]~~ *by reference the following regulations as such regulations existed on January 1, 2022, and, except as otherwise provided in subsection 5, as subsequently revised,* the applicable sections of :

(a) Part ~~[302]~~ *300* to Part ~~[320,]~~ *500*, inclusive, of the Regulations Governing Meat Inspection of the Department of Agriculture ~~[.]~~, *excluding 9 C.F.R §§ 302.2, 303.1(c), 304.2(c), 307.4(b), (c) and (d), 307.5, 307.6, 316.13(c), 317.7, 318.8, 329.9, 381.38, 381.39, 381.104 to*

381.107, inclusive, 381.195 to 381.209, inclusive, 381.218 to 381.225, inclusive, and Parts 322, 327, 331, 332, 335, 351, 390, 391 and 392.

(b) The Federal Meat Inspection Act, 21 U.S.C. §§ 601 to 676, inclusive, excluding sections 602, 609, 615 to 620, inclusive, 624, 625, 645, 661 and 674.

(c) The Poultry Products Inspection Act, 21 U.S.C. §§ 453 to 467b, inclusive, excluding sections 454, 463 and 466.

(d) The Humane Methods of Slaughter Act, 7 U.S.C. §§ 1901 et seq.

2. As used in the regulations adopted by reference pursuant to subsection 1, references to “We,” the “Food Safety and Inspection Service,” the “United States Department of Agriculture,” the “Department” or any label, mark or term are amended to refer to the state equivalent or counterpart.

3. The provisions of 9 C.F.R Parts 300 to 500, inclusive, are available, free of charge, from the United States Government Printing Office at the Internet website <https://www.ecfr.gov>.

4. The provisions listed in paragraphs (b), (c) and (d) of subsection 1 are available, free of charge, from the Office of the Law Revision Counsel of the United States House of Representatives at the Internet website <https://www.uscode.house.gov>.

5. If a provision adopted by reference pursuant to subsection 1 is revised, the Officer will review the revision to determine its suitability for this State. If the Officer determines that the revision is not suitable for this State, the Officer will hold a public hearing to review his or her determination and give notice of the hearing within 6 months after the date of the revision. If, after the hearing, the Officer does not revise his or her determination, the Officer will give notice that the revision is not suitable for this State within 30 days after the hearing. If the

Officer does not give such notice, the revision becomes part of the provision adopted by reference pursuant to subsection 1.

Sec. 53. NAC 583.530 is hereby amended to read as follows:

583.530 1. The provisions requiring the inspection of the slaughter of animals and the preparation of the carcasses, parts thereof, meat , ~~and~~ meat food products, *poultry and poultry food products* at establishments conducting the operations do not apply to:

(a) The slaughtering by any person of animals the person raised; and

(b) The preparation by the person, and the transportation in intrastate commerce of the carcasses, parts thereof, meat, ~~and~~ meat food products, *poultry and poultry food products* of the animals exclusively for use by the person, members of his or her household and his or her nonpaying guests and employees.

2. The provisions requiring the inspection of the slaughter of animals and the preparation of carcasses, parts thereof, meat , ~~and~~ meat food products, *poultry and poultry food products* do not apply to operations traditionally and usually conducted at retail stores and restaurants, when conducted at any retail store or restaurant or similar retail establishment for sale in normal retail quantities or service of the articles to consumers at the establishments.

3. The slaughter of animals and the preparation of articles referred to in subsection 2 must be conducted in accordance with the sanitary conditions the Officer may prescribe by regulation. Violations of any regulation is prohibited.

4. The provisions concerning adulteration and misbranding, other than the requirement of the inspection legend, apply to articles not required to be inspected under NAC 583.211 to 583.530, inclusive.

5. Except for any territorial exemption, any other exemption provided in section 623 of

the Federal Meat Inspection Act and section 464 of the Poultry Products Inspection Act adopted by reference pursuant to NAC 583.520 apply to the provisions of NAC 583.211 to 583.530, inclusive, and sections 1 to 29, inclusive, of this regulation.

Sec. 54. NAC 583.300 is hereby repealed.

TEXT OF REPEALED SECTION

583.300 “Officer” defined. (NRS 583.535) “Officer” means the State Health Office

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

LCB FILE No. R003-23P

November 6, 2023

PROPOSED AMENDMENTS TO NAC CHAPTER 583 pertaining to LCB FILE No. R003-23

- 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 Nevada Department of Agriculture (NDA) released a digital survey via email including a link to the Legislative Counsel Bureau's (LCB) website containing the proposed revised Nevada Administrative Code (NAC) 583 language to industry members and businesses. This survey opened for comment and posted to the NDA website at agri.nv.gov/survey on September 13, 2023, and closed on October 1, 2023. The survey was emailed to individuals and interested parties (7,985 contacts) within the State of Nevada. The survey was also posted to NDA social media on September 14, 2023, September 20, 2023, and September 29, 2023. Additionally, the survey link was shared in Director Goicoechea's September Newsletter.

In total, the survey received 69 responses. Persons interested in obtaining the survey results and summary may do so by contacting Shayda Sanjideh at 775-710-1723 or ssanjideh@agri.nv.gov.

Summary of survey responses (total percentages may not equal 100 due to rounding):

- Does your business fall within the definition of a small business and defined by the Nevada Revised Statutes (NRS) 233B.0382?
 - Yes: 60 respondents (87%)
 - No: 9 respondents (13%)
- Would the proposed changes in LCB R003-23P impact your ability to do business?
 - Yes: 4 respondents (20.3%)
 - No: 35 respondents (50.7%)
 - Unknown: 20 respondents (29%)
- What level of negative impact will the proposed changes to NAC 583 have on your business?
 - No Impact: 40 respondents (58%)
 - Insignificant Impact: 6 respondents answered (9%)
 - Minor Impact: 5 respondents answered (7%)
 - Moderate Impact: 11 respondents answered (16%)

- Major Impact: 2 respondents answered (3%)
- Severe Impact: 5 respondents answered (7%).
- Estimate the total annual dollar impact the proposed changes to NAC 583 may have on businesses.
 - \$0: 41 respondents (59.4%),
 - \$1 to \$99: 1 respondent (1.5%)
 - \$100 to \$1000: 12 respondents (17.4%)
 - \$1001 to \$10,000: 8 respondents (11.6%)
 - Over \$10,000: 7 respondents (10.1%)
 - Of the 12 respondents who answered “\$100-\$1000”, when asked what level of negative impact the proposed changes to NAC 583 would have on their business, the answers were as follows:
 - No Impact: 1 respondent
 - Insignificant Impact: 2 respondents
 - Minor Impact: 3 respondents
 - Moderate Impact: 5 respondents
 - Severe Impact: 1 respondent
 - Of the 8 respondents who answered “\$1,001-\$10,000”, when asked what level of negative impact the proposed changes to NAC 583 would have on their business, the answers were as follows:
 - No Impact: 2 respondents
 - Minor Impact: 1 respondent
 - Moderate Impact: 3 respondents
 - Major Impact: 2 respondents
 - Of the 7 respondents who answered “over \$10,000”, when asked what level of negative impact the proposed changes to NAC 583 would have on their business, the answers were as follows:
 - Insignificant Impact: 1 respondent
 - Moderate Impact: 2 respondents
 - Severe Impact: 4 respondents
- Will you need to make operational changes to your business as a result of the financial impact of the proposed changes to NAC 583?
 - Yes: 14 respondents (20%)
 - No: 53 respondents (77%)
 - Other: 2 respondents (3%)
 - Unknown: 1 respondent, noting that changes are unknown but will create a new burden.
- Which sections of the proposed regulations would have the most financial impact on their business?
 - No sections/Not applicable: 44 respondents
 - Section 2: 1 respondent
 - Section 3: 1 respondent
 - Section 4: 1 respondent

- Section 12: 2 respondents
- Section 13: 2 respondents
- Section 14: 1 respondent
- Section 15: 1 respondent
- Section 16: 3 respondents
- Section 17: 2 respondents
- Section 18: 1 respondent
- Section 19: 1 respondent
- Section 20: 1 respondent
- Section 21: 1 respondent
- Section 22: 1 respondent
- Section 23: 1 respondent
- Section 24: 1 respondent
- Section 25: 1 respondent
- Section 26: 3 respondents
- Section 27: 1 respondent
- Section 28: 1 respondent
- Section 29: 1 respondent
- Section 53: 1 respondent
- All: 5 respondents
- Unknown: 13 respondents
- How would changes to NAC 583 impact your ability to do business? A mix of answers were received from 36 respondents. A few stated they believed there shouldn't be any regulation in this industry, but many respondents stated it was either:
 - Not applicable (N/A);
 - Will provide for market improvements, or;
 - Impact is unknown.
- Please indicate which sections of NAC 583 would have the most financial impact on your business and why.
 - The majority of respondents indicated that there would be no impact, or it was not applicable (N/A);
 - Some said that they were unsure, or it was unknown which sections would have the most impact;
 - A few respondents stated that all sections would have an impact.
 - The majority did not state why it would have an impact.
 - Those that did indicate a reason stated that there shouldn't be any regulation in this industry.
- How could these section(s) be adjusted to mitigate their level of negative financial impact? Most of the 37 respondents that answered stated it was:
 - Not applicable (N/A) or would have no impact.
 - A few respondents stated that they want less government involvement or elimination of existing rules.

- When asked to provide any feedback they would like considered in relation to the proposed changes, 29 people gave a response. While many respondents did not have any feedback to provide, some did give positive feedback, and some listed their concerns.

2. The manner in which the analysis was conducted.

The NDA prepared and distributed a Small Business Impact Survey to industry members and businesses (sent to 7,985 recipients). A statistical analysis of the survey results was compiled and considered upon the closing of the survey. The survey also included open-ended questions and the comments received were also considered.

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

- (1) Both adverse and beneficial effects; and**
- (2) Both direct and indirect effects.**

Small businesses subject to the regulations are estimated to experience direct economic effects up to \$1250 for the first year of licensing/permitting fees. In future years, this fee will drop to a direct cost of \$500/year for renewal. Additionally, businesses who choose to operate as an official establishment may incur direct costs based on if they need to restructure their business to meet the requirements of these regulations.

Although these regulations cause some level of economic impact, it is anticipated to be low since 58% of the respondents stated there would be no impact, 9% stated the impact would be insignificant, and 7% stated minor impact. It is anticipated that these regulation changes can be beneficial as they can provide producers with another option for business revenue if they desire to produce a commercial/saleable product. Animal transport costs can also be reduced since less animals will need to be sent out of state for processing due to an increase of in-state processing services.

The agency estimates that there will be no indirect economic effect to small businesses, either beneficial or adverse.

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.

For the agency to have adequate resources to perform the functions associated with administering and providing meat and poultry inspections, the agency determined fees at a set amount. The fees may be reevaluated and lowered in the future as the resources and functions are supplemented by the United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS) funding, general fund, and other financial resources.

The agency explored options for reducing the compliance regulations for meat and poultry processing businesses in Nevada, however, USDA FSIS has an "at least equal to" requirement for meat and poultry processing regulations. The agency will have to simulate USDA FSIS regulations or have more stringent requirements. The agency did not aim to include regulations that exceed

USDA FSIS requirements, however, if the agency were to omit any regulations from the proposed NAC 583 regulations, USDA FSIS will not allow Nevada to administer a state meat and poultry inspection program.

For these reasons, the agency is unable to lower fees or omit regulations to reduce the small business impact. As the agency continues through the regulatory adoption process required under the Nevada Administrative Procedure Act, it will consider any other methods to reduce the impact on small businesses that may be proposed.

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

The agency does have costs associated with the establishment of this new program coinciding with the proposed changes to NAC 583. Primarily, provided by internal resources, the program will be funded to conduct inspections throughout the state.

The agency anticipates an estimated one-time cost of approximately \$400 to print and mail a notice of the revised regulations to all known custom processors and industry partners following the adoption of the 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.

The agency estimates that during the first year it will collect \$11,500 in fees. The revenue collected from fees will be utilized for program operating costs. Program costs will also be supplemented by USDA FSIS funding, but only up to 50% of the program's costs.

Based on the number of current custom processors who choose to pursue state inspection or new processors coming online, the amount collected in fees may fluctuate but the revenue will always be applied to program 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 is necessary.

LCB file No. R003-23P amends NAC 583 which governs the inspection of meat and poultry. For Nevada to be able to enter into a cooperative agreement with USDA FSIS, Nevada is required to enforce program requirements that are "at least equal to" federal guidelines under the Federal Meat and Poultry Products Inspection Acts and the Humane Methods of Slaughter Act of 1978. This allows for the state of Nevada to operate their own meat and poultry inspection programs.

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

The agency concludes that the majority of small businesses will not experience severe economic impacts. Over half of the respondents stated that these regulation changes would have "no impact" or that the financial impact would be "\$0". While it is anticipated that some businesses may experience economic impacts, the benefits of an in-state meat and poultry inspection program are expected to outweigh any adverse impacts.

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



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