

**PROPOSED REGULATION OF THE  
STATE BOARD OF AGRICULTURE**

**LCB File No. R087-11**

November 4, 2011

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

AUTHORITY: §§1 and 2, NRS 587.830.

A REGULATION relating to organic agricultural products; increasing the fees for the certification or continued certification of a production or handling operation; increasing the fees for certain fields or areas of operation; and providing other matters properly relating thereto.

**Section 1.** NAC 587.905 is hereby amended to read as follows:

587.905 1. A person seeking to receive certification of a production or handling operation must submit:

- (a) An application for certification pursuant to 7 C.F.R. § 205.401; and
- (b) The fees required pursuant to subsection 3.

2. A person seeking to maintain certification must annually submit:

(a) An updated organic system plan of production or handling pursuant to 7 C.F.R. § 205.406; and

- (b) The fees required pursuant to subsection 3.

3. A person seeking certification or continued certification of a production or handling operation must pay the following fees to the Department:

- (a) For an application for certification pursuant to subsection 1, a nonrefundable fee of ~~[\$75.]~~ ***\$150.***

(b) For annual continued certification pursuant to subsection 2, a nonrefundable fee of ~~[\$50.]~~ **\$100.**

(c) For each year in which a person applies for certification or continued certification, an amount specified in the following table based on an estimate of the gross income of the organic sales of the production or handling operation for the calendar year in which the certification or continued certification is requested:

Gross Income	Amount
\$0 to \$5,000 .....	<del>[\$15]</del> <b>\$300</b>
\$5,001 to \$10,000 .....	<del>[\$30]</del> <b>\$350</b>
\$10,001 to \$15,000 .....	<del>[\$45]</del> <b>\$400</b>
\$15,001 to \$20,000 .....	<del>[\$60]</del> <b>\$450</b>
\$20,001 to \$25,000 .....	<del>[\$75]</del> <b>\$500</b>
\$25,001 to \$30,000 .....	<del>[\$90]</del> <b>\$550</b>
\$30,001 to \$35,000 .....	<del>[\$105]</del> <b>\$650</b>
\$35,001 to \$50,000 .....	<del>[\$150]</del> <b>\$750</b>
\$50,001 to \$75,000 .....	<del>[\$225]</del> <b>\$850</b>
\$75,001 to \$100,000 .....	<del>[\$300]</del> <b>\$950</b>
\$100,001 to \$150,000 .....	<del>[\$450]</del> <b>\$1,150</b>
\$150,001 to \$200,000 .....	<del>[\$600]</del> <b>\$1,250</b>
\$200,001 to \$250,000 .....	<del>[\$750]</del> <b>\$1,500</b>
\$250,001 to \$350,000 .....	<del>[\$1,050]</del> <b>\$1,750</b>

\$350,001 to \$500,000 .....	<del>[\$1,500]</del> <b>\$2,150</b>
\$500,001 or more.....	<del>[\$2,500]</del> <b>\$4,000</b>

(d) For each initial on-site inspection, a nonrefundable fee of ~~[\$30]~~ **\$40** per hour, ~~[for actual inspection time spent at the inspection site.]~~ ***including travel time, and, for mileage, per mile, an amount that is equal to the standard mileage reimbursement rate for which a deduction is allowed for the purposes of federal income tax.***

4. The payment of a fee based on gross income from organic sales required pursuant to paragraph (c) of subsection 3 will be refunded if the request for certification or continued certification is withdrawn in writing and received by the Department before the initial inspection for the year in which the certification or continued certification is requested. In determining the amount of the fee pursuant to paragraph (c) of subsection 3:

(a) For certification of a handling operation, all organic products handled at an area of operation certified by the Department must be included in calculating the estimated gross income; and

(b) For certification of a production operation, only organic products that are produced from operations certified by the Department must be included in calculating the estimated gross income.

5. Any forms or fees required to be submitted pursuant to subsections 1 to 4, inclusive, that are received by the Department after March 31 must be considered late and must be accompanied by a late fee of \$250 in addition to any fees otherwise prescribed by this section.

**Sec. 2.** NAC 587.906 is hereby amended to read as follows:

587.906 1. Except as otherwise provided in subsection 2, in addition to all other fees prescribed by the Department, the Department shall charge the following additional fees for the fields or areas of operation to be certified after the initial inspection has been completed and for any other additional inspections:

(a) For each hour of inspection, calculated from the inspector's assigned office, ~~[\$30.]~~ **\$40.**

(b) For mileage, per mile, an amount that is equal to the ~~[mileage allowance for a state officer or employee who uses his or her private conveyance for reasons of personal convenience in the transaction of state business.]~~ ***standard mileage reimbursement rate for which a deduction is allowed for the purposes of federal income tax.***

(c) For the per diem of the inspector, the amounts currently allowed by law for state employees, under the conditions set by the Department.

2. The Department shall prorate the fees prescribed by subsection 1 among the persons whose property is inspected in the same area if all inspections can be completed during the same trip of the inspector, as determined by the Department.

3. The Director may also charge a reasonable fee to cover the costs of the reproduction and mailing of application forms.