

PROPOSED REGULATION OF THE STATE BOARD OF AGRICULTURE

LCB File No. R085-15

Statutory Authority - SB 305

Regulatory Authority - Department

NAC----- *Applicant Applicant means a person residing in Nevada who is applying to grow or cultivate industrial hemp in a pilot or research program and who is:*

- a. Representing the Department of Agriculture, or*
- b. Representing a Nevada institution of higher education as defined in statute, or*
- c. Contracted with the Department of Agriculture or a Nevada Institution of higher education to conduct the pilot or research project on their behalf.*

NAC----- *Application Each applicant seeking to certify and register a agricultural pilot program shall submit an application as provided by the Department, including all of the information deemed appropriate by the Department.*

NAC ----- *Requirements To be a certified agricultural pilot program registered by the Department, the applicant agrees:*

- a. That any information obtained by the Department may be publicly disclosed and provided to law enforcement agencies without further notice to the applicant/registrant*
- b. That the Department may inspect and sample as the Department deems necessary and will have unrestricted access to all plants, growing or harvested, all land, buildings and other structures used for cultivation or storage and all documents and records pertaining to the pilot program.*
- c. That the applicant/registrant shall pay for any sampling and analysis costs the Department deems necessary. Samples may be taken at the Department's discretion. A sample test result greater than 0.3% THC will be considered to be conclusive evidence that the registrant is out of compliance with this act. Upon the receipt of such a test result, the Department may revoke the certification and order the destruction of the plant materials at the applicant/registrant expense.*
- d. That the applicant/registrant shall submit all reports by the required due dates specified in the certification*
- e. That the applicant has not been convicted of any felony related to the possession, production, sale, or distribution of a controlled substance in any form in this or any other country within 10 years of the date of the application.*
- f. That the applicant will provide a current law enforcement background check.*
- g. That an application for the certification of a pilot program must describe a research purpose regarding the growth, cultivation or marketing of industrial hemp.*

NAC ----- Fees *1. The applicant shall pay a nonrefundable application fee of \$500.00 and, if certified, an additional fee of \$5.00 per acre or portion thereof.*

2. Indoor operations shall pay a nonrefundable application fee of \$500.00 and, if certified, 33 cents per 1000 square feet or portion thereof.

NAC ----- Costs for inspections *The applicant shall pay a fee not to exceed \$50.00 per hour per inspector for drive time, inspections and sampling. Mileage will be charged at the current IRS Reimbursement rate.*

NAC ----- Mandatory Testing *The Department shall be notified by the grower prior to any harvest or any other form of disposition of the growing crop. In a timely manner, the Department shall conduct a THC content analysis using appropriate sampling and analysis protocols.*

NAC ----- Cost of Analysis *The Department may charge a fee for any analysis which it conducts. Analysis fees must be set in an amount that approximates the cost to the Department of performing those services or activities.*

NAC ----- Seed

- 1. A certified hemp research project must use certified seed.*
- 2. An applicant may request that the Department import certified seed.*
- 3. If the Department agrees to request the importation of seed, the applicant agrees that:*
 - a. The Department is not liable for and does not warrant that the seed is fit for any purpose, and*
 - b. The applicant will pay in advance 100% of the costs associated with the importation of such seed, plus \$1.00 per pound of seed, and*
 - c. Any seed that is not used will become the property of the Department without charge or reimbursement required.*

NAC ----- Civil Penalties *1. For any violation of the provisions of this chapter, or of the Agricultural Pilot Program certification, the applicant/registrant may be subject to a civil penalty not to exceed:*

- a. For the first violation \$250.00*
- b. For a second violation \$500.00*
- c. For each subsequent violation \$1000.00*

2. Any money collected from the imposition of a civil penalty pursuant to section 1 must be accounted for separately and:

a. fifty percent of the money must be used to fund a program selected by the Director that provides loans to persons who are engaged in agriculture and are 21 years of age or younger; and

b. The remaining fifty percent of the money must be deposited in the Account for the Control of Weeds established by NRS 555.035.