

JOE LOMBARDO
Governor

STATE OF NEVADA

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DEPARTMENT OF AGRICULTURE

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PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF AGRICULTURE

LCB FILE NO. R186-24P
DIVISION OF PLANT HEALTH AND COMPLIANCE

NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATION

The Nevada Department of Agriculture, 405 South 21st Street, Sparks, Nevada 89431, is proposing the Amendment of regulations pertaining to Nevada Administrative Code (NAC) Chapter 586. A workshop has been set for:

Date: Thursday December 12, 2024

Time: 9:00am PST

Location: This meeting will be held both in person and via Teams

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

Video conference to: Nevada Department of Agriculture
2300 E. St. Louis Avenue Las Vegas, NV 89104
Phone : (702) 668-4590

Nevada Department of Agriculture
4780 E. Idaho Street Elko, NV 89445
Phone: (775) 738-8076

Remote Meeting Information*:

To join the meeting virtually, click on the URL and enter the meeting number and password when prompted:

[Join the meeting now](#)

Meeting Number: 265 694 254 475

Access code: jo2imj

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To join by telephone, call the phone-in number and enter the access code when prompted.

Phone-in Access #: 1 775-321-6111

Access Code: 443 519 057#

***Per 2021 AB253**

ALL PERSONS WISHING TO ATTEND THE MEETING MUST ATTEND VIA THE IDENTIFIED VIRTUAL MEETING PLATFORM OR TELEPHONICALLY.

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

This workshop will be conducted in accordance with the Open Meeting Law ([NRS 241.020](#)).

The purpose of the workshop is to solicit comments from interested persons on changes to NAC Chapter 586 pertaining to pesticides; increasing the annual registration fee for each brand of pesticide registered with the Office of the Director of the State Department of Agriculture and the amount of the annual registration fee deposited in a separate account. NAC 586 revisions are in response to the need to achieve long-term solvency in budget account (4545). The NDA is proposing an increase of its Pesticide Registration fee from the current rate of \$125, which was adopted in 2013 per LCB File R070-13A and established with industry in 2014, to \$281. The NDA has conducted an evaluation of the sustainability of its Pesticide Registration fee through an assessment of merging budget accounts (4545) and (4552), the introduction of additional funding available through various grants, projections of personnel costs, and the long-term equipment replacement and maintenance service agreement costs for the Chemistry Laboratory.

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 the Division of Plant Health and Compliance at 775-353-3670 or d.reece@agri.nv.gov. 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 for copying or postage may be charged for those requesting a print copy. Members of the public who would like additional information about a proposed regulation may contact the Division of Plant Health and Compliance by 775-353-3670 or d.reece@agri.nv.gov.

Persons wishing to make oral comment upon the regulation draft of the Nevada Department of Agriculture may participate at the scheduled workshop. Persons wishing to submit written testimony or documentary evidence may submit the material by emailing d.reece@agri.nv.gov or by mailing to the following address: Nevada Department of Agriculture, Attn: Plant Health and Compliance, 405 S. 21st ST, Sparks, NV 89431.

Reasonable efforts will be made for members of the public who have disabilities and require special accommodations for assistance at the meeting. Please contact the Department at 775-353-3670 or d.reece@agri.nv.gov prior to the meeting.

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. fifteen days before the meeting at the following locations: the Nevada Department of Agriculture website at agri.nv.gov, Nevada Public Notice website at <https://notice.nv.gov/> and Nevada Legislative Administrative Regulation Notices at <https://www.leg.state.nv.us/App/Notice/A/>.

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**NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATION
AGENDA**

**Thursday, December 12, 2024
9:00 a.m. PST**

Note: Items on the agenda may be taken out of the posted order, items may be combined for consideration, and items may be pulled or removed from the agenda.

I. Call to Order

II. Public Comment: In consideration of others who may wish to provide public comment, please avoid repetition and limit your comment to three minutes per person. Unused time may not be reserved by the speaker nor allocated to another speaker.

III. Overview of Proposed Changes to NAC Chapter 586: Review and discussion on proposed regulations.

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.

V. Adjourn

**PROPOSED REGULATION OF THE
DIRECTOR OF THE
STATE DEPARTMENT OF AGRICULTURE**

LCB File No. R186-24

July 25, 2024

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

AUTHORITY: § 1, NRS 586.237 and 586.270.

A REGULATION relating to pesticides; increasing the annual registration fee for each brand of pesticide registered with the Office of the Director of the State Department of Agriculture and the amount of the annual registration fee deposited in a separate account; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. (NRS 586.250) Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

Section 1. NAC 586.011 is hereby amended to read as follows:

586.011 1. Each registrant must pay an annual registration fee of ~~125~~ *\$281* for each pesticide registered.

2. The Director will deposit, in a separate account, ~~40~~ *\$80* of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:

- (a) Monitor and dispose of pesticides;
- (b) Protect groundwater and surface water from contamination by pesticides; and
- (c) Eradicate and control noxious weeds.

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SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 233B.0608

LCB File No. R186-24

October 2, 2024

PROPOSED AMENDMENTS TO NAC CHAPTER 586

- 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.**

Existing law requires each brand of pesticide which is distributed, sold or offered for sale within this State, or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, to be registered with the Office of the Director of the State Department of Agriculture. Below are the results of a survey that was posted from September 4, 2024, through September 22, 2024, regarding proposed revisions to NAC 586.011.

- Of the 26 survey respondents, 5 are located outside Nevada (Colorado, Illinois, Idaho, and Wisconsin).
 - Regarding the counties in Nevada: 4 respondents were from Washoe County, 6 were from Clark County, 2 were from Churchill County, 2 from Humboldt County, 1 from Lyon County, 1 from Carson City, 1 from Elko County, 1 from Pershing, 1 from Esmeralda County, and 2 from Nye County.
- All 26 survey respondents replied the question asking if they fall under the definition of a small business as defined by NRS 233B.0382:
 - 21 indicated they fall under the definition of a small business, 4 stated they did not.
 - 1 respondent stated they were unsure.
 - Question regarding the number of employees their business has:
 - 16 respondents stated they had 1-15 employees.
 - 1 respondent stated they have 16-30 employees.
 - 1 respondent stated they have 31-45 employees.
 - 2 respondents stated they have 76-100 employees.
 - 4 respondents stated they have 151+ employees.
- All 26 survey respondents replied the question asking if changes to NAC 586 would impact their ability to do business:
 - 3 unsure, 12 yes and 11 no.

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- 0 respondents skipped the question.
- The following is a breakdown of the 20 survey respondents who answered the question on how the changes to NAC 555 would impact their ability to do business:
 - 4 answered there would be no impact and 1 stated there would be “very little” impact.
 - 11 stated that changes would raise/increase costs and/or fees.
 - Remaining responses:
 - “Nutrien Ag Solutions.”
 - “Negatively.”
 - “It doubles the fees for my amount of horses.”
 - “Push companies out.”

2) The manner in which the analyses was conducted.

The NDA launched the survey on September 4, 2024, and closed it on September 22, 2024. The survey was posted to NDA’s website and social media accounts. In addition, it was distributed to an e-mail list comprised of 1,134 recipients (including pest control businesses, pesticide dealerships and registrants within the State of Nevada).

3) The estimated indirect and direct economic effect of the proposed regulation on the small businesses it is to regulate:

- Level of negative impact the proposed changes would have on their business (all 26 respondents responded):
 - No impact: 4 respondents.
 - Insignificant impact: 5 respondents.
 - Minor impact: 5 respondents.
 - Moderate impact: 5 respondents.
 - Major impact: 6 respondents.
 - Severe impact: 1 respondent.
- One survey question asked the participant to check one *or* both parts, of the proposed revision, that would have the most financial impact on their business:
 - Part 1. Each registrant must pay an annual registration fee of \$281 for each pesticide registered:
 - Part 2. The Director will deposit, in a separate account, \$80 of each annual registration fee collected pursuant to subsection 1. The money in the account will be used to:
 - (a) Monitor and dispose of pesticides;
 - (b) Protect groundwater and surface water from contamination by pesticides; and
 - (c) Eradicate and control noxious weeds.

Results:

6 respondents checked both parts.

19 respondents checked only the first part (\$281 for each pesticide registered).

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9 respondents checked only the second part (depositing \$80 of each registration fee into an account).

- 16 of the 26 respondents replied the question asking how the proposed revisions can be adjusted to mitigate their level of negative financial impact. 7 respondents stated that the NDA should either remove them, lower the fee increase, or keep it the same.
 - Remaining comments:
 - *“Have the state pay for the costs.*
 - *“Because of the size of our company, the registration/renewal price increase would be minor to our company, but they would be quite significant to smaller businesses. I would suggest implementing the fee increase over a time period as opposed to an "all at once" fee increase.”*
 - *“Less than a 100% increase in fees for an "each" line item.”*
 - *“Make the bureaucrats reduce their costs internally. Pay cuts and head count reductions.”*
 - *“Cut spending in Department or costs so fee not raised.”*
 - *“Find other ways to reduce cost instead of increasing revenue on the backs of small businesses.”*
 - *“Smaller increase would be beneficial, therefore, not adding the cost to current clients.” prices. and giving them a lower increase possibly not losing them.”*
 - *“Government stay out.”*
 - *“Shift greater funding to noxious weed control.”*
- 9 of the 26 respondents provided feedback on what they would like us to consider in relation to the proposed changes to NAC 586.011. 3 respondents stated that they could not afford additional fees and that the increase seems excessive.
 - Remaining Comments:
 - *“We not only pay for the registration of our products, but we also pay to register our customer's products.”*
 - *“100% increase is insane. If it has been neglected to increase pricing at an appropriate increment, the penalty should not be placed upon the small business to correct the issue caused by poor management by the State.”*
 - *“Raise will be pasted on to my business.”*
 - *“Please take into account the consumers who depend on pest control to keep their homes and areas they frequent at a pest level they can tolerate. With these increases, some of those people will no longer be able to afford it, causing a chain of unfortunate events to unfold.”*
 - *“I think the fees should cover the cost of any potential mitigation and clean-up, spills, etc. And/or the cost of maintaining records of the persons responsible so if there is a spill or misuse- those responsible are held accountable.”*
 - *“Counties are not providing support for treatment of noxious weeds due to lack of funding.”*

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- 4 respondents stated the cost of the proposed changes would be \$0, 2 reported their annual impact to be between \$1-\$99, 8 respondents reported their annual impact to be \$100-\$1,000, 9 respondents reported their annual impact to be \$1,001-\$10,000, and 3 respondents reported that the annual impact would exceed \$10,000.
 - 22 survey respondents answered the question asking if they would need to make operational changes to their business because of the financial impact of proposed change:
 - Yes: 11.
 - No: 9
 - Remaining Responses:
 - *“No, I work for the State of Nevada DPBH-EHS and then have a personal garden. I do not operate as a pesticide applicant/business.”*
 - *“Possibly.”*
- 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.**

The department used an estimate of equipment cost and maintenance contracts to calculate the fee increase. Any reduction in the proposed fee will mean when equipment may fail or when the department is unable to service equipment it will likely mean reduced services provided by our Chemistry and Pest Control team. The department wants to ensure customer service as well as have the equipment to test pesticides and fertilizers for compliance to ensure public health and safety.

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

These revisions will add minor administrative work such as communication with industry to notify them of the new provisions and directing individuals to the new requirements. No other estimated cost to the agency is anticipated.

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.

Existing law requires: (1) a person registering any brand of pesticide with the Office of the Director to pay an annual registration fee established by regulation of the Director; and (2) the Director to deposit an amount established by regulation of the Director of each annual registration fee in a separate account to be used for certain purposes. (NRS 586.237, 586.270) This regulation increases the annual registration fee for each pesticide registered from \$125 to \$281 and increases the amount of each registration fee collected which the Director is required to deposit in a separate account from \$40 to \$80.

The money will be used to supplement personnel costs because of salary increases (from budget bill AB522) and reduced grant fee revenue.

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- 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 are necessary.**


N/A

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

Dated Pesticide Registration fee rates and personnel and grant fee revenue spread across multiple budget accounts, (4545) and (4552), are the two main challenges affecting long term-term solvency in budget account (4545). To aid in achieving long-term solvency in budget account (4545) the Nevada Department of Agriculture (NDA) is proposing an increase of its Pesticide Registration fee from the current rate of \$125, which was adopted in 2013 per LCB File R070-13A and established with industry in 2014, to \$281 in an effort to help stabilize revenues in budget account (4545). The NDA has conducted an evaluation of its Pesticide Registration fee through an assessment of merging budget accounts (4545) and (4552), and the addition of additional funding available through various grants, projections of rising personnel costs, overall averages of revenue and expenditures, and long-term equipment replacement and maintenance service agreement costs, to arrive at the proposed \$281 Pesticide Registration fee. It should be noted that the Pesticide Registration fee is paid by pesticide companies to register their product(s) in Nevada.

Individuals interested in a copy of the complete survey can contact NDA at 775-353-3715 or bret.allen@agri.nv.gov.

J.J. Goicoechea,
DVM

 Digitally signed by J.J.
Goicoechea, DVM
Date: 2024.10.29 09:39:07 -07'00'

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