ADOPTED REGULATION OF THE

STATE QUARANTINE OFFICER

LCB File No. R085-11

Effective December 30, 2011

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

AUTHORITY: §1, NRS 587.360.

A REGULATION relating to agriculture; increasing the fee for the inspection of certain agricultural products in the field; and providing other matters properly relating thereto.

**Section 1.** NAC 587.340 is hereby amended to read as follows:

587.340 1. The fees for the inspection and certification of potatoes at their point of shipping will be determined by agreement between the State Quarantine Officer and the processor of the potatoes. If those fees will exceed \$2,000 in a 30-day period, the processor of the potatoes must provide to the Department a surety bond or another form of security that is satisfactory to the Director to guarantee the payment of the fees for the 30-day period immediately succeeding the date the security is provided. The fees will not be less than:

- (a) The actual cost of providing the inspection and certification services; and
- (b) The fee charged in accordance with the contract between the Department and the Federal Government for certifying that the potatoes comply with the standards and conditions established by the Federal Government.
  - The fees for inspection, grading or certification of other agricultural products:
  - (a) Are:

- (1) Forty dollars for each hour the inspector spends conducting the inspection, grading or certification, including the time spent traveling to and from the location where the inspection and certification are conducted;
- (2) The mileage allowance established by the State Board of Examiners for state officers and employees pursuant to subsection 3 of NRS 281.160 for the inspector's travel; and
- (3) Any fee charged in accordance with the contract between the Department and the Federal Government; and
- (b) Unless they are for a one-time or intermittent inspection, grading or certification, must be secured by providing to the Department a surety bond or another form of security that is satisfactory to the Director to guarantee the payment of the fees for the 90-day period immediately succeeding the date the security is provided.
- 3. In addition to any fees required pursuant to this section, the State Quarantine Officer will charge a fee of \$50 for the inspection of forage for the presence of noxious weeds.
- 4. Special arrangements, including arrangements for fees, must be made with the State Quarantine Officer for the inspection of agricultural products for processing. The fees for such an inspection must be secured by providing to the Department a surety bond or another form of security that is satisfactory to the Director to guarantee the payment of the fees for the 90-day period immediately succeeding the date the security is provided.
- 5. If the State Quarantine Officer or his or her designee inspects agricultural products in the field for the purpose of issuing a phytosanitary certificate required by the government of a state or of a foreign country before those agricultural products may be exported to that state or country, the State Quarantine Officer will impose a fee of [\$4] \$7 per acre for the inspection.

- 6. If the State Quarantine Officer or his or her designee issues a phytosanitary certificate, an export certificate for processed plant products or a free-sale certificate as required by the government of a state or of a foreign country before agricultural products may be exported to that state or country, the State Quarantine Officer:
- (a) Will impose a fee of \$25 if the shipment of agricultural products is made for commercial purposes;
- (b) Will not impose a fee if the shipment of agricultural products is made for noncommercial purposes; and
- (c) Will impose any fee required to be collected and passed through to the United States

  Department of Agriculture.
  - 7. As used in this section:
- (a) "Export certificate for processed plant products" has the meaning ascribed to it in 7 C.F.R. § 353.1.
- (b) "Free-sale certificate" has the meaning ascribed to it in paragraph (c) of subsection 4 of NAC 587.345.
  - (c) "Phytosanitary certificate" has the meaning ascribed to it in NRS 555.23575.

## NOTICE OF ADOPTION OF PROPOSED REGULATION LCB File No. R085-11

The State Quarantine Officer adopted regulations assigned LCB File No. R085-11 which pertain to chapter 587 of the Nevada Administrative Code.

## INFORMATIONAL STATEMENT

NEVADA DEPARTMENT OF AGRICULTURE INFORMATIONAL STATEMENT

LCB File Number: R085-11

NAC 587.340 December 9, 2011

- 1. A description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary;
  - a) Copies of the proposed regulations, notices of workshop and notices of intent to act upon the regulation were sent by U.S. mail and email to persons who were known to have an interest in the subject of allium inspection fees as well as any persons who had specifically requested such notice. These documents were also made available at the website of the Nevada Department of Agriculture (NDOA) www.agri.state.nv.us, mailed to all county libraries in Nevada and posted at the following locations:

Nevada Department of Agriculture Nevada Department of Agriculture

405 South 21<sup>st</sup> Street 2150 Frazer Avenue Sparks, NV 89431-5566 Sparks, NV 89431

Nevada Department of Agriculture Nevada Department of Agriculture

2300 McLeod Street 4780 E. Idaho Street Las Vegas, NV 89104-4314 Elko, NV 89801-4672

- b) There was one public response; one testimony was given at the hearing in favor of the increase from the Farm Bureau.
- c) Interested persons may obtain a copy of the summary by contacting:

Nevada Department of Agriculture

Attn: Dawn Rafferty, Plant Industry Division

405 South 21<sup>st</sup> Street Sparks, NV 89431

2. A statement indicating the number of persons who attended each meeting or workshop, testified at each hearing, and submitted written statements regarding the proposed regulation;

Workshop: November 9, 2011

Number in attendance: 2 Hearing: December 5, 2011 Number in attendance: 3 Number testifying: 1

Written statements submitted: 0

- 3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation of how other interested persons may obtain a copy of the summary
  - a) Comments were solicited from affected businesses in the same manner as they were solicited from the public.
  - b) There were no responses.
  - c) Interested persons may obtain a copy of the summary by contacting:

Nevada Department of Agriculture Attn: Dawn Rafferty, Plant Industry Division 405 South 21<sup>st</sup> Street Sparks, NV 89431

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change. The statement should also explain the reasons for making any changes to the regulation as proposed.

The permanent regulation was adopted on December 6, 2011 with approval from the Board of Agriculture. No changes were made to the original proposed regulation change.

5. The estimated economic effect of the regulation on businesses which it is to regulate and on the public.

There will be an increase in the cost to individuals and companies participating in the phytosanitary field inspection program. The additional revenue generated will allow phytosanitary field inspection activities to continue in the absence of a contribution to the program from the general fund. Phytosanitary field inspection is necessary for producers to export seed crops. There are no adverse effects on the public. Local economies may benefit from the increased value of commodities produced and exported.

The immediate and long term effects of the proposed changes are similar.

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

There is no additional cost to the agency for the enforcement of this regulation.

7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other state or government agency regulations that the proposed amendments duplicate.

- 8. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of those provisions. N/A
- 9. If the regulation establishes a new fee or increases an existing fee, a statement indicating the total annual amount the agency expects to collect and the manner in which the money will be used.

This is an increase to an existing fee. The additional revenue generated will allow phytosanitary field inspection activities to continue in the absence of a contribution to the program from the general fund. It is estimated that the agency will collect approximately \$10,024 although this number is highly subject to substantial shifts in acreage.