SENATE BILL NO. 172-COMMITTEE ON NATURAL RESOURCES

(ON BEHALF OF THE DEPARTMENT OF AGRICULTURE)

FEBRUARY 20, 2003

Referred to Committee on Natural Resources

SUMMARY—Makes various changes concerning control of pests and plant diseases. (BDR 49-571)

FISCAL NOTE: Effect on Local Government: Yes. Effect on the State: Yes.

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

AN ACT relating to agriculture; providing for the automatic suspension of licenses to engage in pest control under certain circumstances; revising provisions governing pests and plant diseases; making various changes concerning the regulation and licensing of dealers of nursery stock; requiring the State Department of Agriculture to adopt regulations providing for the issuance of permits for occasional sales of nursery stock; authorizing the assessment of a fee for such a permit; authorizing the Department to adopt regulations establishing certain license fees and penalty fees; providing for the payment of costs of corrective actions ordered by the Director of the Department; revising provisions governing inspections and shipments of nursery stock; revising certain exemptions from the licensing requirements relating to pest control; eliminating the grace period for renewing licenses to perform pest control; changing the Noxious Weed and Insect Pest Control Program to the Program for the Control of Pests and Plant Diseases; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:



Section 1. Chapter 555 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 18, inclusive, of this act

- Sec. 2. 1. A person licensed to engage in pest control shall ensure that each of his business locations in this state has a primary principal who is licensed in the appropriate category or categories of pest control.
- 2. If a licensee ceases to have a primary principal at each of his business locations in this state for 30 consecutive calendar days, his license for pest control is automatically suspended, without action of the Director, and remains suspended until such time as the licensee obtains a primary principal for each business location.
- 3. As used in this section, "primary principal" means an owner, officer, partner, member or technician of a pest control business who has qualified by examination in one or more of the categories of pest control and who has been designated by the pest control business as the person responsible for the daily supervision of the category or categories of pest control performed by a business location of the pest control business within this state.
- Sec. 3. "Broker" means any person who acts as an agent for another person in negotiating the purchase or sale of nursery stock but who does not handle either the nursery stock which is involved in the purchase or sale, or the proceeds of the sale, if applicable.
- Sec. 4. "Dangerously injurious plant pest" means a plant pest that constitutes a significant threat to the public or to the agricultural, forestry or horticultural industry of this state.
- Sec. 5. "Dealer of nursery stock" means a person who produces, holds, distributes, collects or sells nursery stock, including, without limitation, a retail business, wholesale grower, landscape contractor, landscape maintenance business, broker and peddler.
- Sec. 6. "Hold" means to have and maintain possession of nursery stock at a temporary or permanent location.
- Sec. 7. "Infested" means contaminated with a pest or so exposed to a pest that contamination can reasonably be expected to exist.
- Sec. 8. "Inspecting officer" means a person authorized by the Department to inspect nursery stock.
- Sec. 9. "Inspection certificate" means a document which is issued by an inspecting officer or an appropriate state officer who is authorized to inspect nursery stock and which affirms, declares or verifies that the nursery stock, or the nursery or premises from



which the nursery stock originated, has been inspected and found to be free from plant pests and symptoms of diseases.

Sec. 10. "License" means a license issued pursuant to NRS 555.235 to 555.249, inclusive, and sections 3 to 18, inclusive, of this act, to a licensee to conduct business as a dealer of nursery stock.

Sec. 11. "Licensee" means a person licensed under the provisions of NRS 555.235 to 555.249, inclusive, and sections 3 to 18, inclusive, of this act.

Sec. 12. "Nursery" means any location:

- 1. Where nursery stock is grown, propagated, held, stored or sold; or
- 2. From which nursery stock is distributed directly to a customer.

Sec. 13. "Nursery stock" means a plant for planting, propagation or ornamentation, and includes, without limitation, parts of plants, trees, shrubs, vines, vegetables, bulbs, stolons, tubers, corms, pips, rhizomes, scions, buds and grafts.

Sec. 14. "Peddler" means any person who sells, solicits or offers for sale nursery stock to a customer but who does not have a nursery located in this state. The term does not include nurserymen licensed by another state who wholesale nursery stock to retail nurserymen located in this state or nurserymen who sell nursery stock directly to the public by catalog.

Sec. 15. "Pest" means any form of animal or vegetable life detrimental to the crops, horticulture, livestock, public health, wildlife, quality of water and beneficial uses of land in this state, including, without limitation, any insect, snail, nematode, fungus, virus, bacterium, microorganism, mycoplasmal organism, weed, parasitic plant or any other plant that is normally considered to be a pest of cultivated plants, uncultivated plants, agricultural commodities, horticultural products or nursery stock, or that the Director declares to be a pest.

Sec. 16. "Phytosanitary certificate" means a certificate from an authorized state plant regulatory officer that certifies, affirms, declares or verifies that an article, nursery stock, plant product, shipment or other officially regulated item meets federal or state quarantine requirements, as appropriate, including, without limitation, that the item is free of dangerously injurious pests or quarantine pests, or that the item has been treated in the manner set forth in the rules and regulations prescribed by the applicable quarantine. The term includes a federal phytosanitary certificate, a state phytosanitary certificate and a certificate of quarantine compliance.



Sec. 17. "Quarantine pest" means a pest listed by the State Quarantine Officer in a quarantine issued pursuant to chapter 554 of NRS.

Sec. 18. "Sell" means exchange, offer for sale, expose for sale, have in possession for sale, arrange the sale of, solicit for sale, display or advertise for sale, consign, accept on consignment, or broker the purchase or sale.

Sec. 19. NRS 555.100 is hereby amended to read as follows:

555.100 1. The Department shall, if necessary or if a complaint is made to the Department, cause an inspection to be conducted of any premises, land, means of conveyance or article of any person in this state, and if found infested with [an infectious disease, insect, plant, weed or other pest] any pest or plant disease that is injurious to:

- (a) The public health or quality of any water in this state; or
- (b) Any wildlife, beneficial use of land or agriculture in this state.

the Department may provide a written notice of its findings to the owner or occupant of the premises, land, means of conveyance or article and require him to control, treat or eradicate the [disease, insect, weed or other] pest *or plant disease* in the manner and within the period specified in the notice.

- 2. A notice issued pursuant to the provisions of subsection 1:
- (a) May be served upon the owner or occupant by an officer or employee of the Department; and
- (b) Must be served in writing, by certified mail or personally, with receipt given therefor.

Sec. 20. NRS 555.110 is hereby amended to read as follows:

Any premises found to be infested with any pest or plant disease is hereby adjudged and declared to be a public nuisance. [, and if any] If such a nuisance exists at any place within the jurisdiction of the Department and the owner or occupant [thereof,] of the premises, after notification, refuses or neglects to abate the nuisance within the period specified, the Department shall cause the nuisance to be abated at once by eradicating or controlling [those diseases, insects, weeds or other] pests or plant diseases in a manner to be determined by the Department.

2. The expense thereof must be paid from any money made available to the Department by direct legislative appropriation or otherwise.

Sec. 21. NRS 555.235 is hereby amended to read as follows:

- 555.235 As used in NRS 555.235 to 555.249, inclusive :
- 44 1. "Inspecting officer" means a person authorized by the 45 Department to inspect nursery stock.



- 2. "Licensee" means any person licensed under the provisions of NRS 555.235 to 555.249, inclusive.
 - 3. "Nursery" means any location:

- 4 (a) Where nursery stock is grown, propagated, stored or sold; or
- 5 (b) From which nursery stock is distributed directly to a 6 customer.
 - 4. "Nursery stock" means any plant for planting, propagation or ornamentation, and includes parts of plants, trees, shrubs, vines, vegetables, bulbs, stolons, tubers, corms, pips, rhizomes, scions, buds and grafts.
 - 5. "Pest" means any form of animal or vegetable life detrimental to the nursery industry of this state, including, without limitation, any insect, snail, nematode, fungus, virus, bacterium, microorganism, mycoplasmal organism, weed, parasitic plant or any other plant that is normally considered to be a pest of cultivated plants, uncultivated plants, agricultural commodities, horticultural products or nursery stock, or that the Director declares to be a pest.
 - 6. "Sell" means exchange, offer for sale, expose for sale, have in possession for sale or solicit for sale.], and sections 3 to 18, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 18, inclusive, of this act have the meanings ascribed to them in those sections.
 - Sec. 22. NRS 555.236 is hereby amended to read as follows: 555.236 1. [Every] Except as otherwise provided in this section, a person who engages in the commercial production, holding, distribution, collection or selling of nursery stock [shall] must obtain a license from the Director, except:
 - (a) Retail florists or other persons who sell potted, ornamental plants intended for indoor decorative purposes.
 - (b) A person [who is] not engaged in the nursery or landscaping business [and] who raises nursery stock as a hobby in this state [,] from which he makes occasional sales, if the person [reports to the Director his intention to make those sales and] does not advertise or solicit for the sale of that nursery stock.
 - (c) Persons engaged in agriculture and field-growing vegetable plants intended for sale for use in agricultural production.
 - (d) [That the Director may, to relieve hardships imposed by the licensing requirements of NRS 555.235 to 555.249, inclusive, upon persons residing in sparsely settled areas of this state where no licensed nurseries exist, waive the requirements for the licensing of nurseries for any established business to permit occasional sales of nursery stock to accommodate the customers of the business.
- 43 (e) At the discretion of the Director, persons selling vegetable bulbs or flower bulbs, including, without limitation, onion sets, tulip bulbs and similar bulbs.



[(f) A nursery]

- (e) A business licensed by another state that sells nursery stock [directly] only to:
 - (1) A licensed [retail] dealer of nursery stock in this state; or
 - (2) The public *exclusively* by catalog.
- (f) A garden club, conservation district or charitable nonprofit association conducting not more than two sales of nursery stock per calendar year, provided that each sale lasts not more than 4 consecutive days and the garden club, conservation district or association has applied for and received a permit from the Director to conduct such sales. The Department shall adopt regulations providing for the issuance of a permit for occasional sales required pursuant to this paragraph. The regulations may include a schedule of fees for such permits.
- 2. The Director may waive the requirements relating to licensing set forth in NRS 555.235 to 555.249, inclusive, and sections 3 to 18, inclusive, of this act, for a person otherwise required to obtain a license pursuant to this section if the person only has occasional sales of nursery stock to the ultimate customer. To obtain a waiver pursuant to this subsection, the person must:
- (a) Submit to the Department a completed application for a license to engage in the business of a dealer of nursery stock that includes sufficient information to demonstrate that the person qualifies for a waiver pursuant to this subsection; and
- (b) Submit to the Director a notarized affidavit on a form provided by the Department attesting that all information furnished in the completed application is true.
- A completed application submitted to the Department pursuant to this section need not be accompanied by the fee required by NRS 555.238. A waiver issued pursuant to this subsection may be revoked at any time and must be renewed annually.
- 3. Persons, state agencies or political subdivisions exempt from the licensing requirements:
- (a) Shall conduct their businesses in accordance with pest regulations and grades and standards for nursery stock as established by the Director.
- 38 (b) Shall register annually, on or before July 1, with the 39 Department, the location, size and type of nursery stock being *sold* 40 *or* produced.
- 41 4. As used in this section, "occasional sales" means sales of 142 nursery stock in a gross annual amount that is less than \$1,000.



- **Sec. 23.** NRS 555.237 is hereby amended to read as follows:
- 555.237 1. Any person applying for a license [shall] must do so on the application form and in the manner prescribed by the Director.
- 2. [The] Except as otherwise provided in NRS 555.236, an application for a license must be accompanied by the fursery license fee required by fee established pursuant to NRS 555.238 and by evidence of the good faith and character of the applicant.
- 3. A license is not transferable. If a licensee changes its business name or the ownership of the licensee changes, the licensee must obtain a new license. A licensee shall not engage in the business of a dealer of nursery stock until a new license is
- 14 4. A licensee shall prominently display his license at his business location. 15
 - **Sec. 24.** NRS 555.238 is hereby amended to read as follows:
 - 555.238 [1.] The State Board of Agriculture may establish by regulation fa minimum annual fee for each nursery license, to which must be added an amount established by regulation of the Board for
- (a) Additional nursery of a licensee who has paid the minimum 21 22 nursery license fee.
- 23 — (b) Acre of nursery stock in production or portion thereof after the first acre. 24
- 25 (c) Agent acting on behalf of a licensed nursery established in this state and operating outside of the county in which the nursery is 26 27 located.
- 28 (d) Peddler.

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- 29 As used in this section:
- (a) "Agent" means any person who: 30
- 31 (1) Acts upon the authority of another person possessing a nursery license in this state: and 32
- 33 (2) Solicits for the sale of nursery stock.
- (b) "Peddler" means any person who sells, solicits or offers for 34 sale nursery stock to a customer and who does not have a nursery in 35 this state. The term does not include nurserymen licensed by another 36 37 state who wholesale nursery stock to retail nurserymen in this state or sell nursery stock directly to the public by catalog.] a schedule of 38 39 annual fees for licenses and penalty fees for the late renewal of 40 licenses. 41
 - **Sec. 25.** NRS 555.239 is hereby amended to read as follows:
- 42 555.239 1. Every licensee shall Except as otherwise provided in this section and NRS 555.237, a license expires on June 30 of each year. A licensee must apply for the renewal of his



nursery license annually on or before July 1. It is unlawful to conduct business without a current license.

- 2. The fee for the renewal of a license is ascertained in [the same manner as provided in] accordance with the schedule of fees established pursuant to NRS 555.238.
- 3. Any license may be renewed after July [15] *I* upon payment of [a penalty of \$10.
- 4. Any person who has been previously licensed to sell nursery stock and whose right to sell nursery stock has been forfeited by failure to renew his license is exempt from the penalty fee if his application to renew his license is accompanied by a signed statement that he has not sold any nursery stock during any part of the fiscal year for which he applies for renewal of his license.] the penalty fee established by the State Board of Agriculture pursuant to NRS 555.238.

Sec. 26. NRS 555.241 is hereby amended to read as follows:

555.241 The Director may refuse to issue or renew, or may suspend or revoke, a [nursery] license for violation of any provision of NRS 555.235 to 555.249, inclusive, and sections 3 to 18, inclusive, of this act, or any rule or regulation adopted under NRS 555.243, but no license may be refused, suspended or revoked pursuant to this section until the applicant or licensee has been given the opportunity to appear at a hearing. Offenders must be given 15 days' notice in writing. The notice must indicate the offense and the place of hearing.

Sec. 27. NRS 555.244 is hereby amended to read as follows:

555.244 *1*. The Director or any inspecting officer may enter any [nursery during reasonable] business during regular business hours to ascertain [:

- 1. The pest conditions of nursery stock on growing grounds.
- 2. The condition of nursery stock offered for sale.] compliance with NRS 555.235 to 555.249, inclusive, and sections 3 to 18, inclusive, of this act, and any regulations adopted pursuant thereto.
- 2. Invoices and applicable inspection certificates, quarantine certificates and phytosanitary certificates must be made available to the Director or inspecting officer upon request.

Sec. 28. NRS 555.246 is hereby amended to read as follows:

555.246 1. [All] Except as otherwise provided in this section, nursery stock that is shipped from other states to points within this state and all nursery stock shipped intrastate must [bear on the outside of each container in which the nursery stock was packed for shipment a phytosanitary certificate or] be accompanied by an inspection certificate which:



- (a) Is dated within a reasonable time before shipment [, which must:
- (a) If it is a phytosanitary certificate, certify that the nursery stock has been inspected and found free from dangerously injurious plant pests and quarantine pests or has been treated in the manner set forth in the rules and regulations prescribed by an applicable quarantine issued pursuant to chapter 554 of NRS;
- (b) If it is an inspection certificate, certify that the nursery from which the nursery stock was shipped];
- (b) Is issued by an authorized state plant regulatory officer; and
- (c) Affirms, declares or verifies that the nursery stock, nursery or premises from which the nursery stock originated has been inspected and found free of dangerously injurious plant pests [and is commercially clean of common pests; and
- (c) Bear the signature of an officer authorized to inspect nursery stock.
 - 2. Nol, pests and disease symptoms.

- 2. Except as otherwise provided in this section, nursery stock that is shipped from other states to points within this state, and nursery stock that is shipped intrastate, for which a quarantine has been issued pursuant to chapter 554 of NRS or to which a federal quarantine applies, must be accompanied by a phytosanitary certificate.
- 3. Except as otherwise provided in this section, a corporation, company or natural person engaged in the transportation of freight or express [may] shall not make delivery of any nursery stock in this state without [a] the inspection certificate or phytosanitary certificate for an inspection certificate.
 - 3. As used in this section:
- (a) "Dangerously injurious plant pest" means a plant pest that constitutes a significant threat to the public, the nursery, agricultural, forestry or horticultural industry in this state or the general environmental quality of this state.
- (b) "Phytosanitary certificate" means a certificate from the state of origin of nursery stock that was shipped to this state which verifies that an officer authorized to inspect nursery stock in the state of origin has inspected the nursery stock and determined that it meets the requirements set forth in paragraph (a) of subsection 1.
- (c) "Quarantine pest" means a pest listed by the State Quarantine Officer in a quarantine issued pursuant to chapter 554 of NRS.], as appropriate, required by subsections 1 and 2.
- 4. A shipment of nursery stock which is in the possession of an in-state dealer of nursery stock licensed with the Department and which is being delivered to an in-state customer need not be



accompanied by the inspection certificate or phytosanitary certificate, as appropriate, required by subsections 1 and 2, except that the dealer of nursery stock must provide such documents to the Department upon request.

Sec. 29. NRS 555.247 is hereby amended to read as follows:

- 555.247 1. All nursery stock shipped from other states to points within this state and all nursery stock shipped intrastate must bear a label on or attached to:
- (a) The outside of the container in which the nursery stock was packed for shipment that indicates the name and address of the consignee and consignor and contains a statement describing plainly and legibly the correct botanical or commonly accepted name, or both, for each kind of nursery stock in the container.
- (b) Each individual piece of one kind and variety of nursery stock, or subcontainer or lot containing one kind and variety of nursery stock in each container, that contains a legible statement of the correct botanical or commonly accepted name, or both, of the nursery stock.
- 2. [Bulk] Except as otherwise provided in subsection 4 of NRS 555.246, bulk shipments of nursery stock not packed in containers must:
- (a) Be accompanied by [one of the certificates] the appropriate certificate required pursuant to NRS 555.246.
 - (b) Be accompanied by a manifest which must:
- (1) State the name and address of the consignor and consignee; and
- (2) List and describe plainly and legibly the correct botanical or commonly accepted name, or both, for each kind of nursery stock in the bulk shipment.
- (c) Be labeled in accordance with the requirements of subsection 1.
 - **Sec. 30.** NRS 555.2485 is hereby amended to read as follows:
- 555.2485 1. The Director shall adopt regulations specifying a schedule of administrative fines which may be imposed, upon notice and a hearing, for each violation of the provisions of NRS 555.235 to 555.249, inclusive, *and sections 3 to 18, inclusive, of this act*, or the regulations adopted pursuant thereto. The maximum fine that the Director may impose for each violation may not exceed:
 - (a) For the first violation, \$250;
 - (b) For the second violation, \$500; and
 - (c) For each subsequent violation, \$1,000.
- 42 All fines collected by the Director pursuant to this section must be 43 deposited with the State Treasurer for credit to the State General 44 Fund.
 - 2. The Director may:



(a) In addition to imposing an administrative fine pursuant to this section, issue an order requiring a violator to take appropriate action to correct the violation. [; or] The violator shall pay the cost of any appropriate action so ordered.

(b) Request the district attorney of the appropriate county to investigate or file a criminal complaint against any person who the Director suspects may have committed flagrant or repeated violations of any provision of NRS 555.235 to 555.249, inclusive [.], and sections 3 to 18, inclusive, of this act.

Sec. 31. NRS 555.249 is hereby amended to read as follows: 555.249 Any person violating the provisions of NRS 555.235 to 555.249, inclusive, *and sections 3 to 18, inclusive, of this act* or the regulations adopted pursuant thereto is guilty of a misdemeanor and shall be punished by imprisonment in the county jail for not more than 6 months, or by a fine of not more than \$1,000, or by both fine and imprisonment. The prosecuting attorney and the Department may recover the costs of the proceeding, including investigative costs and attorney's fees, against a person convicted of a misdemeanor pursuant to this section.

Sec. 32. NRS 555.2605 is hereby amended to read as follows: 555.2605 As used in NRS 555.2605 to 555.460, inclusive, *and section 2 of this act*, unless the context otherwise requires, the words and terms defined in NRS 555.261 to 555.2695, inclusive, have the meanings ascribed to them in those sections.

Sec. 33. NRS 555.270 is hereby amended to read as follows: 555.270 It is the policy of this state and the purpose of NRS 555.2605 to 555.460, inclusive, *and section 2 of this act*, to regulate, in the public interest, the application of pesticides which, although valuable for the control of pests, may seriously injure man, animals and crops over wide areas if not properly applied.

Sec. 34. NRS 555.277 is hereby amended to read as follows: 555.277 1. The provisions of NRS 555.2605 to 555.460, inclusive, *and section 2 of this act*, relating to licenses and requirements for their issuance, except a certificate or permit to use a restricted-use pesticide, do not apply to any farmer-owner of ground equipment applying pesticides for himself or his neighbors, if:

- (a) He operates farm property and operates and maintains equipment for applying pesticides primarily for his own use.
- (b) He is not regularly engaged in the business of applying pesticides for hire as a principal or regular occupation, and he does not publicly hold himself out as a pesticide applicator.
- (c) He operates his equipment for applying pesticides only in the vicinity of his own property and for the accommodation of his neighbors for agricultural purposes only.



2. The provisions of NRS 555.2605 to 555.460, inclusive, and section 2 of this act, except those provisions relating to a certificate or permit to use a restricted-use pesticide, do not apply to any person using hand-powered equipment, devices or contrivances to apply pesticides to lawns or to ornamental shrubs and trees as an incidental part of his business of taking care of lawns and yards for remuneration, if that person does not publicly hold himself out as being in the business of applying pesticides [-] and the cost of applying the pesticides does not exceed 20 percent of the total remuneration received.

Sec. 35. NRS 555.320 is hereby amended to read as follows:

555.320 1. If the Director finds the applicant qualified, and upon the applicant's appointing the Director agent for service of process and finding that the applicant has satisfied the requirements of NRS 555.325 and 555.330, the Director shall issue a license to perform pest control within this state.

- 2. The license period is the calendar year. All licenses expire on December 31 of each year. The license may be renewed annually upon application to the Director and payment of the license fee on or before [January 16] December 31 of each year. If the holder of the license is a natural person, he must submit with his application for renewal the statement required pursuant to NRS 555.325.
- 3. [A penalty fee of \$5 must be charged for failure to pay the renewal fee when due unless the application for renewal is accompanied by a written statement signed by the applicant that he has not made any application of pesticides from the time of expiration of his prior license until the time of application for renewal.
- 4.] The license may restrict the licensee to the use of a certain type or types of equipment or materials if the Director finds that the applicant is qualified to use only a certain type or types.
- [5.] 4. If a license is not issued as applied for, the Director shall inform the applicant in writing of the reasons therefor.
 - **Sec. 36.** NRS 555.350 is hereby amended to read as follows:
- 555.350 1. The Director may suspend, pending inquiry, for not longer than 10 days, and, after opportunity for a hearing, may revoke, suspend or modify any license issued under NRS 555.2605 to 555.460, inclusive, *and section 2 of this act*, if he finds that:
 - (a) The licensee is no longer qualified;
- (b) The licensee has engaged in fraudulent business practices in pest control;
- (c) The licensee has made false or fraudulent claims through any media by misrepresenting the effect of materials or methods to be used;



- (d) The licensee has applied known ineffective or improper materials;
 - (e) The licensee operated faulty or unsafe equipment;

- (f) The licensee has made any application in a faulty, careless or negligent manner;
- (g) The licensee has violated any of the provisions of NRS 555.2605 to 555.460, inclusive, *and section 2 of this act*, or regulations adopted pursuant thereto;
- (h) The licensee engaged in the business of pest control without having a licensed applicator or operator in direct on-the-job supervision;
- (i) The licensee aided or abetted a licensed or an unlicensed person to evade the provisions of NRS 555.2605 to 555.460, inclusive, *and section 2 of this act* combined or conspired with such a licensee or an unlicensed person to evade the provisions, or allowed one's license to be used by an unlicensed person;
- (j) The licensee was intentionally guilty of fraud or deception in the procurement of his license; or
- (k) The licensee was intentionally guilty of fraud or deception in the issuance of an inspection report on wood-destroying pests or other report required by regulation.
- 2. A license is suspended automatically, without action of the Director, if the proof of public liability and property damage or drift insurance filed pursuant to NRS 555.330, is canceled, and the license remains suspended until the insurance is reestablished.
- **Sec. 37.** NRS 555.460 is hereby amended to read as follows: 555.460 Any person violating the provisions of NRS 555.2605 to 555.420, inclusive, *or section 2 of this act*, or the regulations adopted pursuant thereto is guilty of a misdemeanor and in
- adopted pursuant thereto, is guilty of a misdemeanor and, in addition to any criminal penalty, shall pay to the Department an administrative fine of not more than \$5,000 per violation. If an administrative fine is imposed pursuant to this section, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Department.
 - **Sec. 38.** NRS 555.470 is hereby amended to read as follows:
- 555.470 1. The Director shall adopt regulations specifying a schedule of fines which may be imposed, upon notice and a hearing, for each violation of the provisions of NRS 555.2605 to 555.460, inclusive [...], or section 2 of this act. The maximum fine that may be imposed by the Director for each violation must not exceed \$5,000 per day. All fines collected by the Director pursuant to this subsection must be remitted to the county treasurer of the county in which the violation occurred for credit to the county school district fund.
- 2. The Director may:



(a) In addition to imposing a fine pursuant to subsection 1, issue an order requiring a violator to take appropriate action to correct the violation; or

(b) Request the district attorney of the appropriate county to investigate or file a criminal complaint against any person that the State Board of Agriculture suspects may have violated any provision of NRS 555.2605 to 555.460, inclusive [...], or section 2 of this act.

Sec. 39. NRS 561.375 is hereby amended to read as follows: 561.375

1. The [Noxious Weed and Insect Pest Control] Program for the Control of Pests and Plant Diseases is hereby established.

- 2. Money accepted by the Department under the provisions of NRS 555.010 to 555.460, inclusive, *and sections 2 to 18, inclusive, of this act,* from the Federal Government or any federal department or agency, a county, a city, a public district or any political subdivision of this state, a public or private corporation, or a natural person, may be used in the [Noxious Weed and Insect Pest Control Program.] Program for the Control of Pests and Plant Diseases.
- 3. Expenditures for the [Noxious Weed and Insect Pest Control] Program for the Control of Pests and Plant Diseases may be made only to carry out the provisions of this chapter and chapter 555 of NRS.
 - **Sec. 40.** This act becomes effective on July 1, 2003.



