ASSEMBLY BILL NO. 249-COMMITTEE ON NATURAL RESOURCES

MARCH 3, 2023

Referred to Committee on Natural Resources

SUMMARY—Enacts provisions relating to the use of hemp in certain commercial feed. (BDR 51-719)

FISCAL NOTE: Effect on Local Government: No. 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; authorizing the use of hemp in certain commercial feed under certain circumstances; prohibiting, with certain exceptions, the manufacture, distribution or sale in this State of commercial feed containing hemp for consumption by any livestock other than horses; authorizing the State Department of Agriculture and the Director of the Department to take certain actions against an applicant for a license to manufacture, distribute or be a guarantor of commercial feed or a licensee for certain violations relating to commercial feed containing hemp; providing that certain commercial feed containing hemp shall not be deemed adulterated under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law establishes provisions for the manufacture, distribution and 2345678 labeling of commercial feed for animals. (NRS 587.841-587.899) Section 3 of this bill: (1) authorizes the use of hemp in pet food, specialty pet food and other commercial feed intended for consumption by horses if the commercial feed is manufactured, distributed and sold exclusively in this State for use in this State; and (2) requires the State Department of Agriculture to adopt regulations relating to such commercial feed. Section 3 prohibits the manufacture, distribution and sale in this State of commercial feed containing hemp for consumption by any livestock other than horses. Section 2 of this bill defines the term "hemp." Section 4 of this 9 10 bill makes conforming changes to indicate the proper placement of sections 2 and 11 3 in the Nevada Revised Statutes.

12 Section 5 of this bill provides that the provisions of section 3 do not apply to 13 customer-formula feed or a contract feeder. Section 6 of this bill authorizes the





Department to refuse to issue or renew or to suspend, revoke or place conditions on an applicant for a license to manufacture, distribute or be a guarantor of commercial feed or a licensee for a violation of **section 3**. **Section 8** of this bill authorizes the Director of the Department or a representative of the Department to take certain actions against a licensee who does not comply with the provisions of **section 3**. **Sections 9 and 10** of this bill provide that certain civil penalties may be imposed for violations of **section 3**.

Existing law provides it is unlawful for a person to adulterate commercial feed. (NRS 587.889) **Section 7** of this bill provides that pet food, specialty pet food and other commercial feed intended for consumption by horses shall not be deemed adulterated solely because the commercial feed contains hemp if the commercial feed is manufactured and distributed in accordance with the provisions of **section 3**

and any regulations adopted pursuant thereto.

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

1 **Section 1.** Chapter 587 of NRS is hereby amended by adding 2 thereto the provisions set forth as sections 2 and 3 of this act.

3 Sec. 2. "Hemp" has the meaning ascribed to it in 4 NRS 557.160.

5 Sec. 3. 1. Pet food, specialty pet food and other commercial 6 feed that is intended for consumption by horses may contain hemp 7 if such commercial feed is manufactured, distributed and sold 8 exclusively in this State for use in this State.

9 2. Commercial feed containing hemp shall not be 10 manufactured, distributed or sold in this State for consumption by 11 any livestock other than horses.

12 3. The Department shall adopt regulations to carry out the 13 provisions of this section, which may include, without limitation, 14 specific requirements for the labeling and inspection of 15 commercial feed containing hemp.

Sec. 4. NRS 587.841 is hereby amended to read as follows:

587.841 As used in NRS 587.841 to 587.899, inclusive, and
sections 2 and 3 of this act, unless the context otherwise requires,
the words and terms defined in NRS 587.843 to 587.861, inclusive,
and section 2 of this act have the meanings ascribed to them in
those sections.

Sec. 5. NRS 587.863 is hereby amended to read as follows:

587.863 1. The provisions of NRS 587.841 to 587.899,
inclusive, *and sections 2 and 3 of this act* do not apply to customerformula feed, or a manufacturer, distributor or guarantor thereof, or
a contract feeder.

27 2. As used in this section:

(a) "Contract feeder" means a person who as an independent
 contractor feeds commercial feed to animals pursuant to a contract
 whereby the commercial feed is supplied, furnished or otherwise



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provided to the person and whereby the person's remuneration is
 determined in whole or in part by feed consumption, mortality,
 profits or the amount or quality of the product.

4 (b) "Customer-formula feed" means commercial feed which 5 consists of a mixture of commercial feeds or ingredients, each batch 6 of which is manufactured according to the specific instructions of 7 the final purchaser.

Sec. 6. NRS 587.869 is hereby amended to read as follows:

9 587.869 1. Except as otherwise provided in subsection 2 and 10 NRS 587.871, the Department shall issue a license to or renew the 11 license of an applicant who files with the Department a complete 12 application and pays the fee established by the Department pursuant 13 to NRS 587.867.

2. The Department may refuse to issue or renew or may suspend, revoke or place conditions on a license for a violation of any provision of NRS 587.841 to 587.899, inclusive, *and sections 2 and 3 of this act*, but no license may be refused, suspended or revoked or have conditions imposed upon its issuance pursuant to this section until the Department has provided the applicant or licensee an opportunity for a hearing.

21 Sec. 7. NRS 587.889 is hereby amended to read as follows:

22 587.889 1. It is unlawful for a person to adulterate 23 commercial feed.

24 2. For the purposes of subsection 1, commercial feed is 25 adulterated if:

(a) It contains a poisonous or deleterious substance which maycause it to be injurious to the health of an animal;

(b) It contains a poisonous, deleterious or nonnutritive substance
which is unsafe pursuant to section 406 of the Federal Food, Drug,
and Cosmetic Act, 21 U.S.C. § 346;

(c) It contains a food additive which is unsafe pursuant to
section 409 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.
§ 348;

(d) It is a raw agricultural commodity that contains a pesticide
which is unsafe pursuant to section 408 of the Federal Food, Drug,
and Cosmetic Act, 21 U.S.C. § 346a, unless:

(1) The raw agricultural commodity has been processed
 using a method such as canning, cooking, freezing, dehydrating or
 milling;

40 (2) The residue of the pesticide has been removed to the 41 extent possible through such a method;

42 (3) The concentration of the pesticide in the commercial feed 43 is not greater than the tolerance prescribed for the raw agricultural 44 commodity; and



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1 (4) Feeding the commercial feed to an animal is not likely to 2 result in a pesticide residue in any edible product of the animal 3 which is unsafe within the meaning of section 408 of the Federal 4 Food, Drug, and Cosmetic Act, 21 U.S.C. § 346a;

(e) It contains any color additive which is unsafe pursuant to
section 721 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.
§ 379e;

8 (f) It contains an animal drug which is unsafe pursuant to
9 section 512 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.
10 § 360b;

11 (g) It contains any filthy, putrid or decomposed substance or is 12 for any other reason unfit to be used as commercial feed;

(h) It has been prepared, packaged or held under unsanitary
conditions whereby it may have become contaminated with filth or
may have been rendered injurious to the health of an animal;

(i) It contains the product of a diseased animal or an animal
which has died in a manner which is unsafe within the meaning of
section 402 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.
§ 342;

20 (j) The container of the commercial feed is composed, in whole 21 or in part, of any poisonous or deleterious substance which may 22 render the commercial feed injurious to the health of an animal;

(k) It has been intentionally subjected to radiation, unless the
use of the radiation was in conformity with a regulation or
exemption in effect pursuant to section 409 of the Federal Food,
Drug, and Cosmetic Act, 21 U.S.C. § 348;

(I) Any valuable component of the commercial feed has been, in
 whole or in part, omitted or abstracted;

(m) The composition or quality of the commercial feed is belowor differs from that which is listed on the label;

(n) It contains a drug and the methods, facilities or controls used
to manufacture, process or package the commercial feed do not
conform to current practices of good manufacturing, unless the
Department determines that such a practice is not appropriate for
use in this State; or

(o) It contains viable weed seeds in an amount which exceeds
the limits established by the Department. As used in this paragraph,
"weed seeds" has the meaning ascribed to it in NRS 587.073.

39 3. Pet food, specialty pet food and other commercial feed that 40 is intended for consumption by horses shall not be deemed 41 adulterated solely because it contains hemp if such commercial 42 feed is manufactured and distributed pursuant to section 3 of this 43 act and any regulations adopted pursuant thereto.





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1 Sec. 8. NRS 587.893 is hereby amended to read as follows:

2 587.893 1. If the Director or a representative of the 3 Department has reasonable cause to believe that any commercial feed does not comply with the provisions of NRS 587.841 to 4 5 587.899, inclusive, and sections 2 and 3 of this act, the Director or 6 a representative of the Department may issue an order that:

7 (a) Prohibits the licensee from disposing of the lot of 8 commercial feed until written permission is provided by the 9 Director: and

10 (b) Requires the licensee to allow the Director or а representative of the Department to inspect the commercial feed. 11

12 If the Director or representative of the Department 2. 13 determines that the commercial feed:

(a) Complies with the provisions of NRS 587.841 to 587.899. 14 15 inclusive, and sections 2 and 3 of this act, the Director or 16 representative of the Department must immediately rescind the 17 order issued pursuant to paragraph (a) of subsection 1.

18 (b) Does not comply with the provisions of NRS 587.841 to 19 587.899, inclusive, and sections 2 and 3 of this act, the Director or 20 representative of the Department must provide to the licensee an 21 explanation of how the commercial feed does not comply with the 22 provisions of NRS 587.841 to 587.899, inclusive [-], and sections 2 23 and 3 of this act. If the licensee does not demonstrate compliance 24 with the provisions of NRS 587.841 to 587.899, inclusive, and 25 sections 2 and 3 of this act within 30 days after receipt of the 26 explanation, the Director must begin proceedings to condemn the lot 27 of commercial feed pursuant to the requirements established by the 28 Department. 29

Sec. 9. NRS 587.895 is hereby amended to read as follows:

30 587.895 1. A person who violates the provisions of NRS 31 587.841 to 587.899, inclusive, and sections 2 and 3 of this act, or 32 any regulation adopted pursuant thereto, is subject to a civil penalty 33 not to exceed:

- (a) For a first offense, \$250. 34
- 35 (b) For a second offense, \$500.
- (c) For a third or subsequent offense, \$1,000. 36

37 Any money collected from the imposition of a civil penalty 2. 38 pursuant to subsection 1 must be accounted for separately and:

39 (a) Fifty percent of the money must be used to fund a program 40 selected by the Director that provides loans to persons who are 41 engaged in agriculture and who are 21 years of age or younger; and

42 (b) The remaining 50 percent of the money must be deposited in 43 the Account for the Control of Weeds created by NRS 555.035.





Sec. 10. NRS 587.900 is hereby amended to read as follows:

2 587.900 1. The Director may, after notice and an opportunity 3 for a hearing, impose a civil penalty of not more than \$500 for each 4 violation of this chapter other than a violation of NRS 587.841 to 5 587.899, inclusive [-], and sections 2 and 3 of this act.

6 2. Any money collected from the imposition of a civil penalty 7 pursuant to subsection 1 must be accounted for separately and:

8 (a) Fifty percent of the money must be used to fund a program 9 selected by the Director that provides loans to persons who are 10 engaged in agriculture and who are 21 years of age or younger; and

(b) The remaining 50 percent of the money must be deposited in the Account for the Control of Weeds established by NRS 555.035.

13 Sec. 11. 1. This section becomes effective upon passage and 14 approval.

15 2. Sections 1 to 10, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any
 regulations and performing any other preparatory administrative
 tasks that are necessary to carry out the provisions of this act; and

19 (b) On January 1, 2024, for all other purposes.

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