

Nevada Department of Agriculture

State of Nevada Hemp Plan

Revised May 25, 2021

Hemp Program Plant Industry Division

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Scope

This plan provides information on the Nevada Department of Agriculture (NDA) program requirements and authority to regulate the growing and agricultural handling of hemp in the state of Nevada. This scope is being submitted for consideration to operate as a United States Department of Agriculture (USDA) approved state under the Agriculture Improvement Act of 2018 (2018 Farm Bill).

Introduction

The NDA initiated a state hemp program in 2016 in response to the 2014 Farm Bill. Nevada has experienced ongoing statewide interest with data provided below (*Nevada Hemp Production Data Table*). The NDA will continue to support Nevada's hemp industry by submitting this State Hemp Plan to the United State Department of Agriculture (USDA) in response to the provisions of the 2018 Farm Bill and Final Rule.

State of Nevada Hemp		
Production Data	Acres	Sq. Ft.
2016 Applied Area =	319.28	400.00
2016 Planted =	229.78	400.00
2016 Producers =	11	
2017 Applied Area =	490.20	17,170.00
2017 Planted =	434.50	17,170.00
2017 Growers =	26	
2018 Applied Area =	1,880.06	235,688.00
2018 Planted* =	1,128.00	141,413.00
2018 Growers =	115	
2019 Applied Area =	14,693.86	1,623,022.00
2019 Certified Area =	14,225.66	1,612,342.00
2019 Planted =	4,917.54	266,668.00
2019 Growers =	216	
2020 Applied Area =	5,022.56	975,801.00
2020 Certified Area =	3,874.80	789,623.00
2020 Planted =	1,625.62	284,830.00
2020 Growers =	116	

Nevada Hemp Production Data Table

Nevada Program Background

In response to the 2014 Farm Bill, the NDA established an Industrial Hemp research and development program through <u>State Senate Bill 305 (SB 305)</u>. SB 305 provided state authority under Nevada Revised Statute (<u>NRS) 557</u> for the registration, compliance and enforcement of industrial hemp production. <u>Nevada Administrative Code (NAC) 557</u> was established and approved in 2016, with production certification issued in 2017. In response to program

^{*}Data reported is based on harvest data submitted and field inspection observations

requirements detailed in the 2018 farm bill, 2019 Nevada Senate Bill (SB) 347 was established and passed to revise NRS 557. During the 2019 legislative session, Nevada Senate Bill 209 was also passed, requiring the NDA to provide opportunity for retesting of any failed crop. NAC 557 was revised through temporary regulations to meet requirements in the Final Rule. Temporary regulations (LCB T001-21) were adopted on February 17, 2021 since Nevada is currently in the middle of a legislative year, which postponed permanent regulation adoption through the Nevada Legislative Commission to after July 1, 2021. The NDA will pursue permanent regulation adoption in July/August of 2021 which will replace the current temporary regulations (in effect through November 1, 2021).

Nevada State Plan Elements:

1. Maintain Relevant Information Regarding Land Use and Applicant Details.

The following sections demonstrate the state's plan "to maintain relevant information regarding land on which hemp is produced in the State ... including a legal description of the land, for a period of not less than 3 calendar years[.]" see Sec.297B(a)(2)(A)(i)

- See Nevada Revised Statues (NRS) 557.200 Registration as grower, handler or producer; submission of application; establishment of provisions for transfer of registration and fees by regulation.
- See Temporary Regulation NAC 557; LCB T001-21 Section 7
- See Nevada Revised Statues (NRS) 557.190 Applicability.
 - This statute clarifies that this regulation applies to growers only.
- *See Nevada Revised Statues (NRS) 557.205* Registration of site used for growing, handling or producing hemp.
- *See Nevada Revised Statues (NRS) 557.230* Renewal of registration: Additional requirements.

1a. NDA's Registration Processes

- NRS 557 grants the NDA authority to require hemp grower, seed producer, and handler applications to be submitted to the NDA for approval. Applications are recorded as digital files and will be retained for no less than three years per CFR Sec.297B(a)(2)(A)(i). Per NRS 557.200(4); and Section 7 of T001-21 "A person who wishes to register with the Department as a grower, handler or producer must submit to the Department the fee established pursuant to subsection 8 and an application, on a form prescribed by the Department, which includes:
 - (a) The name and address of the applicant;
 - (b) The name and address of the applicant's business in which hemp or agricultural hemp seed will be grown, handled or produced, if different than that of the applicant;
 - (c) Information concerning the land and crop management practices of the applicant; and
 - (d) Such other information as the Department may require by regulation."
- The NDA hemp applications require applicants to submit their EIN, contact information including name, phone number, email address, website (if applicable), and mailing address. NDA hemp applications also require applicants to submit the name of the business entity (if recognized by the Secretary of State), copy of the applicant business license, the physical site address, site GPS coordinates, description of growing area, the EIN number of the business (if applicable), and a map of their intended growing area (see

attachment E). All hemp growing areas are recorded by NDA staff in excel databases, Google Earth mapping files, and NDA digital files. Approved applicants are issued a certificate reflecting the authorized hemp grow, seed production, and/or handling. All certificates are embossed with the NDA seal to reduce risk of fraudulent certificate replication.

Hemp Applicant Requirements (see attachments E and F)

- LCB T001-21 Section 10 requires applicants to submit a current criminal history report for the past 10 years. A criminal history report from each key participant will not be required although the NDA maintains the authority to request a criminal history report from each key participant. Only the registrant as provided on the hemp grower application will be required to submit a criminal history report.
- A complete application must be submitted to the NDA from the applicant and approved prior to growing or processing hemp.
- Nevada hemp growers will be required to submit the following to the USDA, Agricultural Marketing Service (AMS) or Farm Service Agency (FSA) per LCB T001-21 Section 9 as deemed appropriate by USDA which currently includes:
 - Hemp crop acreage
 - Reporting total acreage of hemp planted, harvested, and disposed
 - Hemp grower certificate number
 - Street address
 - Geospatial location(s) of each lot or greenhouse where hemp will be produced
 - Acreage of greenhouse or indoor square footage dedicated to the production of hemp.

2. Testing Procedures.

The following section and procedures demonstrate the state's authority to perform testing and ability to comply with state plan requirements involving "procedure[s] for testing, using post decarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of hemp produced in the State ... "See Sec. 297B(a)(2)(A)(ii).

- The NDA may inspect and sample per C.F.R §990.3
- See Temporary Regulation NAC 557; LCB T001-21 Section 11 and 12
- See Nevada Revised Statues (NRS) 557.270 Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing testing; retesting
- See Nevada Revised Statues (NRS) 557.240 as amended by Senate Bill 347 Sec. 12
 Retention of records by grower or handler; inspection of records; inspection and analysis of growing crop; plan for disposal of crop; land and crop management practices.

2a. NDA Testing Processes

The NDA performs all compliance sampling and testing for Nevada hemp crops or must approve a third party lab to conduct sampling and testing per Nevada Revised Statues (NRS) 557.270. There are no third-party labs permitted to conduct hemp testing for determining crop compliance. Third party labs can provide testing to Nevada growers for the sole purpose of THC monitoring, which can aid growers when scheduling compliance

testing with the NDA and projecting appropriate harvest schedules. The NDA requires that all individual lots/varieties of hemp grown in the state of Nevada be sampled. The NDA has the ability to sample and test all of Nevada's hemp crops for compliance and will not be randomly selecting producers to be sampled and tested. All hemp lots must be tested by the NDA or a third party lab approved by the NDA (none of which have been approved to date). Should the NDA choose to authorize a third part lab for compliance testing (meaning the results of analysis provided would allow the producer to sell the product), the NDA will ensure the lab meets the lab requirements per the final rules. The NDA is currently a DEA registered lab and will maintain this registration.

Individual lots/varieties may not be commingled by the grower. (See LCB T001-21 Section 11 (8)). Detailed maps are submitted as part of the application process which are also used by sampling inspectors to ensure all crops are verified and appropriately tested.

"Acceptable hemp THC level" is defined in <u>LCB T001-21</u>: "Acceptable hemp THC level" means the delta-9 tetrahydrocannabinol content concentration level on a dry weight basis that, when reported with the laboratory's measurement of uncertainty, produces a distribution or range that includes the maximum delta-9 tetrahydrocannabinol concentration level on a dry weight basis for hemp established by 7 U.S.C. § 16390 or less."

NDA Hemp Testing Background

Prior to the passage of the 2018 Farm Bill, the NDA was testing for naturally occurring delta-9 THC. In anticipation of the farm bill's post-decarboxylation or equivalent method requirements, NDA began reporting Total Potential THC during the 2018 growing season, although these results were not used to determine compliance for 2018 hemp crops. This was done with the intent to inform growers and producers on the potential change in testing standard that could later affect their compliance with federal and state hemp THC concentrations. As part of the January 2019 certification process, registrants were notified that the NDA would be testing samples to the Total Potential THC standard as a similarly reliable method for post-decarboxylated delta-9 THC which provides an indicator of potential psychoactive effects within the sample unlike naturally occurring delta-9 THC. NRS 557 provides NDA authority to perform testing and establishes measures to be taken if the crop exceeds the maximum THC concentration established by federal law for hemp

DEA Chemistry Laboratory Registration

The NDA chemistry laboratory is currently registered with the DEA. This DEA registration will be maintained annually.

NDA Current Hemp Testing Methods

Per NRS 557.270 a sample must be analyzed to determine whether THC concentrations exceed the THC concentrations established by federal law. Being that federal law requires a post decarboxylation or similarly reliable method, the NDA must utilize at a minimum, analytical testing of samples for delta-9 tetrahydrocannabinol concentration levels through post-decarboxylation or other similarly reliable methods. Per T001-21

<u>Section 12</u>, the conversion of THCA into THC must occur using a post-decarboxylation or similarly reliable method.

Current NDA hemp compliance testing for delta-9 THC is conducted using High Performance Liquid Chromatography (HPLC) to detect Total Potential THC of the hemp sample as this testing method meets the requirements of the Agriculture Improvement Act of 2018 to account for the conversion of THC-A to THC. Test results are derived using the formula ((THC-A)(0.877))+ Delta 9-THC)=Total Potential THC, 0.877 being the mass ratio of the conversion from THC-A to THC. This equation accounts for 100% conversion of THC-A to THC. The NDA's lab measurement of uncertainty is currently 14.9%, therefore hemp samples testing up to 0.36% Total Potential THC are considered compliant. The measurement of uncertainty will be evaluated in adherence to the AOAC International standard method performance requirements (SMPR). This is the intended future testing method unless further direction is provided by USDA involving appropriate testing methods. In establishing a measurement of uncertainty, the NDA laboratory or those approved by the NDA to perform compliance testing shall meet the AOAC International SMPRs for selecting an appropriate method.

The NDA is drying samples in order to perform analysis of the sample on a dry weight basis. An established SOP is followed for drying samples prior to homogenizing and performing analysis. The NDA is confident that the established drying method for hemp samples is consistently reaching the moisture content described in the USDA guidance document and, therefore, samples are considered on a dry weight basis without necessitating moisture content analysis for each sample. As a result, the NDA proposes conducting annual verification of the applied drying method in lieu of providing dry weight analysis for every sample analyzed. For dry weight sample analysis, NDA will perform an SOP method verification assessment annually which includes dry weight analysis for a representative sample from various regions within the state. Assigned chemists will confirm that their drying method consistently reaches the dry weight content ranges described in the USDA guidance documents.

Hemp samples that fall within the acceptable THC level will be deemed compliant and a Report of Analysis (ROA) (see attachment F) clearly identifying the THC testing results will be provided to the associated grower. Any hemp crop tests that exceeds the acceptable THC level will immediately be retested by the NDA chemistry lab to confirm the initial results. The failed sample will be reported to NDA program staff for coordination with the grower to schedule a re-sample of the hemp variety, if the grower desires a re-sample and the crop has not been harvested (per Nevada Senate Bill 209 and LCB T001-21).

Upon request, the NDA will re-sample the non-compliant hemp variety. If a re-sample is not requested a non-compliant Report of Analysis (ROA) (see attachment G) will be sent to the grower with a request and deadline for the submission of a Crop Disposal Plan or remediation plan that complies with the USDA Final Rule 7 CFR 990 for NDA approval. Varieties that test within the acceptable THC level after the re-sample is analyzed will be deemed compliant. Varieties that tested above the acceptable THC level on the final test

will be subject to disposal or remediation in a method approved and overseen by the NDA. Hemp growers are responsible for submitting a crop disposal or remediation plan to the NDA for approval prior to the disposal of any non-compliant plant material per NRS 557.240.

Per the Final Rule requirements, the NDA will send all hemp sample THC results to the USDA at the same time that the results are delivered to the grower. On average, THC results are delivered 10 to 14 days after sample collection.

3. Disposal or Remediation of Plants and Products.

The following sections demonstrate the state's "procedure for the effective disposal of plants, whether growing or not, that are produced in violation of this subtitle, and products derived from those plants[.]" See Sec. 297B(a)(2)(A)(iii)(I)-(II).

- See Temporary Regulation LCB T001-21 Section 13. Disposal or Remediation Plan must comply with C.F.R. Revocation of registration and certification or destruction of plants if sample contains THC concentration exceeding the limit established by federal law. (Authority under NRS557.270)
- See Nevada Revised Statues (NRS) 557.240 as amended by Senate Bill 347 Sec. 12
 Retention of records by grower or handler; inspection of records; inspection and analysis of growing crop; plan for disposal of crop; land and crop management practices.

3a. NDA Disposal or Remediation Processes

Growers are given a written warning if their hemp sample initially tests above federal compliance standards. This written warning explains that the sample will be re-analyzed and that the crop material cannot be processed or sold into the stream of commerce. Upon confirmation of a non-compliant hemp lot, the NDA sends the grower a Report of Analysis that documents the crop test results and requires the certificate holder to submit a crop disposal or remediation plan to be approved by the NDA. Acceptable crop disposal or remediation plans will dictate a method of disposal or remediation that renders the crop unusable or completely remediated, per the Final Rules. The NDA will follow the Hemp Remediation and Disposal Guidelines issued by the USDA on January 15th, 2021. Only USDA approved remediation methods will be approved by the NDA. Once the disposal or remediation plan is approved by the NDA, NDA staff coordinate with the certificate holder to schedule a date and time to observe and verify enactment of the approved disposal or crop remediation. This is intended to be the future method of disposal unless further direction is provided by USDA involving appropriate methods. The NDA will be collaborating with Agriculture Enforcement Officers (police employed by the NDA) and local law enforcement in verifying hemp crop disposals once this requirement is in place.

4. Enforcement Procedures for Violations of the Hemp Program.

The following sections demonstrate "procedure[s] to comply with the enforcement procedures under subsection (e)..." regarding negligent and other violations by hemp producers in Nevada. See Sec. 297B(a)(2)(A)(iv).

- See Temporary Regulation T001-21 Section 14. (NAC 557.110, NRS 561.153)
- See Nevada Revised Statues (NRS) 557.280 Authorized actions by NDA for certain violations of law, regulations or orders.
- See Nevada Revised Statues (NRS) 557.290 Penalties for failure to register.
- See Nevada Revised Statues (NRS) 557.270 Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing testing; retesting. Penalties for harvesting prior to testing [Effective July 1, 2020]

NAC references CFR involving negligent violations and required corrective action plans. **Violations may be disclosed and provided to law enforcement agencies per** NRS 240; 290 **and** *See LCB T001-21* Section 10 and 11.

4a. NDA Enforcement Processes

The NDA can issue a Notice of Non-compliance for violations on the part of a grower, handler or seed producer to comply with Nevada state regulations and requirements. This is the initial step in working towards compliance, depending on the severity of the violation. A Notice of Hearing is issued if the certificate holder fails to resolve the non-compliance, the non-compliance is severe, or if they are contesting the non-compliance. The NDA can pursue enforcement that includes a loss of certification, denial of future certification, and monetary fine.

- All corrective action plans for certificate holders with negligent violations must be established by following the procedures listed below:
 - 1. The NDA will provide a reasonable date by which the violation must be corrected.
 - 2. The NDA will require certificate holders with negligent violations to submit an annual report for 2 years from date of the negligent violation.
 - 3. Negligent violations are not subject to federal, state, tribal, or local government criminal enforcement action
 - 4. Three negligent violations within a 5-year period will render the producer ineligible to produce hemp for a period of 5 years from the date of the 3rd violation. A producer can receive a maximum of one negligent violation in a single growing season.
 - 5. The NDA will conduct inspections to determine if corrective action plan has appropriately been implemented.
 - 6. The producer determined to have committed the violation with a culpable mental state greater than negligence shall be reported to the U.S. Attorney General and the chief law enforcement officer of Nevada.
- The following identifies the NDA's corrective action plans for negligent violations in current statute and temporary regulations

1. Failure to provide legal description of land:

NRS 557.200 4(b) requires that the name and address of the applicant's business in which hemp or agricultural hemp seed will be grown, handled or produced be provided with their application. Additionally, NRS 557.250 requires that the applicant provides a legal description, including global positioning system coordinates. *Corrective Action:*

Failure to comply with NRS 557.200(4) (b) and NRS 557.250 would result in the NDA exercising their authority under NRS 557.280 to revoke, suspend, and/or deny future certification and/or impose an administrative fine. This authority would continue to be exercised until the non-compliance issue was rectified as applicable. *Regulatory Authority:*

NRS 557.280 Authorized actions by NDA for certain violations of law, regulations or orders.

- 1. The NDA may refuse to issue or renew, suspend or revoke the registration of a grower, handler or producer for a violation of any provision of this chapter, the regulations adopted pursuant thereto or any lawful order of the NDA.
- 2. The NDA shall impose an administrative fine in an amount not to exceed \$2,500 on any person who fails to comply with the provisions of subsection 6 of NRS 557.200.
- 3. Except as otherwise provided in subsection 2 and in addition to any other penalty provided by law, the NDA may impose an administrative fine on any person who violates any of the provisions of this chapter, the regulations adopted pursuant thereto or any lawful order of the NDA in an amount not to exceed \$2,500.

2. Failure to obtain a license:

NRS 557.200(1) states that "A person shall not grow or handle hemp or produce agricultural hemp seed unless the person is registered with the NDA as a grower, handler or producer, as applicable."

Corrective Action:

The NDA would exercise their authority under NRS 557.290 and would revoke certification, impose a fine, or report the person to local law enforcement for the production of an unauthorized hemp crop.

Regulatory Authority:

NRS 557.290 Penalties for failure to register. If a person grows or handles hemp or produces agricultural hemp seed without being registered with the NDA pursuant to NRS 557.200, the NDA shall:

- 1. Impose an administrative fine pursuant to NRS 557,280 on the person; and
- 2. Report the person to the appropriate local law enforcement agency for investigation of a violation of the provisions of <u>chapter 453</u> of NRS.

(Added to NRS by 2017, 1348; A 2019, 2354, 2588)

3. Production of cannabis exceeding the acceptable hemp THC levels.

NRS 557.240 describes the NDA's authority to perform sampling and testing for THC. It further details the various corrective actions that would be taken if the crop were to exceed the acceptable hemp THC levels as established by federal law. Additionally, the text below details the NDA's response if a hemp crop THC level meets the criteria to be considered a negligent violation as established by federal law. Nevada Administrative Code (T001-21) references the CFR pertaining to negligent violation criteria. As of March 22nd, 2021, the USDA Final Rule established a criterion of 1.0% THC to determine a negligent violation for non-compliant hemp crops and as a result this criterion would apply to Nevada regulation for a negligent violation.

Corrective Action – Non-Compliant Crops

The NDA would exercise their authority under NRS 557.240 and would require the certificate holder to submit a crop disposal or remediation plan for NDA review. See Section 3a of this document for additional detail regarding crop disposals and remediation. Failure to submit a crop disposal or remediation plan or disposing crop prior to NDA approval and oversight would necessitate the NDA issuing a Notice of Hearing to suspend or revoke the registration of the grower, issue an administrative fine, or report the grower to law enforcement.

Corrective Action – Negligent Violations

If hemp crops meet the criteria established by federal law to be considered a negligent violation, the producer will incur a negligent violation on their record and would receive a Negligent Violation notice from the NDA detailing the violation. The NDA would exercise their authority under NRS 557.240 and would require the certificate holder to submit a crop disposal or remediation plan for NDA review. Upon review and approval, NDA staff will schedule and oversee the crop disposal or remediation.

The NDA will require the producer to submit a detailed Corrective Action Plan (CAP) to identify measures that will be taken to prevent future negligent violations and reestablish compliance with the NDA program. For a period of no less than two years, the NDA will require the producer to submit an annual report detailing progress on their CAP. This submission will be required as part of the application to renew certification and will be a condition of recertification. The NDA will conduct no less than two follow-up inspections to validate compliance with the submitted CAP.

Regulatory Authority

NRS 557.240 Retention of records by grower or handler; inspection of records; inspection and analysis of growing crop; plan for disposal of crop; land and crop management practices.

- 1) A grower or handler shall keep and maintain for a period of not less than 3 years such records as the NDA may prescribe by regulation and, upon 3 days' notice, make such records available to the NDA for inspection during normal business hours. The NDA may inspect records pursuant to this subsection to determine whether a person has complied with the provisions of this chapter, the regulations adopted pursuant thereto and any lawful order of the NDA.
- 2) The NDA may inspect any growing crop of a grower and take a representative sample for analysis in the field. If the testing of such a sample from the field determines that the crop contains a THC concentration that exceeds the acceptable hemp THC level established by federal law for hemp:
 - a. The NDA may detain, seize or embargo the crop; and
 - b. The grower shall submit a plan for the effective disposal of the crop to the NDA for its approval.

For clarification, the NDA does not perform in field testing at this time and samples are analyzed at the Sparks, Nevada NDA headquarters laboratory.

- 3) If a grower fails to submit an approved plan to the NDA pursuant to paragraph (b) of subsection 2 or fails to follow the provisions of such a plan, the NDA may:
 - a) Impose any additional requirement it determines necessary upon the grower;

- b) Suspend or revoke the registration of the grower;
- c) Impose an administrative fine pursuant to NRS 557.280 on the grower;
- d) Report the grower to the appropriate local law enforcement agency for investigation of a violation of the provisions of <u>chapter 453</u> of NRS.

5. Annual Inspections of Hemp Producers.

The following sections and procedures demonstrate "a procedure for conducting annual inspections of, at minimum, a random sample of hemp producers to verify that hemp is not produced in violation of this subtitle[.]." See Sec 297B(a)(2)(A)(v).

- See <u>Temporary Regulation LCB T001-21 Section 9, 10, and 11</u>. Required reports; inspection; notification to NDA of harvest; analysis of THC concentration; disclosure of information. (NAC 557.110)
- See <u>Nevada Revised Statues (NRS) 557.270</u> Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing testing; retesting. [Effective July 1, 2020]

5a. Annual Inspections

The NDA will conduct annual inspections of random sample of certified hemp growers to verify hemp crops are not produced in violation of this part. During these annual inspections, NDA staff will walk the perimeter of the growing area to confirm compliance with the certified production area. Using a GPS devise, NDA staff will map the planted area to compare with the certified area, which was mapped using Google Earth upon application approval. The NDA inspector will also confirm with the grower which varieties have been planted and take images of the production area. A report will be drafted after each inspection to document all findings.

When hemp is produced in violation of this part in excess of the acceptable THC level and a negligent violation is issued, the NDA will conduct annual inspections for no less than two years after the violation to verify compliance. During these inspections, NDA staff will review the grower-submitted, and NDA approved, Corrective Action Plan (see section 4 of this document) to confirm the grower's progress in re-establishing compliance and verify the grower has not deviated from the agreed CAP. The inspector will collect images of their findings and will draft a report to document the inspection.

5b. NDA Sampling Processes

Senate Bill (SB) 63 Sec 2, with an intended effective date of July 1st, 2021, revises NRS 557.270 to clearly identify the NDA as responsible for collecting all Nevada hemp samples to be used for determining compliance. Regulation under T001-21 Section 11 states that the NDA will perform sampling. NRS 557.270 is being revised for clarification on program requirements per federal law under SB 63. The NDA will exercise their sampling authority under NRS 557 and perform all crop sampling as specified in regulation per T001-21 Section 11. NDA inspection staff are trained annually using the attached NDA Hemp Sampling SOP. Staff are required to shadow senior inspectors for no less than 3 hemp sampling inspections. NDA inspection staff are required to follow the hemp sampling SOP protocol for all inspections (See Attachment

J). Staff that have not undergone training and in-field learning from senior inspectors are not permitted to collect hemp samples independently. Once trained, inspection staff will be considered "trained sampling agents".

Hemp growers are required to submit a Harvest Report/Inspection Request to the NDA to initiate an NDA staff-conducted inspection of their hemp crop. All hemp crops must be harvested within the timeframe established in 7 CFR 990. Growers are responsible for notifying the NDA of the need for inspection with ample time for the inspection to be scheduled prior to harvest. Hemp growers and seed producers are encouraged to provide notification 45 days prior to intended harvest for efficient sample inspection scheduling, which can reduce total inspection costs by allowing grouped inspections to split the travel expenses.

Per NRS 557.270, all hemp crops are subject to sampling prior to harvest. Crops harvested prior to sampling shall be deemed to have failed the testing and may be detained, seized or embargoed by the NDA. The NDA shall not renew the registration of a grower or producer who harvests a crop before the testing required completed.

NDA hemp inspections:

When scheduling the inspection, the NDA request that the certificate holder or an authorized representative of the producer be present at the growing site during sample collection.

Sampling:

In previous years, for compliance testing the NDA collected 10 clippings of the top 6 inches of flowering material from 10 randomly selected plants in a hemp field. Most individual hemp "lots" historically produced in Nevada have been less than 10 acres for each variety. Per the January 15th, 2021 <u>USDA hemp sampling guidance</u>, the NDA's sampling procedure of taking 10 randomly selected main stem clippings (now from the top 5-8 inches of the main stem) would meet the confidence level of 95% requirements for producers with less than 10 acres per "lot". The NDA's sampling process will be conducted by trained sampling agents (NDA staff who have undergone the required training listed in this section) and will consist of the following:

"Lots" < 50 plants:

 20% of the plants will be sampled and homogenized which will include sampling five to eight inches from the main stem.

"Lots" <10 acres and >50 plants:

o The NDA will follow USDA sampling guidelines and will continue to collect 10 clippings from 10 randomly selected plants per "lot" for producers on 10 acres or less. The samples shall be approximately five to eight inches from the "main stem" (that includes the leaves and flowers), "terminal bud" (that occurs at the end of a stem), or "central cola" (cut stem that could develop into a bud) of the flowering top of the plant. Varieties will not be mixed and will be sampled

independently. Clippings are combined to create a homogenous composition sample that is representative of the hemp variety/lot. Sealed homogenous composition samples are delivered to the NDA's Chemistry laboratory for analysis. See the NDA Hemp Sampling SOP for step by step sampling protocol. The NDA's experience has been that producers prefer more samples and as a result "lots ranging from >50 plants and less than 10 acres will include sampling of a minimum of 10 plants.

"Lots" > 10 acres

- o The NDA will conduct performance-based sampling if 1) the "lot" is >10 acres and 2) the producer has only produced compliant crops during the previous two certification years and has complied. If this criteria is met the same sampling procedure for >50 plants and <10 acres will be applied to each "lot" per the NDA Hemp Sampling SOP.
- For growers who have produced non-compliant hemp varieties within the previous two certification years, the NDA will reference USDA hemp sampling guidance to ensure the collected sample size provides a confidence level of 95%.
- o In addition to annual compliance sampling for all producers, the NDA will conduct annual post planting site inspections for new growers to verify production compliance. During a post planting site inspection, NDA staff will map the planted growing area to verify compliance with the certified production area.

6. Information Sharing for Law Enforcement and the Secretary of Agriculture.

The following sections include "a procedure for submitting the information described in section 297C(d)(2), as applicable, to the Secretary not more than 30 days after the date on which the information is received," which includes the hemp producers contact information, a legal description of the land, and the license status and any changes in that status. See Sec 297(a)(2)(A)(vi).

The NDA maintains production information through an excel database and will upload data via the electronic submission platform established by USDA. The NDA presently shares hemp certificate information and mapping with law enforcement and will continue to share information with law enforcement. Information sharing in previous seasons has included an open dialog with Nevada law enforcement, direct sharing of the NDA's grower and producer database and sharing of the NDA's GIS database with all hemp production maps. A contact list of law enforcement agencies has been acquired and NDA's Information Technology staff are working on establishing a viewer access profile within their GIS and licensing program that would allow law enforcement to have immediate access to Nevada hemp certificate holder data.

Per T001-21 Section 9(2) all certified hemp growers in Nevada are required to annually submit a report to the Farm Service Agency (FSA) containing any information regarding the production of hemp. The information that must be provided is determined by the NDA which will be defaulted to any report submission criteria established by FSA. This will allow the NDA to adapt as any registration requirements change.

6a. NDA Information Sharing Plans

Information will be shared with the USDA in the following methods:

- o Monthly producer reporting on the first of each month will be submitted using the State and Tribal Hemp Producer Report (AMS-23) as prescribed by the USDA.
- Monthly disposal reporting on the first of each month will be submitted using the <u>State and Tribal Hemp Disposal Report (AMS-24)</u> as prescribed by the USDA. This report will include the test results of all non-compliant crops that disposed under NDA observation.
- Annual hemp reporting will be submitted using the <u>State and Tribal Hemp Annual</u> <u>Report</u> (AMS-25) as prescribed by the USDA.
- o The NDA will educate certificate holders on reporting crop acreage data to FSA.

7. Hemp Produced for Research

The following section describes the NDA's approach to hemp production for research purposes and outlines requirements for research producers.

- Producers that produce hemp for research, along with the research institution itself, must obtain a certificate from the NDA.
- Hemp produced for research will be subject to the same sampling requirements as all other hemp growers in Nevada. See section 5a of this document for sampling information. At this time, the NDA does not have a method for alternative sampling for research producers that would ensure at a confidence level of 95% that the cannabis plant species Cannabis sativa L. will not test above the acceptable hemp THC level. The NDA will review research institution proposed alternative sampling methods upon submission and may submit a revised state plan based upon proposals received that would meet federal requirements. The NDA included flexible language in Temporary Regulation LCB T001-21 by referencing 7 C.F.R. 990 to ensure mobility if federal regulation for sampling changes. However, any future proposed sampling methods would need to be submitted in the state plan for USDA approval.
- Research institutions and producers growing hemp for research purposes shall ensure the disposal of all noncompliant plants.
- Research institutions and producers growing hemp for research purposes shall also comply with the reporting requirements including reporting disposal of noncompliant plants.
- Research institutions that handle "hot" hemp must follow CSA requirements for handling marijuana.

8. State Certification of Resources and Personnel Necessary to Administer the State Hemp Program.

The following table summarizes the NDA's staffing for Nevada's hemp program.

Nevada Department of Agriculture Hemp Program Staff		
Positions	Description	Status

Nevada Department of Agriculture Director	The Director appoints the Plant Industry Division Administrator to carry out all regulatory and education functions of the industry including the hemp program. The regulations are enacted under the Director's authority and approved by the Legislature.	Appointed February 2019
Plant Industry Division Administrator	This position oversees all programs in the NDA Plant Industry Division, including the hemp program and staff. Tasks include drafting regulation changes, coordinating project management, corresponding with State Deputy Attorney General, hiring staff, reviewing SOPs, program plans, and other program related documents.	Hired May 2019
Agriculturist IV	This position dedicates 20% of their time to making high-level program decisions involving the hemp program, overseeing hemp program staff, coordinating legal issues with the State Deputy Attorney General, guiding program policy, and overseeing program budgets.	Hired January 2020
Agriculturist II – Hemp Program Coordinator	Develop/refine registration process, review applications, schedule inspection crews, provide education to industry, state agencies regarding program requirements, complete program SOPs, draft program plans, assist with sampling and Reports of Analysis (ROAs). This position is located in Sparks.	Hired January 2020
Agriculturist II (75% hemp FTE)	Position serves as a produce safety educator and coordinates the producer certification program. They assist with the hemp program in reviewing applications, address hemp program inquiries, updating certificate holder profiles, issuing ROAs, performing site visits and hemp sampling. This position is located in Las Vegas.	Recruitment in process
Agriculturist II (50% hemp FTE)	Position serves as a produce safety inspector and assists with hemp application review, application mapping, education and enforcement, sampling, and site verification.	Recruitment in process

Agriculturist I (30% hemp FTE)	Position serves as a marketplace inspector and assists with hemp application reviews and crop sampling in the Northern part of the state.	Recruitment in process
Agriculturist I (30% hemp FTE)	Position serves as a marketplace inspector and assists with hemp application reviews and crop sampling in the Southern part of the state.	Hired January 2020
Ag Enforcement Officer (I, II, and II)	Position serves as a post certified enforcement officer that enforces all state laws pertaining to agriculture. The officer will help oversee hemp crop disposals, conduct warranted inspections, and record illegal incidents.	Various
Chemist III	Perform sample chemical analysis.	Recruitment in process

9. Other Procedures.

The following sections include "other procedures consistent with the 2018 Farm Bill", as stated in section 297B(a)(2)(B), which includes definition of terms, fee schedules, transport manifests, hemp seed, and academic hemp related research.

- *See Temporary Regulation T001-21* Fees. (NRS 557.200, 561.153)
- See Temporary Regulation T001-21 Sec 16
- See <u>Nevada Revised Statues (NRS) 557.260</u> Regulations; compliance by producer with certain requirements; requirements for agricultural hemp seed.
- See Revised Regulation to chapter 557 NAC R145-20

8a. NDA Response

Fees

The NDA has adopted a fee schedule defined by Temporary Regulation T001-21 Section 16 to charge a \$900 nonrefundable application fee for growers and seed producers, \$725 nonrefundable application fee for grower producing exclusively hemp nursery stock, \$5 per acre for growing hemp, 33 cents per 1,000 square feet, \$60 for each hour staff conducts an inspection, and a mileage charge established by the State Board of Examiners for the inspector's travel to and from the site. The NDA laboratory processing fee per sample is \$40. Laboratory processing fees are expected to increase to better reflect laboratory analysis costs.

Equivalency Testing

The NDA laboratory has participated twice in a University of Kentucky hemp proficiency testing program. This proficiency testing program is used as one of the NDA's quality assurance and quality control assessments for the testing of hemp. Hemp samples are sent from the University of Kentucky to labs across the country both public and private. Samples received by the NDA are analyzed with results sent back to the University of Kentucky. The results are tabulated in a report and the Mean and standard deviation are calculated. Participating in this program has demonstrated accuracy and precision of NDA methods.

10. Closing

Pursuant to Section 297B(a)(2)(A)(vii) of the Agriculture Improvement Act of 2018, the NDA affirms Nevada has the resources, personnel, and public interest necessary to carry out each of the practices and procedures identified in Section 297B(a)(2) of the aforementioned Act. Revised Regulation chapter NAC 557 R145-20 adopts by reference state plan requirements as listed in the Final Rules.

Attachment A Temporary Regulation LCB File No. T001-21 can be found at:

https://www.leg.state.nv.us/Register/2021TempRegi

ster/T001-21P.pdf

Attachment B

CHAPTER 557 - HEMP

GROWING AND CULTIVATION OF INDUSTRIAL HEMP FOR AGRICULTURAL OR ACADEMIC RESEARCH

NRS 557.010 NRS 557.020 NRS 557.030 NRS 557.040 NRS 557.050 NRS 557.060	Definitions. [Repealed.] "Agricultural pilot program" defined. [Repealed.] "Department" defined. [Repealed.] "Industrial hemp" defined. [Repealed.] "Institution of higher education" defined. [Repealed.] "THC" defined. [Repealed.]
NRS 557.070	Growing and cultivation of industrial hemp for certain purposes; certification and registration of site. [Repealed.]
NRS 557.080	Regulations. [Repealed.]
	GROWERS, HANDLERS AND PRODUCERS OF HEMP
NRS 557.100	Definitions.
NRS 557.110	"Agricultural hemp seed" defined.
NRS 557.120	"Crop" defined.
NRS 557.130	"Department" defined.
NRS 557.140	"Grower" defined.
NRS 557.150	"Handler" defined.
NRS 557.160	"Hemp" defined.
NRS 557.170	"Producer" defined.
NRS 557.180 NRS 557.180	"THC" defined. [Effective through June 30, 2020.] "THC" defined. [Effective July 1, 2020.]
NRS 557.190	Applicability.
NRS 557.200	Registration as grower, handler or producer; submission of application; establishment of provisions
1120 0011200	for transfer of registration and fees by regulation.
NRS 557.205	Registration of site used for growing, handling or producing hemp.
NRS 557.210	Payment of child support: Statement by applicant for registration or renewal of registration; grounds for denial. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
NRS 557.220	Suspension of registration for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of registration. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
NRS 557.225	Petition to review criminal history to obtain license; requirements; fee; report.
NRS 557.230	Renewal of registration: Additional requirements.
NRS 557.240	Retention of records by grower or handler; inspection of records; inspection and analysis of growing crop; plan for disposal of crop; land and crop management practices.
NRS 557.250	Grower to provide legal description of property on which crop is to be located; authorized methods for production of hemp; retention of hemp seed for certain purposes.
NRS 557.260	Regulations; compliance by producer with certain requirements; requirements for agricultural hemp seed.
NRS 557.270	Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing testing; retesting. [Effective through June 30, 2020.]
NRS 557.270	Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing

testing; retesting. [Effective July 1, 2020.]

GROWING AND CULTIVATION OF INDUSTRIAL HEMP FOR AGRICULTURAL OR ACADEMIC RESEARCH

- NRS 557.010 Definitions. Repealed. (See chapter 414, Statutes of Nevada 2019, at page 2593.)
- NRS 557.020 "Agricultural pilot program" defined. Repealed. (See chapter 414, <u>Statutes of Nevada 2019</u>, at page 2593.)
 - NRS 557.030 "Department" defined. Repealed. (See chapter 414, Statutes of Nevada 2019, at page 2593.)
- NRS 557.040 "Industrial hemp" defined. Repealed. (See chapter 414, <u>Statutes of Nevada 2019</u>, at page <u>2593</u>.)
- NRS **557.050** "Institution of higher education" defined. Repealed. (See chapter 414, <u>Statutes of Nevada 2019, at page 2593.</u>)
 - NRS 557.060 "THC" defined. Repealed. (See chapter 414, Statutes of Nevada 2019, at page 2593.)
- NRS 557.070 Growing and cultivation of industrial hemp for certain purposes; certification and registration of site. Repealed. (See chapter 414, Statutes of Nevada 2019, at page 2593.)
 - NRS 557.080 Regulations. Repealed. (See chapter 414, Statutes of Nevada 2019, at page 2593.)

GROWERS, HANDLERS AND PRODUCERS OF HEMP

- NRS 557.100 **Definitions.** As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 557.110 to 557.180, inclusive, have the meanings ascribed to them in those sections. (Add to NRS by 2017, 1343; A 2019, 2583, 2949)
- NRS 557.110 "Agricultural hemp seed" defined. "Agricultural hemp seed" means the seed of any plant of the genus Cannabis that:
 - 1. Is sold to or intended to be sold to a grower for planting; or
 - 2. Remains in an unprocessed or partially processed condition that is capable of germination. (Added to NRS by 2017, 1343)
 - NRS **557.120** "Crop" defined. "Crop" means all hemp grown by a grower. (Added to NRS by 2017, 1343; A 2019, 2352, 2583)
 - NRS **557.130** "Department" defined. "Department" means the State Department of Agriculture. (Added to NRS by <u>2017</u>, <u>1344</u>)
- NRS 557.140 "Grower" defined. "Grower" means a person who is registered by the Department and produces hemp.
 - (Added to NRS by 2017, 1344; A 2019, 2352, 2583)
- NRS 557.150 "Handler" defined. "Handler" means a person who is registered by the Department pursuant to this chapter and handles hemp for processing into commodities, products or agricultural hemp seed. (Added to NRS by 2017, 1344; A 2019, 2352, 2583)

NRS 557.160 "Hemp" defined.

- 1. "Hemp" means any plant of the genus Cannabis sativa L. and any part of such a plant, including, without limitation, the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a THC concentration that does not exceed the maximum THC concentration established by federal law for hemp.
 - 2. "Hemp" does not include any commodity or product made using hemp.

(Added to NRS by 2017, 1344; A 2019, 2352, 2583)

NRS 557.170 "Producer" defined. "Producer" means a person who is registered by the Department pursuant to this chapter and produces agricultural hemp seed.

(Added to NRS by 2017, 1344; A 2019, 2583)

NRS 557.180 "THC" defined. [Effective through June 30, 2020.] "THC" has the meaning ascribed to it in NRS 453A.155.

(Added to NRS by 2017, 1344)

NRS 557.180 "THC" defined. [Effective July 1, 2020.] "THC" has the meaning ascribed to it in NRS 453.139.

(Added to NRS by <u>2017</u>, <u>1344</u>; A <u>2019</u>, <u>3883</u>, effective July 1, 2020)

NRS 557.190 Applicability. The provisions of this chapter do not apply to:

- 1. A person who purchases, for the purpose of resale, hemp or a commodity or product made using hemp which was not grown or processed by the person; or
- 2. A person who transports hemp or a commodity or product made using hemp which was not grown or processed by the person,
- → if such a person reasonably believes the hemp or commodity or product made using hemp was grown or processed in compliance with the provisions of this chapter.

(Added to NRS by 2017, 1344; A 2019, 2583, 2949)

NRS 557.200 Registration as grower, handler or producer; submission of application; establishment of provisions for transfer of registration and fees by regulation.

- 1. A person shall not grow or handle hemp or produce agricultural hemp seed unless the person is registered with the Department as a grower, handler or producer, as applicable.
- 2. A person who wishes to grow or handle hemp must register with the Department as a grower or handler, as applicable.
- 3. A person who wishes to produce agricultural hemp seed must register with the Department as a producer unless the person is:
- (a) A grower registered pursuant to subsection 2 who retains agricultural hemp seed solely pursuant to subsection 3 of NRS 557.250; or
- (b) A grower or handler registered pursuant to subsection 2 who processes seeds of any plant of the genus Cannabis which are incapable of germination into commodities or products.
- → A person may not register as a producer unless the person is also registered as a grower or handler.
- 4. A person who wishes to register with the Department as a grower, handler or producer must submit to the Department the fee established pursuant to subsection 8 and an application, on a form prescribed by the Department, which includes:
 - (a) The name and address of the applicant;
- (b) The name and address of the applicant's business in which hemp or agricultural hemp seed will be grown, handled or produced, if different than that of the applicant;
 - (c) Information concerning the land and crop management practices of the applicant; and
 - (d) Such other information as the Department may require by regulation.
- 5. Registration as a grower, handler or producer expires on December 31 of each year and may be renewed upon submission of an application for renewal containing:
- (a) Proof satisfactory to the Department that the applicant complied with the provisions of this chapter and the regulations adopted pursuant thereto relating to testing of hemp;

- (b) Proof satisfactory to the Department that the land and crop management practices of the applicant are adequate, consistent with any previous information submitted to the Department and do not negatively affect natural resources; and
 - (c) Such other information as the Department may require by regulation.
- 6. A grower, handler or producer who intends to surrender or not renew a registration must notify the Department not less than 30 days before the registration is surrendered or expires and submit to the Department a plan for the effective disposal or eradication of any existing live plants, viable seed or harvested crop.
- 7. The Department shall adopt regulations that authorize the transfer of a registration as a grower, handler or producer and establish conditions for such a transfer. The regulations must include, without limitation, provisions which allow a grower, handler or producer which changes its business name or the ownership of the grower, handler or producer to transfer its registration to the new entity.
- 8. The Department shall establish by regulation fees for the issuance and renewal of registration as a grower, handler or producer and for any other service performed by the Department in an amount necessary to cover the costs of carrying out this chapter.

(Added to NRS by 2017, 1344; A 2019, 2352, 2584)

NRS 557.205 Registration of site used for growing, handling or producing hemp. Each site used for growing, handling or producing hemp in this State must be certified by and registered with the Department before growing, handling or producing hemp.

(Added to NRS by 2019, 2583)

- NRS 557.210 Payment of child support: Statement by applicant for registration or renewal of registration; grounds for denial. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
- 1. In addition to any other requirements set forth in this chapter, an applicant for registration or the renewal of a registration as a grower, handler or producer shall:
 - (a) Include the social security number of the applicant in the application submitted to the Department.
- (b) Submit to the Department the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to <u>NRS 425.520</u>. The statement must be completed and signed by the applicant.
 - 2. The Department shall include the statement required pursuant to subsection 1 in:
 - (a) The application or any other forms that must be submitted for the issuance or renewal of the registration; or
 - (b) A separate form prescribed by the Department.
 - 3. Registration as a grower, handler or producer may not be issued or renewed by the Department if the applicant:
 - (a) Fails to submit the statement required pursuant to subsection 1; or
- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Department shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

(Added to NRS by 2017, 1345; A 2019, 2585)

- NRS 557.220 Suspension of registration for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of registration. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
- 1. If the Department receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is registered as a grower, handler or producer, the Department shall deem the registration issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Department receives

a letter issued to the registrant by the district attorney or other public agency pursuant to \underline{NRS} 425.550 stating that the registrant has complied with the subpoena or warrant or has satisfied the arrearage pursuant to \underline{NRS} 425.560.

2. The Department shall reinstate the registration of a grower, handler or producer that has been suspended by a district court pursuant to NRS 425.540 if the Department receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose registration was suspended stating that the person whose registration was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

(Added to NRS by 2017, 1345)

NRS 557.225 Petition to review criminal history to obtain license; requirements; fee; report.

- 1. The Department shall develop and implement a process by which a person with a criminal history may petition the Department to review the criminal history of the person to determine if the person's criminal history will disqualify the person from registering as a grower, handler or producer pursuant to NRS 557.200.
- 2. Not later than 90 days after a petition is submitted to the Department pursuant to subsection 1, the Department shall inform the person of the determination of the Department of whether the person's criminal history will disqualify the person from registration. The Department is not bound by its determination of disqualification or qualification and may rescind such a determination at any time.
- 3. The Department may provide instructions to a person who receives a determination of disqualification to remedy the determination of disqualification. A person may resubmit a petition pursuant to subsection 1 not earlier than 6 months after receiving instructions pursuant to this subsection if the person remedies the determination of disqualification.
- 4. A person with a criminal history may petition the Department at any time, including, without limitation, before obtaining any education or paying any fee required to obtain a registration from the Department.
- 5. A person may submit a new petition to the Department not earlier than 2 years after the final determination of the initial petition submitted to the Department.
- 6. The Department may impose a fee of up to \$50 upon the person to fund the administrative costs in complying with the provisions of this section. The Department may waive such fees or allow such fees to be covered by funds from a scholarship or grant.
 - 7. The Department may post on its Internet website:
 - (a) The requirements to register with the Department; and
 - (b) A list of crimes, if any, that would disqualify a person from obtaining a registration from the Department.
- 8. The Department may request the criminal history record of a person who petitions the Department for a determination pursuant to subsection 1. To the extent consistent with federal law, if the Department makes such a request of a person, the Department shall require the person to submit his or her criminal history record which includes a report from:
 - (a) The Central Repository for Nevada Records of Criminal History; and
 - (b) The Federal Bureau of Investigation.
- 9. A person who petitions the Department for a determination pursuant to subsection 1 shall not submit false or misleading information to the Department.
- 10. The Department shall, on or before the 20th day of January, April, July and October, submit to the Director of the Legislative Counsel Bureau in an electronic format prescribed by the Director, a report that includes:
 - (a) The number of petitions submitted to the Department pursuant to subsection 1;
 - (b) The number of determinations of disqualification made by the Department pursuant to subsection 1;
 - (c) The reasons for such determinations; and
 - (d) Any other information that is requested by the Director or which the Department determines would be helpful.
- 11. The Director shall transmit a compilation of the information received pursuant to subsection 10 to the Legislative Commission quarterly, unless otherwise directed by the Commission.

(Added to NRS by 2019, 2948)

NRS 557.230 Renewal of registration: Additional requirements.

- 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a registration as a grower, handler or producer must indicate in the application submitted to the Department whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the business identification number assigned by the Secretary of State upon compliance with the provisions of <a href="https://chapter.chapte
 - 2. Registration as a grower, handler or producer may not be renewed by the Department if:

- (a) The applicant fails to submit the information required by subsection 1; or
- (b) The State Controller has informed the Department pursuant to subsection 5 of <u>NRS 353C.1965</u> that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
 - (1) Satisfied the debt;
 - (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
 - (3) Demonstrated that the debt is not valid.
 - 3. As used in this section:
 - (a) "Agency" has the meaning ascribed to it in NRS 353C.020.
 - (b) "Debt" has the meaning ascribed to it in NRS 353C.040.

(Added to NRS by 2017, 1346; A 2019, 2585)

NRS 557.240 Retention of records by grower or handler; inspection of records; inspection and analysis of growing crop; plan for disposal of crop; land and crop management practices.

- 1. A grower or handler shall keep and maintain for a period of not less than 3 years such records as the Department may prescribe by regulation and, upon 3 days' notice, make such records available to the Department for inspection during normal business hours. The Department may inspect records pursuant to this subsection to determine whether a person has complied with the provisions of this chapter, the regulations adopted pursuant thereto and any lawful order of the Department.
- 2. The Department may inspect any growing crop of a grower and take a representative sample for analysis in the field. If the testing of such a sample in the field determines that the crop contains a THC concentration that exceeds the maximum THC concentration established by federal law for hemp:
 - (a) The Department may detain, seize or embargo the crop; and
 - (b) The grower shall submit a plan for the effective disposal of the crop to the Department for its approval.
- 3. If a grower fails to submit an approved plan to the Department pursuant to paragraph (b) of subsection 2 or fails to follow the provisions of such a plan, the Department may:
 - (a) Impose any additional requirement it determines necessary upon the grower;
 - (b) Suspend or revoke the registration of the grower;
 - (c) Impose an administrative fine pursuant to NRS 557.280 on the grower;
- (d) Report the grower to the appropriate local law enforcement agency for investigation of a violation of the provisions of <u>chapter 453</u> of NRS.
- 4. If the Department determines that the land or crop management practices of a grower, handler or producer are inadequate, inconsistent with the information concerning such practices submitted to the Department pursuant to <u>NRS</u> 557.200 or negatively affect natural resources, the Department may impose an administrative fine pursuant to <u>NRS</u> 557.280.

(Added to NRS by 2017, 1346; A 2019, 2586)

NRS 557.250 Grower to provide legal description of property on which crop is to be located; authorized methods for production of hemp; retention of hemp seed for certain purposes.

- 1. Each grower shall provide the Department with a legal description of and additional information to identify the property on which the crop of the grower is or will be located. Such additional information must be in a manner prescribed by the Department and include, without limitation, global positioning system coordinates.
- 2. A grower may use any method for the propagation of hemp to produce hemp, including, without limitation, planting seeds or starts, using clones or cuttings or cultivating hemp in a greenhouse.
 - 3. A grower may retain agricultural hemp seed for the purpose of propagating hemp in future years. (Added to NRS by 2017, 1346; A 2019, 2353, 2586)

NRS 557.260 Regulations; compliance by producer with certain requirements; requirements for agricultural hemp seed.

- 1. The Department may adopt regulations necessary to:
- (a) Establish quality standards and requirements for the packaging and labeling of agricultural hemp seed;
- (b) Provide for the certification and registration of sites used for growing, producing or handling hemp; and
- (c) Comply with any requirement imposed by the United States Department of Agriculture, including, without limitation, any requirement related to reporting information regarding growers, handlers and producers.
 - 2. A producer shall comply with:
 - (a) Any regulation adopted by the Department pursuant to subsection 1; and

- (b) The provisions of NRS 587.015 to 587.123, inclusive, and any regulations adopted pursuant thereto.
- 3. Any agricultural hemp seed which is obtained by a grower and was produced:
- (a) In this State must be produced by a producer; and
- (b) In another state must be produced by a person who is registered and approved to produce and sell agricultural hemp seed pursuant to the laws of that state.
- 4. The Department shall provide adequate information to growers to identify producers from which a grower may purchase agricultural hemp seed.
- 5. A handler may only obtain hemp from a grower and agricultural hemp seed for cleaning and future propagation from a producer.

(Added to NRS by 2017, 1347; A 2019, 2587)

NRS 557.270 Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing testing; retesting. [Effective through June 30, 2020.]

- 1. A grower, handler or producer may submit hemp or a commodity or product made using hemp, other than a commodity or product which is intended for human consumption, to an independent testing laboratory for testing pursuant to this section and an independent testing laboratory may perform such testing.
- 2. A grower or producer shall, before harvesting, submit a sample of each crop to the Department or an independent testing laboratory approved by the Department to determine whether the crop has a THC concentration that exceeds the maximum THC concentration established by federal law for hemp. The Department may adopt regulations relating to such testing which include, without limitation:
- (a) Protocols and procedures for the testing of a crop, including, without limitation, determining appropriate standards for sampling and for the size of batches for testing; and
- (b) A requirement that a laboratory provide the results of the testing directly to the Department in a manner prescribed by the Department.
- 3. A crop which is harvested before the testing required by subsection 2 is completed shall be deemed to have failed the testing and may be detained, seized or embargoed by the Department. The Department shall not renew the registration of a grower or producer who harvests a crop before the testing required by subsection 2 is completed.
- 4. Except as otherwise provided in subsection 3 and by federal law, a grower or producer whose crop fails a test prescribed by the Department pursuant to this section may submit that same crop for retesting. The Department shall adopt regulations establishing protocols and procedures for such retesting.
- 5. As used in this section, "independent testing laboratory" means a facility certified as an independent testing laboratory pursuant to <u>NRS 453A.368</u>.

(Added to NRS by 2017, 1347; A 2019, 2353, 2587)

NRS 557.270 Requirements for submission of hemp for testing; adoption of regulations relating to testing; failing testing; retesting. [Effective July 1, 2020.]

- 1. A grower, handler or producer may submit hemp or a commodity or product made using hemp, other than a commodity or product described in subsection 1 of <u>NRS 439.532</u>, to a cannabis independent testing laboratory for testing pursuant to this section and a cannabis independent testing laboratory may perform such testing.
- 2. A grower or producer shall, before harvesting, submit a sample of each crop to the Department or a cannabis independent testing laboratory approved by the Department to determine whether the crop has a THC concentration that exceeds the maximum THC concentration established by federal law for hemp. The Department may adopt regulations relating to such testing which include, without limitation:
- (a) Protocols and procedures for the testing of a crop, including, without limitation, determining appropriate standards for sampling and for the size of batches for testing; and
- (b) A requirement that a cannabis independent testing laboratory provide the results of the testing directly to the Department in a manner prescribed by the Department.
- 3. A crop which is harvested before the testing required by subsection 2 is completed shall be deemed to have failed the testing and may be detained, seized or embargoed by the Department. The Department shall not renew the registration of a grower or producer who harvests a crop before the testing required by subsection 2 is completed.
- 4. Except as otherwise provided in subsection 3 and by federal law, a grower or producer whose crop fails a test prescribed by the Department pursuant to this section may submit that same crop for retesting. The Department shall adopt regulations establishing protocols and procedures for such retesting.
- 5. As used in this section, "cannabis independent testing laboratory" has the meaning ascribed to it in \underline{NRS} 678A.115.

(Added to NRS by 2017, 1347; A 2019, 2353, 2587, 3883, effective July 1, 2020)

NRS 557.280 Authorized actions by Department for certain violations of law, regulations or orders.

- 1. The Department may refuse to issue or renew, suspend or revoke the registration of a grower, handler or producer for a violation of any provision of this chapter, the regulations adopted pursuant thereto or any lawful order of the Department.
- 2. The Department shall impose an administrative fine in an amount not to exceed \$2,500 on any person who fails to comply with the provisions of subsection 6 of NRS 557.200.
- 3. Except as otherwise provided in subsection 2 and in addition to any other penalty provided by law, the Department may impose an administrative fine on any person who violates any of the provisions of this chapter, the regulations adopted pursuant thereto or any lawful order of the Department in an amount not to exceed \$2,500.
- 4. All fines collected by the Department pursuant to subsections 2 and 3 must be deposited with the State Treasurer for credit to the State General Fund.

(Added to NRS by 2017, 1348; A 2019, 2588, 2949)

NRS 557.290 Penalties for failure to register. If a person grows or handles hemp or produces agricultural hemp seed without being registered with the Department pursuant to NRS 557.200, the Department shall:

- 1. Impose an administrative fine pursuant to NRS 557.280 on the person; and
- 2. Report the person to the appropriate local law enforcement agency for investigation of a violation of the provisions of chapter 453 of NRS.

(Added to NRS by 2017, 1348; A 2019, 2354, 2588)

Attachment C

Nevada State Senate Bill 347 –

 $\underline{https://www.leg.state.nv.us/Session/80th2019/Bills/SB/SB347_EN.pdf}$

Attachment D

Nevada State Senate Bill 209 –

 $\underline{https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6353/Text}$

Attachment E

Grower information

This application is to request a certificate from the Nevada Department of Agriculture (NDA) to produce hemp (Cannabis sativa L.) in the state of Nevada. Certificates are valid from the issuing date to the end of the calendar year. Incomplete applications will not be processed.

PLEASE SUBMIT ALL APPLICATIONS PRIOR TO JULY 1st

Applican		4- 411:4:	1::C:	4 - : 64:	
Att names Registrant		ss to the application an	·	v	
Business r					
		ry of State's office or just lis	sted as an ind	lividual.	
Contact pe		y of state is office or flist the		,	
Phone nur					
Email add	ress:				
Mailing ac	ddress:		Applicat	ion status:	
C				□ Renewal	□ Modify
Social sec	urity # of applicant is	s required per NRS 557	.210 (a):		
Key part	icipants				
"Key part	icipant" means a sole	e proprietor, a partner	in partner.	ship, or a perso	n with executive
_		ation. A person with ex		~	
_		ve officer, chief operati			
definition	does not include non-	-executive managers sı	ıch as farm	ı, field, or shift	managers.
1. K	• 1 1				
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4. K	ey participant name:				
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	Position:				

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(riminal history i	CONCIT
Criminal history i	CDUIL

Criminal history reports must be submitted for the applicant and all key participants. See draft NAC 557 Section 7b on the NDA website.

Is the application accompanied by all required criminal history reports?

Yes No Not at this time Applicant Initials

Has the applicant been convicted of any felony related to the possession, production, sale or distribution of a controlled substance in any form within the ten (10) years immediately preceding the date of this application?*

Yes No Applicant Initials

Criminal history report means the Federal Bureau of Investigation's Identity History Summary.

^{*}Note: If the answer is yes please reach out to 775-353-3675 for additional information.

Field site details (outdoor only) Please describe location, features and <u>provide a map</u> to detail the field area, including all varietal sites.			
	<u>-</u>		
Parcel #:	Total acres:		
Field site coordinate informat	ion		
	d for each field that is non-contiguous.		
(Non-contiguous is defined as an a	rea that does not share a common border.)		
Latitude #1: Longitude #1:			
Latitude #2:			
Latitude #3:			
Physical address:			
Field site details (indoor only)			
Please describe location, features (varietal sites.	and <u>provide a map</u> to detail the field area, including all		
varietai sites.			
Parcel #:	Total sq.ft.:		
Site information			
	d for each facility that is non-contiguous. (Non-contiguous is		
defined as an area that does not sh			
Physical address:	Coordinates, if address is not available:		
	Latitude:		
	L ongitude:		

Intended pro <i>Please indicat</i>		on intentions for this c	crop.	
\square Biofuel	□ Fiber	□ Hempcrete	☐ Hemp CBD Oil	□ *Hemp Seed Stock
□ Compost	□ Grain	☐ Animal bedding		
□ Other; pleas	se describe: _			
*You must also state of Nevad	•	emp Seed Producer a	application to produce a	and sell hemp seed in the
notarized state to include the	t the legal land ement from the authorization o	landowner is require	site location? If not, a d. This statement needs n the parcel and allow spections.	Applicant's initials
Notarized auth ☐ Yes		landowner included: Not Applicable	?	Applicant's initial

Site local jurisdiction ap Site(s) must be approved by use, city/county ordinance re Please provide contact infor government. The applicant is intended use. If agriculturals Local jurisdiction:	local jurisdiction/zon estriction compliance mation and documen s responsible for ensi	and applicable building tation of site approval by uring the location is propification of this zoning jui	code compliance. local jurisdictional erly zoned for the
Contact name:		Phone:	
Documentation of appropria submitted with this applicati jurisdictional approval will	on. Applications with		Applicant's initials
Is the applicant and the grow	ving site compliant w	ith all county/city	
ordinance?	□ Yes	□ No	Applicant's initials
Has the applicant obtained a the site location? Applicants application denial or certific required for all commercial Nevada Division of Water Ro Water Rights Permit #Numb	without appropriate cation revocation. A vproduction. For more esources at (775) 684	water rights risk vater rights permit is e information, contact 1-2800.	Applicant's initials
Does the applicant have a Noname, it must be a registered office. If yes, a copy of the application included with the application	d business through th pplicant's Nevada bu	e Secretary of State's	Applicant's initials
If constructing a permanent permitting and local jurisdic	infrastructure at the s tional approval been		Applicant's initials

Varietal details

If applicant intends to use more than five varieties, please include an additional sheet documenting all varieties to be used. Variety selection details can be changed with a notification to the NDA after approval of the application.

*A hemp grower certificate is required prior to the possession of any propagative hemp material. Any operation supplying hemp material such as seeds or starts should provide the buyer with a certificate of analysis indicating the THC concentrations for the source of the material. Seed providers will need to meet the labeling requirements of NRS 587.093.

Varietal name	Approximate desired seed amount
	lbs/grams/clones
· ·	ne, please provide a description of its characteristics and known hould be provided by the supplier:
Varietal dealer contact inform	ation
• •	ce of acquired hemp materials Selection details can be
· ·	e NDA after approval of the application.
Name of varietal dealer:	
Country:	
Street address:	
City:	State:
Phone number:	
Email address:	

Associated fees

*The NDA will contact you for payment once the application's eligibility is confirmed. If you send in payment prior to receiving approval from NDA, it will be returned.

The applicant shall pay a non-refundable application fee of \$500.00 and:

- Outdoor operations must pay an additional fee of \$5.00/acre or portion thereof.
- Indoor operations must pay an additional fee \$0.33/1,000 square feet or portion thereof.

Applicant is also responsible for (fees are based upon an approximation of actual costs):

- inspection costs at \$50.00/hour /inspector for drive time, inspections and sampling,
- mileage, which will be charged at the current IRS reimbursement rate,
- any analysis which that may be conducted by the NDA.

Payment submission

The NDA will request payment for the appropriate amount calculated above once the application is reviewed and approved. Any payment submitted prior to NDA request will be returned.

Public information

Would you like your contact information	ation (Farm nai	me, county, city, e-mail) listed on the Nevada
Department of Agriculture's website	e for potential b	ouyers, industry stakeholders, etc.?
	□ Yes	□ No

Disclaimer: NO changes to this application may be made without NDA approval and a new application submitted.

Policy/Procedure Acknowledgment

I,	, declare under penalty of perjury that the provided information is true
and that	ect and that I am the owner or person with legal control of and authority to bind, the herein named applicant I have read and understand all conditions and obligations stated herein. I accept all liability associated with uction of industrial hemp and accept all responsibilities associated with production. I understand and agree:
Initials	that a certificate cannot be transferred or assigned to another business, individual, or entity without a revised application submission to the NDA.
Initials	that all hemp plant material shall be planted and harvested within the certification period listed on the hemp grower certificate. The Department must be notified if material, propagative or not, is still present after the permit period has ended. Permits expire on December 31 of each year.
Initials	that each noncontiguous land unit, with which hemp shall be grown, will be associated with a separate application. Any additional acreage or square footage will be associated with a separate application.
Initials	that no registered land area may contain <i>Cannabis spp</i> . plants or parts thereof that the registrant knows or has a reason to know, are of a variety that will produce a THC content greater than 0.3% on a dry weight basis, unless otherwise approved of by the Department of Agriculture. No registrant shall use any such variety that is known to produce THC concentration levels above 0.3% on a dry weight basis.
Initials	to allow any and all inspections/sampling that NDA deems necessary in order to validate the applicant's compliance with state and federal regulations. All compliance testing is performed by the Department.
Initials	to pay for costs on the oversight of this program. Payment must be submitted within 30 days after invoicing.
Initials	that THC concentrations for hemp must to be under or equal to the maximum federal THC limits through a post-decarboxylation or similarly-reliable method on a dry weight basis in order to be sold. Crop that does not meet these standards will be subject to crop disposal.
 Initials	that any information provided to NDA can be utilized for public disclosure and be provided to law enforcement agencies without further notice to the registrant.
Initials	any operations proposed to use land that is not owned by the applicant must be accompanied by a signed, notarized affidavit from the legal owner of the land consenting to approval.
Initials	alterations of any kind to this application will require a \$500.00 amendment fee. Application details must stay consistent with all production features at all times or certification can be denied or revoked.
 Initials	that applicant is in good standing with state and federal programs and does not have any outstanding payments or any unresolved non-compliances.
 Initials	that applicant has acquired appropriate water rights for agricultural production.
Initials	that sufficient notice of approximately 45 days prior to intended harvest, in the form of a Hemp Harvest Report, will be issued to the Department to allow for sampling to be scheduled 30 days prior to any harvest. Those who submit timely notice of intended harvest will receive inspection priority.
Initials	I attest that I have notified by local jurisdiction regarding my operation and have sought all the appropriate approvals.

Signature			
Signature			
Date			

Attachment F

Handler information

Taxation?

A hemp handling facility is defined as a facility receiving raw hemp material for processing into commodities, products or agricultural hemp seed. The Hemp Handler certificate applies to processors who will be processing using agricultural processing methods. Agricultural processing methods includes grinding, pressing, extraction, seed cleaning, etc. Registrant name: Business name: Contact person: Phone number: Email address: Mailing address: Website: Application status: \square Renewal \square Modify □ New Social security # of applicant is required per NRS 557.210 section (a): Legal status of registrant (check one) ☐ Limited liability company (LLC) ☐ Corporation ☐ Individual/sole proprietor ☐ Limited partnership _____ ☐ Other: _____ Nevada Secretary of State business license number: Is applicant also a licensed hemp grower? Certificate #: _____ \square Yes \square No Site details Coordinate information: County: Address: Latitude: Longitude: _____ Parcel #: _____

Is facility a licensed "Marijuana Production Establishment" by the Nevada Department of

☐ Yes License #: ____

 \square No

Site local jurisdiction approval

Site(s) must be approved by local jurisdiction/zoning authorities to ensure compliance involving: proper zoning, water-use, city/county ordinances and applicable building codes. <u>Please provide contact information and documentation of site approval by local jurisdictional government.</u> The applicant is responsible for ensuring the location is properly zoned for the intended use. If agriculturally zoned, provide verification of this zoning jurisdiction. If a registration process is required or documentation is provided by your jurisdictional authorities, this must be attached to the application. Failure to obtain appropriate jurisdictional approval, present at the time of application submission, will result in denial or revocation of certification.

application submission, will			vocation of certification.	
Local jurisdiction: Contact name:				
Documentation of appropri submitted with this applica jurisdictional approval will	tion. <u>Appli</u>	cations with		Applicant initials
Have you provided docume	entation tha	t the handli	ng site is compliant with	
all county/city ordinance?	□ Yes	□ No		Applicant initials
If constructing a permanent permitting and local jurisdi				Applicant initials
	□ Yes	□ No	☐ Not Applicable	••
Have you provided a copy	of your Ne	vada busine	ess license?	Applicant initials
	\square Yes	□ No		ippweum mmens
If you are using combustible provide documentation of a Have you provided an approvided an approximation and approximation and approximation approximation and approximation and approximation approximation and approximation and approximation	ın approved	l fire inspec	ction.	Applicant initials
	□ Yes	\square No	☐ Not Applicable	

Below p and solv	t manufacturing explained rovide a detailed explanation of the intended processing of raw hemp. Include equipment tents intended to be used if applicable (attach additional pages, if needed). Do not products or processes that do not involve the processing of raw hemp:
Initials	I hereby declare that all the above information is accurate and my intentions shall not stray from intended purposes. If handling objectives prove to be unachievable I may alter objectives, with NDA approval, otherwise my certification status will be terminated and appropriate legal action may occur.
Public i	information
	you like your contact information (Operation name, county, city, e-mail) listed on the Department of Agriculture's website for potential buyers, industry stakeholders, etc.?
	□ Yes □ No

Disclaimer: NO changes to this application may be made without NDA approval and a new application submitted.

Policy/procedure acknowledgement

I,	, declare under penalty of perjury that the provided information is true
and that	ect and that I am the owner or person with legal control of and authority to bind, the herein named applicant I have read and understand all the conditions and obligations stated herein. I accept all liability associated handling of industrial hemp and will accept all responsibilities associated with that handling. I understand
Initials	that a certificate cannot be transferred or assigned to another business, individual, or entity without the submission and approval of a revised application and that a certificate is valid from date of issuance until December 31 of the issued year.
Initials	that all hemp plant material shall be handled and processed within the certification period identified on the certificate. The Department must be notified if material, is still present after the certification period has ended. I will submit a renewal application prior to the expiration of an active certificate if I intend on continually handling hemp.
 Initials	that each facility, with which hemp shall be handled, will be associated with a separate application.
Initials	that no registered handler may handle <i>Cannabis ssp.</i> plants or parts thereof that the registrant knows or, has a reason to know, are of a variety that will produce a THC content greater than 0.3% on a dry weight basis, unless otherwise approved to do so by the Nevada Department of Taxation Marijuana Program.
 Initials	to pay for all costs for the oversight of this program. Payment must be submitted within 30 days after invoicing.
Initials	that THC concentrations for hemp are declared to be under or equal to 0.3% Total Potential THC on a dryweight basis.
Initials	that any information provided to NDA can be utilized for public disclosure and be provided to law enforcement agencies without further notice to the registrant.
Initials	that NDA explicitly authorizes the use of registered hemp for handling purposes, unless otherwise approved. Hemp intended for processing must have been grown by a Department of Agriculture certified grower or seed producer and handler is responsible for maintaining appropriate documentation.
Initials	that alterations of any kind to this application will require a \$250.00 amendment fee. Application details must stay consistent with all production features at all times.
Initials	that in the event of a theft or loss of usable hemp plant material, compounds derived from or commodities or products produced from hemp, local law enforcement and the Nevada Department of Agriculture must be notified.
Initials	that applicant is in good standing with state and federal programs and does not have any outstanding payments or any unresolved non-compliances.
 Initials	that the operation is responsible for ensuring applicable and appropriate safe handling measures are taken to protect public health.
Signatu	re Date

Fee and payment information

*The NDA will request payment for the appropriate amount calculated above once the application is reviewed and approved. Any payment submitted prior to NDA request will be returned.

Industrial hemp handler application fee:

\$1,000.00 per facility

In addition to the application fees:

- The applicant is responsible for inspection costs at \$50.00 per hour, per inspector for drive time, inspections and sampling.
- Mileage will be charged at the current IRS reimbursement rate.
- The NDA may charge a fee for any analysis conducted.
- Fees are based upon an approximation of the actual cost of performing tests.

Payment Submission

The NDA will request payment for the appropriate amount calculated above once the application is reviewed and approved. Any payment submitted prior to NDA request will be returned.

Mail checks or money orders to:
Nevada Department of Agriculture
Attn: Industrial Hemp Program
405 South 21st Street
Sparks, Nevada 89431

Credit card charges:
Pay via phone at: 775-353-3601
Indicate payment is for handling application

Make checks payable to **Nevada Department of Agriculture**.

Application instructions

- Please file a separate application per facility location. It is possible to file multiple applications under one comprehensive payment for all locations, if the applicant intends to manage multiple handling facilities.
- When submitting this application, please ensure all information provided is accurate and current. Modification of a submitted application will require a \$250.00 amendment fee.
- It is the responsibility of each approved handling facility to follow safety guidelines involved with each manufactured product. Please refer to Nevada Administrative Code chapter 557 for testing requirements.
- All regulations related to the manufacturing of products apply to handling facilities, especially those manufacturing products intended for human consumption.
- Registration as a handler expires on December 31 of each year and may be renewed upon submission of an applications for renewal.

Signature	 	
Date		

Attachment G

This application is to request a permit from the Nevada Department of Agriculture (NDA) to produce hemp (Cannabis sativa L.) seed in the state of Nevada. To qualify, the applicant must also have an approved "Grower Application."

PLEASE SUBMIT ALL APPLICATIONS PRIOR TO JULY 1^{ST}

Registrant name:				
Operation name listed on grower application:	:			
Contact person:				
Phone number:	Email address:			
Mailing address:	Application status:			
	□ New □ Renewal □ Modify			
Production details				
Total area dedicated to seed production:	Indoor Outdoor			
-	Please include a map of the field and/or facility.			
County:	Coordinates, if address is not available:			
Physical address:	Latitude:			
	Longitude:			
	Parcel #:			
*The address/coordinates should mirror those listed o	on the associated Growers Application.			
Grower certificate #:	☐ Pending: Date of submission:			
production on the map.				
Varietal details Please include additional documentation des	cribing varietal characteristics with application,			
including a report of analysis indicating that Variety selection details may be changed with	varieties possess <0.3% Total Potential THC. h a notification to the NDA.			
Number of varieties intended for production:				

Varietal names:			Certified seed*? ☐ Yes ☐ No *Certified seed is defined in NRS 587.021.			
Associated fees *The NDA will contact send in payment prior				igibility is c	·	
The applicant shall pa	ay a non-refundable	e application	fee of \$100.0	00 and:		
<u>-</u>	ations must pay an actions must pay an ac			-		
 mileage, which 	onsible for (fees ar sts at \$50.00/hour /i h will be charged a which that may be c	inspector for the current	drive time, in IRS reimbur	nspections	and samp	
Would you like your Department of Agricu ☐ Yes		*		•		ne Nevada
Disclaimer: NO ch		cation may b plication sub		out NDA a	pproval a	nd a new
I agree to abide by al Nevada and assume r production including that my production in on December 31 of ed	esponsibility for moseeding, harvesting formation may be c	aintaining th g, transportii	e genetic ide 1g, processin	entity and p	urity at al ling. I ack	l stages of nowledge
Signature						
 Date	-					

Attachment H

Plant Industry Division



Hemp Report of Analysis 2021

Certificate No: Per the requirements of Nevada Revised Statute (NRS) Test No: 557.270, hemp crops must be tested to determine percent concentration of delta-9 tetrahydrocannabinol (THC) on a Date Received: dry weight basis. Hemp is defined as the plant Cannabis Date Reported: sativa L. and any part of such plant, whether growing or not, with a THC concentration that does not exceed the **ROA** Issue Date: maximum THC concentration established by federal law for hemp. Total potential THC concentrations reported below determines crop conformance to NRS 557.270. **Producer's Information** Phone Number: Name: Email: Address: Variety: Part of Plant: Flower and Plant Material Field Number Sampled Mass: 0.00gTest Required: Total Potential THC: X Other: The information in the above box is to be provided by the inspector.

Tetrahy	drocannabinol	(THC) Analysis
---------	---------------	------	------------

[THC-A]: 0.00 $[\Delta^{9}\text{-THC}]: \begin{array}{c} \hline 0.00 \\ \hline [\text{Total Potential THC}]: \\ \hline \end{array}$

Laday Bladlas

Remarks:

Tested utilizing High Performance Liquid Chromatography (HPLC).

ND=None Detected Less than 0.01% delta9-THC.

 $(((THC-A)(0.877)) + \Delta^9$ -THC)=Total Potential THC

Testing Conclusions:

Analysis results indicate that crop qualifies for criterion to legally meet the description of hemp. A result of 0.36% total potential THC or below is compliant with the NDA hemp program.

Signature:

Audrey Blondfield

Phone: 775.221.9653 Fax: 775.353.3638 Email: ablondfield@agri.nv.gov



Attachment I

Plant Industry Division



Hemp Report of Analysis 2021

Certificate No: Per the requirements of Nevada Revised Statute (NRS) Test No: 557.270, hemp crops must be tested to determine percent concentration of delta-9 tetrahydrocannabinol (THC) on a Date Received: dry weight basis. Hemp is defined as the plant Cannabis Date Reported: sativa L. and any part of such plant, whether growing or not, with a THC concentration that does not exceed the **ROA** Issue Date: maximum THC concentration established by federal law for hemp. Total potential THC concentrations reported below determines crop conformance to NRS 557.270. **Producer's Information** Phone Number: Name: Email: Address: Variety: Part of Plant: Flower and Plant Material Field Number Sampled Mass: 0.00gTest Required: Total Potential THC: X Other: The information in the above box is to be provided by the inspector. **Remarks: Tetrahydrocannabinol (THC) Analysis:** Tested utilizing High Performance Liquid Chromatography (HPLC). [THC-A]: ____ 0.00 $[\Delta^{9}\text{-THC}]$: 0.00ND=None Detected Less than 0.01% delta9-THC. [Total Potential THC]: 0.00 $(((THC-A)(0.877)) + \Delta^9$ -THC)=Total Potential THC

Testing Conclusions:

Analysis results indicate that crop does not qualify for criterion to legally meet the description of hemp. A result of 0.36% total potential THC or below is compliant with the NDA hemp program.

Signature: Laday Bladhar

Audrey Blondfield

Phone: 775.221.9653 Fax: 775.353.3638 Email: ablondfield@agri.nv.gov



Attachment J

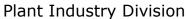




Document Control Number NDA-IHP-SOP-000-001	Standard Operating Procedures Hemp Program – Compliance Sampling Nevada Department of Agriculture	Third Edition
Effective Date 3/22/2021	Standard Procedures – Industrial Hemp Program: Sampling Procedure	Page 58 of 65

Preliminary Steps to Sampling:

- 1. Hemp sampling occurs 30 days prior to the producer's intended harvest date. The NDA sends out reminders and notices throughout the year to keep certificate holders informed. Prior to harvest season, the NDA sends out a request for Harvest Report/Inspection Request submission. Hemp growers are responsible for submitting a Harvest Report/Inspection Request to the NDA with ample notice to ensure ease of inspection scheduling 30 days prior to intended harvest. The NDA recommends Harvest Report/Inspection Request submission 45 days prior to intended harvest to allow NDA staff to be efficiently scheduled. The Harvest Report/Inspection Request is posted on the NDA website
- 2. The certificate holder or representative party must be present during the inspection. NDA staff must be accompanied by the certificate holder or representative throughout the inspection per 7 C.F.R 990.
- 3. Upon receipt of the grower's Harvest Report/Inspection Request, the Hemp Program Coordinator must record the request in the Inspection Database for that year. The Inspection Database tracks when a request is submitted, who submitted the request, the details of the inspection such as business name, varieties to inspect, acres to inspect and more, when the inspection is scheduled and which NDA staff member will conduct the inspection.





Conducting the Inspection:

The below list identifies all equipment needed to effectively conduct a hemp compliance sampling inspection. NDA staff are provided with an inspection kit which includes the following.

Equipment needed:

Item	Use
Handheld GPS	Mapping field perimeter, entry points, and flagged points
Inspection Forms	Documenting findings and sample clipping locations. Tracking hemp varieties, flowering stages
Camera	Taking pictures of areas of concern
Sealable Bags	Containing/sealing composite samples
Cooler and Ice	Storing and transporting collected samples
Nitrile Gloves	Collecting samples and maintaining sterile conditions
Bleach or Alcohol Solution	Sterilizing shears between varieties/lots.
Shears	Extracting plant clippings
Pens/Sharpies	Labeling the sample bags and completing the inspection forms
Watch/Clock	Tracking inspection time for invoicing
Scale	Weighing composite samples

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Sampling Procedure:

1. Sample Clipping Frequency per Production Size

For hemp lots with <**50 plants**:

- o Collect hemp clippings at a rate of 20% of total plants.
- \circ Example: For a trial of 45 plants, 9 clippings would be taken because 20% of 45 plants is 9 plants. 45*0.2 = 9

For hemp lots <10 acres:

o Collect clippings from 10 randomly selected hemp plants per hemp variety.

For hemp lots >10 acres:

- o If the certificate holder has been registered for the previous two certification years, and has not produced any non-compliant hemp during that time, the sampling method detailed for <10 acres will be utilized.
- If the certificate holder has produced non-compliant hemp crops during the previous two certification years, the sampling volume collected will reflect the <u>USDA Sampling Guidelines.</u>
- o If the certificate holder was not registered during previous years, the sampling volume collected will reflect the USDA Sampling Guidelines.

2. Sample Clipping Placement

Sample clippings should always be taken in a pattern that best randomizes collection. The following diagrams represent an aerial sampling image of a proper collection technique. These examples do not reflect the number of samples collected but represent the pattern for collecting random samples.

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Plant Industry Division



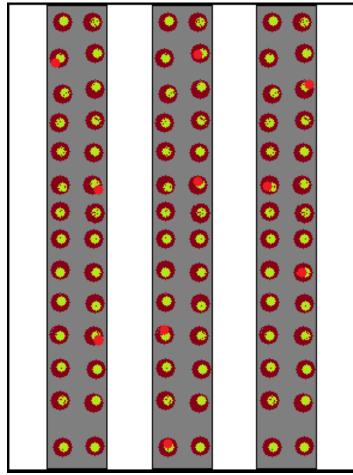


Image 1 – Greenhouse sampling of 84 plants

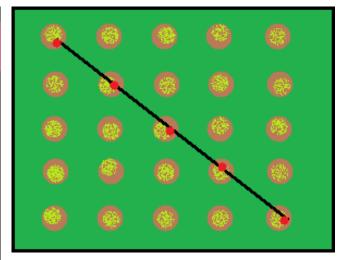


Image 2 – Small varietal trial of 25 total plants

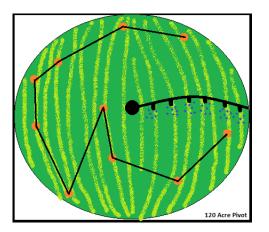


Image 3 – Sampling 120-acre pivot field





3. Clipping Extraction

Following the randomization methods in step 1, extract random clippings from a representational area of the field.

- a. Samples must be extracted from the top portion of the plant. Per 7 C.F.R. 990, "The samples shall be approximately five to eight inches from the "main stem" (that includes the leaves and flowers), "terminal bud" (that occurs at the end of a stem), or "central cola" (cut stem that could develop into a bud) of the flowering top of the plant."
- b. All clippings must be placed in one bag per variety to create a composite representative sample of that variety. Varieties cannot be mixed.

4. Bagging and Labeling

Labelling is required to preserve the integrity of the sample and prevent potential mixing of varieties. Each individual variety needs to be bagged and labeled separately.

- a. Sample bags need to be labeled with a marker accounting for the following information:
 - Name of producer
 - Certificate number
 - Name of field
 - Date sampling occurred
 - Sample number (the individual number used to identify the sample)
 - How to Create a Sample Number: YEARMONTHDAYInspector's Initials##, ie. A sample collected January 1st, 2019 by Audrey Blondfield will have a sample number: 20190101AB01
 - The sample number will continue to count up by each sample collected that day. For example, if Audrey Blondfield collected two more samples that day, even if the samples were at different production sites, the sample numbers would be 20190101AB02, 20190101AB03.

5. Completing the Inspection From

An inspection form must be completed for each variety composite sample. Inspection forms are used to track all information associated with the collection of that specific sample.

- a. Complete the inspection form for each variety composite sample to mimic the example inspection form attached at the end of these instructions.
- b. Inspection forms must include:
 - i. Registration Number (the certificate number)



- ii. Sample Number: YEARMONTHDAYInspector's Initials##, ie. A sample collected January 1st, 2019 by Audrey Blondfield will have a sample number: 20190101AB01
 - 1. The sample number will continue to count up by each sample collected that day. For example, if Audrey Blondfield collected two more samples that day, even if the samples were at different production sites, the sample numbers would be **20190101AB02**, **20190101AB03**.
- iii. Collection Date and Time
- iv. Sample Weight
- v. Business Name
- vi. Mailing Address
- vii. Crop Coordinates
- viii. Business Phone #
 - ix. Acreage
- c. Be thorough with inspection form details.
- d. Complete the form with a signature.

6. Storage and Transportation

After bagging has occurred and the samples have been sealed, the samples should be stored in a secure cooler with an adequate amount of ice that will keep them cool for the duration of the trip until they can be delivered to the NDA chemistry lab.

7. Chain of Custody

Once the inspector has returned to the NDA HQ, the samples need to be transferred to the chemistry lab. A chain of custody form must be completed for samples from each growing site.

- a. A chain of custody form for this purpose can be found at the following file path: TEAMS>Hemp>2021>Forms>Inspection Forms
- b. The inspection form can be located at the following path: TEAMS>Hemp>2021>Forms>Inspection Forms
- c. Both the <u>samples</u> and the <u>chain of custody</u> form need to be delivered to the chemistry staff simultaneously.
- d. Samples should be delivered to the lab within the same week they were harvested
- e. The variety <u>should not</u> be listed on the sample bag or chain of custody submitted to chemistry lab.

8. Invoice for Services Form





Inspectors are required to complete an invoice for each inspection site. The Invoice Number is the sample number, "dash", then all samples collected at that site/certificate.

<u>Example:</u> Audrey Blondfield collected 4 samples on January 1st, 2019. She collected the first two samples from Site A and the second two samples from Site B. The Invoice Numbers would be as follows:

Site A Invoice Number: 20190101AB01-02
Site B Invoice Number: 20190101AB03-04

Invoice forms can be located at the following file path: TEAMS>Hemp>2021>Forms>Inspection Forms

The invoice must be submitted to the accounting department immediately.





NDA Nevada Department		Plant Industry parks, Nevada, 89431	
of Agriculture IND Registration Number:	2018ØØG	Business Name:	I CANADA AND A STATE OF THE STA
Sample Number:	2018091801	Mailing Address:	Up In Smoke, LLC 420 Big Pine Ave.
Lab Sample Number:	2018091801		Las Vegas, NV 89106
Collection Date:	9/18/18	Crop Coordinates: Lat:	
Time (12hr clock format):	3:15 pm		-115.960938 decimal
Sample Weight:	- Will calculate when sample is submitted.	Business Phone: Authorized Applicant	*(775) 750-5910 my actual cell #!!
Approx. Area (Acre / Sq. F	t): 35,00 acres	Name: Roger (Labbit
Variety Sampled: (One variety per form)	Root Beer Float	Development Stage: Flowering/Not Flowering	Flowering
Sample Location: (i.e. GPS Coordinates, Greenhouse, Range/Bench #)	- Grower field :	¥ 4	let
Additional Comments:	Overhead, Pivot-st	yle irrigation	7
Sample Collected By: Print Name:	Russell Wilhelm	Inspector Signature:	Rim
	Field Illustration and Ap	proximate Sample P	oints
Example	7		
		· · · ·	
		• • •	
Analysis Conducted by: Print Na	me	Signature:	Date:
	CHAIN O	F CUSTODY	