

Amendment No. 126

Assembly Amendment to Assembly Bill No. 20 (BDR 50-321)

Proposed by: Assembly Committee on Natural Resources, Agriculture, and Mining**Amendment Box:** Replaces Amendment No. 79.**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of A.B. 20 (§ 22).

| ASSEMBLY ACTION | | | | Initial and Date | SENATE ACTION | | | | Initial and Date |
|-----------------|--------------------------|------|--------------------------|------------------|---------------|--------------------------|------|--------------------------|------------------|
| Adopted | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____ | Adopted | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____ |
| Concurred In | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ | Concurred In | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ |
| Receded | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ | Receded | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ |

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

JRS/WLK



Date: 4/8/2013

A.B. No. 20—Revises provisions governing agriculture. (BDR 50-321)



ASSEMBLY BILL NO. 20—COMMITTEE ON NATURAL
RESOURCES, AGRICULTURE, AND MINING

(ON BEHALF OF THE STATE DEPARTMENT OF AGRICULTURE)

PREFILED DECEMBER 19, 2012

Referred to Committee on Natural Resources,
Agriculture, and Mining

SUMMARY—Revises provisions governing agriculture. (BDR 50-321)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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

AN ACT relating to agriculture; deleting provisions which authorize the Director of the State Department of Agriculture to remove certain persons from office with the approval of the State Board of Agriculture; revising the classification and qualifications of certain persons appointed by the Director; expanding the purposes for which expenditures from the Livestock Inspection Account and for the Program for the Control of Pests and Plant Diseases may be made; requiring an inspector of the Department to notify an agricultural enforcement officer of certain findings made by the inspector concerning the actual legal owner of an animal; revising the circumstances under which a person may possess the carcass of a bovine animal; revising provisions governing certain farm products other than livestock, livestock products or poultry; revising the circumstances under which a person must obtain a license to engage in pest control; repealing provisions governing the Agricultural Loan Mediation Program ~~and~~ **and** slaughtering cattle without a formal inspection ~~; and licenses to engage in activities concerning the control of wood destroying pests or organisms;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Director of the State Department of Agriculture to appoint certain persons to manage and carry out the activities of the Department. (NRS 561.205, 561.209, 561.214, 561.218, 561.225) **Sections 1-5** of this bill revise the qualifications and duties of those persons and the authority of the Director to remove them. Specifically, **section 4** provides that the person appointed by the Director to manage the activities of the Department relating to natural resources and land use planning will no longer manage activities relating to the control of wild horses ~~and~~ **or the control of noxious weeds.**

Existing law creates the Livestock Inspection Account and the Program for the Control of Pests and Plant Diseases. (NRS 561.344, 561.375) **Sections 6 and 7** of this bill expand the purposes for which money may be expended from the Account or for the Program.

Under existing law, if a person is unable during a brand inspection to establish his or her legal ownership of any animal offered for inspection and the inspector conducting the brand inspection is able to determine the identity of the actual legal owner of the animal, the inspector is required to notify the legal owner in writing of the inspector's findings. (NRS 565.140) **Section 8** of this bill removes the requirement to place such notice in writing and requires the inspector to notify ~~the legal owner of the animal or~~ an agricultural enforcement officer of his or her findings. **Section 8 requires the agricultural enforcement officer who receives the notice to investigate the findings of the inspector and to provide notification of those findings to the legal owner of the animal.**

Under existing law, it is unlawful for a person to have in his or her possession all or part of the carcass of any bovine animal unless the person exhibits the hide of the animal, a certificate of inspection or a bill of sale to a certain peace officer authorized by the Department. (NRS 566.025) **Section 9** of this bill deletes the requirement that the exhibition be made to such a peace officer and instead requires the exhibition to be made to an inspector or agricultural enforcement officer of the Department.

Existing law requires the Department to adopt regulations pursuant to which a person may obtain certification that he or she is an actual producer of an agricultural product of the soil and authorizes the Department to impose fees for that certification. A person who obtains that certification is exempt from the payment of certain taxes. (NRS 576.128) **Section 14** of this bill revises existing law by providing that a person may obtain certification that he or she is an actual producer of farm products including all agricultural, horticultural, viticultural, vegetable products and hay other than any livestock, livestock product or poultry.

Existing law prohibits a person from engaging in pest control in this State or serving as an agent, operator or pilot for that purpose without obtaining a license issued by the Director. (NRS 555.280) **Section 21** of this bill expands existing law by prohibiting a person from serving as a primary principal or principal for that purpose without obtaining such a license. **Section 17** of this bill defines the term "principal" as an owner, officer, partner, member or technician of a pest control business who has qualified by examination in one or more categories of pest control. **Section 16** of this bill defines the term "primary principal" as a principal who has been designated by a pest control business as the person responsible for the daily supervision of each category of pest control. **Section 19** of this bill revises the definition of "pest control" by adding certain activities to the definition.

Existing law requires any company or person employing pest control operators, agents or pilots to pay to the Director a fee established by regulation of the State Board of Agriculture. (NRS 555.310) **Section 22** of this bill revises that requirement by requiring a company or person to pay the fee if the company or person employs a primary principal or principal. **Section 22** deletes the requirement for the payment of the fee for a pilot who is employed by the company or person.

Existing law: (1) requires each applicant for a pest control license to provide proof of insurance in an amount that is not less than \$10,000, unless the license authorizes the application of pesticides by aircraft; (2) authorizes the Director to investigate any loss or damage from the application of a pesticide by a licensed pest control operator; and (3) authorizes the Director to revoke, suspend or modify a pest control license if he or she finds that the licensee engaged in the business of pest control without having a licensed applicator or operator in direct on-the-job supervision or the licensee was intentionally guilty of fraud or deception in issuing an inspection report on wood-destroying pests or any other report required by regulation. (NRS 555.330, 555.350) **Section 23** of this bill: (1) increases the amount of insurance required for each applicant for a pest control license to an amount which is not less than \$50,000; and (2) expands the authority of the Director to conduct an investigation by authorizing him or her to investigate any loss or damage resulting from the application of a pesticide by a primary principal or principal. **Section 24** of this bill revises the authority of the Director to revoke, suspend or modify a pest control license by authorizing him or her to revoke, suspend or modify the license if he or she finds that the licensee: (1) engaged in the business of pest control without having a licensed agent, operator, primary principal or principal in direct on-the-job supervision; or (2) was intentionally guilty of fraud,

falsification or deception in issuing an inspection report on wood-destroying pests or any other report or record required by regulation.

Under existing law, a person who is licensed to engage in pest control is required to ensure that each of the licensee's business locations in this State has a primary principal who is licensed in the appropriate categories of pest control. If the licensee ceases to have a primary principal at each of those locations for 30 consecutive calendar days, his or her license is automatically suspended and remains suspended until he or she obtains a primary principal for each of those locations. (NRS 555.3507) **Section 25** of this bill deletes the requirement that the licensee retain a primary principal for each of those locations and the accompanying provisions concerning the suspension of the licensee. Instead, **section 25** only requires the licensee to ensure that the licensee's business has a primary principal who is licensed in the appropriate categories of pest control.

Section 26 of this bill repeals provisions of existing law governing: (1) the ~~issuance of licenses to engage in activities concerning the control of wood-destroying pests or organisms;~~ (2) ~~the~~ establishment and administration of the Agricultural Loan Mediation Program; ~~(3)~~ (2) the retention of hides by persons who slaughter cattle without a formal inspection system; and ~~(4)~~ (3) the conducting of inspections by inspectors of the Department and peace officers. **Section 26** also repeals the provisions of NRS 571.035, which impose a special tax upon certain classes of livestock. **Sections 10-13** of this bill reenact the provisions relating to the tax without change within chapter 575 of NRS, which governs the collection of taxes related to livestock, thereby expressing the intent of the Legislature to move those provisions to a more appropriate chapter of NRS. The reenactment of those provisions is not intended to be a substantive change to those provisions.

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

Section 1. NRS 561.205 is hereby amended to read as follows:

561.205 The Director shall appoint a person to manage the activities of the Department relating to the protection and promotion of the livestock industry of the State of Nevada. The person is in the unclassified service of the State and must:

1. Be appointed on the basis of merit;
2. Be a graduate of a veterinary school or college approved by the American Veterinary Medical Association; and
3. Have at least 5 years' experience in official work for regulating and controlling diseases in livestock.

~~{→ The Director may remove the person from office with the approval of the Board.}~~

Sec. 2. NRS 561.209 is hereby amended to read as follows:

561.209 The Director shall appoint a person to manage the activities of the Department relating to brands and marks and brand inspection in the State of Nevada. The person must be appointed on the basis of merit and is in the unclassified service of the State. ~~{The Director may remove the person from office with the approval of the Board.}~~

Sec. 3. NRS 561.214 is hereby amended to read as follows:

561.214 The Director shall appoint a person to manage the activities of the Department relating to the protection and promotion of the agricultural industry of the State of Nevada. The person is in the ~~{unclassified}~~ **classified** service of the State and must ~~{}~~ **be:**

1. ~~{Be appointed}~~ **Appointed** on the basis of merit; **and**
2. ~~{Be a}~~ **A** graduate of an accredited college or university with a major in **agricultural business or in** one of the agricultural sciences. ~~{and}~~
- ~~3. Have at least 5 years' experience in official work for regulating agriculture.~~

~~→ The Director may remove the person from office with the approval of the Board.~~

Sec. 4. NRS 561.218 is hereby amended to read as follows:

561.218 1. The Director shall appoint a person to manage the activities of the Department relating to natural resources ~~and~~ and land use planning ~~. and the management and control of wild horses, estrays and feral livestock.~~ The person must be appointed on the basis of merit and is in the unclassified service of the State. ~~The Director may remove the person from office with the approval of the Board.~~

2. The person appointed shall:

(a) ~~Establish and carry out a policy for the management and control of estrays and the preservation and allocation of natural resources necessary to advance and protect the livestock and agricultural industries in this State.~~

~~(b)~~ Develop cooperative agreements and working relationships with federal and state agencies and local governments for land use planning and the preservation and allocation of natural resources necessary to advance and protect the livestock and agricultural industries in this State.

~~(c) Cooperate with private organizations and governmental agencies to develop procedures and policies for the management and control of wild horses.~~

~~(d)~~ (b) Monitor gatherings of estrays and feral livestock conducted pursuant to the provisions of NRS 569.040 to 569.130, inclusive, and assist district brand inspectors in identifying estrays before they are sold or given a placement or other disposition through a cooperative agreement established pursuant to NRS 569.031.

~~(e)~~ (c) Provide the members of the general public with information relating to the activities of the Department and solicit recommendations from the members of the general public and advisory groups concerning those activities.

~~(f)~~ (d) Make assessments of the level of competition between livestock and wildlife for food and water ~~and shall~~ and shall collect data concerning the movement of livestock ~~and perform activities necessary to control noxious weeds.~~

~~(g)~~ (e) Participate in land use planning relating to the competition for food and water between livestock and wildlife to ensure the maintenance of the habitat of both livestock and wildlife.

~~(h)~~ (f) Present testimony, conduct research and prepare reports for the Governor, the Legislature, the Director and any other person or governmental entity as directed by the Director.

~~(i)~~ (g) Develop and carry out a program to educate the members of the general public concerning the programs administered by the Department, including programs for the management and control of estrays and feral livestock.

~~(j)~~ (h) Make proposals to the Director for the amendment of the regulations adopted by the Board pursuant to NRS 561.105.

~~(k)~~ (i) Perform such other duties as directed by the Director.

3. As used in this section:

(a) "Estray" has the meaning ascribed to it in NRS 569.0075.

(b) "Feral livestock" has the meaning ascribed to it in NRS 569.008.

~~(c) "Wild horse" means a horse, mare or colt which is unbranded and unclaimed and lives on public land.~~

Sec. 5. NRS 561.225 is hereby amended to read as follows:

561.225 1. The Director shall appoint such technical, clerical and operational staff as the execution of the Director's duties and the operation of the Department may require.

2. The Director may designate such department personnel as are required to be field agents and inspectors in the enforcement of the provisions of Titles 49 and 50 of NRS and chapters 581, 582, 583, 586, 587, 588 and 590 of NRS. ~~The~~

~~provisions of this subsection do not authorize any department personnel so designated by the Director to retire from the Public Employees' Retirement System before having attained the minimum service retirement age of 60 years.]~~

Sec. 6. NRS 561.344 is hereby amended to read as follows:

561.344 1. The Livestock Inspection Account is hereby created in the State General Fund for the use of the Department.

2. The following special taxes, fees and other money must be deposited in the Livestock Inspection Account:

(a) All special taxes on livestock as provided by law.

(b) Fees and other money collected pursuant to the provisions of chapter 564 of NRS.

(c) Fees collected pursuant to the provisions of chapter 565 of NRS.

(d) Unclaimed proceeds from the sale of estrays and feral livestock by the Department pursuant to NRS 569.005 to 569.130, inclusive, or proceeds required to be deposited in the Livestock Inspection Account pursuant to a cooperative agreement established pursuant to NRS 569.031.

(e) Fees collected pursuant to the provisions of chapter 573 of NRS.

(f) Fees collected pursuant to the provisions of chapter 576 of NRS.

(g) Laboratory fees collected for the diagnosis of infectious, contagious and parasitic diseases of animals, as authorized by NRS 561.305, and as are necessary pursuant to the provisions of chapter 571 of NRS.

3. Expenditures from the Livestock Inspection Account must be made only for carrying out the provisions of this chapter and chapters 564, ~~565~~, 569, 571, 573 and 576 of NRS.

4. The interest and income earned on the money in the Livestock Inspection Account, after deducting any applicable charges, must be credited to the Account.

Sec. 7. NRS 561.375 is hereby amended to read as follows:

561.375 1. The Program for the Control of Pests and Plant Diseases is hereby established.

2. Money accepted by the Department under the provisions of NRS 555.010 to 555.460, inclusive, from the Federal Government or any federal department or agency, a county, a city, a public district or any political subdivision of this State, a public or private corporation, or a natural person, may be used in the Program for the Control of Pests and Plant Diseases.

3. Expenditures for the Program for the Control of Pests and Plant Diseases may be made only to carry out the provisions of this chapter and ~~chapter~~ **chapters 552, 554, 555 and 587** of NRS.

Sec. 8. NRS 565.140 is hereby amended to read as follows:

565.140 1. Whenever, incident to any brand inspection under the provisions of this chapter, any inspector shall find in the possession of any person or persons offering animals for inspection any animals to which such person or persons cannot establish their legal ownership or right of possession and the inspector shall be able to determine by means of the brands or brands and marks on such animal or animals, or upon other reliable evidence, the actual legal owner or owners of such animal or animals, the inspector shall immediately notify ~~such legal owner or owners~~ ~~in writing~~ ~~for~~ **an agricultural enforcement officer** of the inspector's findings.

2. The inspector shall include in such notice:

(a) The date and place where such animal or animals were found.

(b) A full description of the same.

(c) The name and address of any person or persons in whose possession they were found.

(d) All other information which may aid the agricultural enforcement officer or the legal owner or owners of such animal or animals in securing the return thereof or compensation therefor, or in any civil suit or criminal prosecution relating thereto.

3. Upon receipt of the notice, the agricultural enforcement officer shall investigate the findings of the inspector and, as soon as practicable, provide notification of those findings to the legal owner or owners of such animal or animals.

4. As used in this section, "agricultural enforcement officer" has the meaning ascribed to it in regulations adopted by the Department.

Sec. 9. NRS 566.025 is hereby amended to read as follows:

566.025 1. It is unlawful for any person to have in his or her possession all or part of the carcass of any bovine animal unless:

~~1-1~~ (a) The animal was slaughtered at a slaughtering establishment under a United States Government, state, county or municipal inspection system which provides for adequate stamping for identification of all carcasses or parts of carcasses before release; or

~~1-2~~ (b) The person exhibits to any ~~peace officer authorized by the Department under NRS 566.035, or to any~~ inspector or agricultural enforcement officer of the Department, on demand:

~~1-a~~ (1) The hide of the animal from which the carcass was obtained, with ears and brands attached without disfiguration or alteration;

~~1-b~~ or
(2) A certificate of inspection or release of the carcass, or of the carcass and hide, issued by an inspector of the Department. ~~1-c~~

~~(c) A bill of sale, memorandum of sale or other document, signed by the seller or donor of the meat, showing the name and address of the seller or donor.~~

2. As used in this section, "agricultural enforcement officer" has the meaning ascribed to it in regulations adopted by the Department.

Sec. 10. Chapter 575 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Upon approval of the report of owners of livestock and sheep pursuant to NRS 575.180, the Department shall fix the amount of the annual special tax on each head of the following specified classes of livestock, which, except as otherwise provided in subsection 2, must not exceed the following rates per head for each class:

| <i>Class</i> | <i>Rate per head</i> |
|-----------------------------|----------------------|
| <i>Stock cattle</i> | <i>\$0.28</i> |
| <i>Dairy cattle</i> | <i>.53</i> |
| <i>Horses.....</i> | <i>.75</i> |
| <i>Mules.....</i> | <i>.75</i> |
| <i>Burros or asses.....</i> | <i>.75</i> |
| <i>Hogs and pigs.....</i> | <i>.07</i> |
| <i>Goats.....</i> | <i>.06</i> |

2. The minimum special tax due annually pursuant to this section from each owner of livestock is \$5.

3. Upon the receipt of payment of the special tax and the report thereof by the State Controller, the Department shall credit the amount of the tax as paid on its records.

1 **4. The special taxes paid by an owner of livestock, when transmitted to the**
2 **State Treasurer, must be deposited in the Livestock Inspection Account.**

3 **5. As used in this section:**

4 **(a) "Dairy cattle" are bulls, cows and heifers of the dairy breeds that are**
5 **more than 6 months old.**

6 **(b) "Stock cattle" are:**

7 **(1) Steers of any breed and other weaned calves of the beef breeds that**
8 **are more than 6 months old; and**

9 **(2) Bulls, cows and older heifers of the beef breeds.**

10 **(c) The classes consisting of horses, mules, and burros and asses exclude**
11 **animals that are less than 1 year old.**

12 **Sec. 11.** NRS 575.080 is hereby amended to read as follows:

13 575.080 As used in NRS 575.080 to 575.230, inclusive, **and section 10 of**
14 **this act**, unless the context otherwise requires:

15 1. "Board" means the State Board of Agriculture.

16 2. "Department" means the State Department of Agriculture.

17 3. "Livestock" means the animals subject to the taxes levied pursuant to ~~NRS~~
18 ~~571.035~~ **section 10 of this act.**

19 4. "Sheep" means the animals subject to the taxes levied pursuant to NRS
20 562.170 and 567.110.

21 5. "Tax" means any of the taxes levied pursuant to NRS 562.170, 567.110
22 and ~~§571.035~~ **section 10 of this act.**

23 **Sec. 12.** NRS 575.205 is hereby amended to read as follows:

24 575.205 1. Except as otherwise provided in subsection 2, any person who
25 fails to pay the tax levied by the Department pursuant to ~~NRS 571.035~~ **section 10**
26 **of this act**, within the time required, shall pay a penalty of not more than 10 percent
27 of the amount of the tax that is owed, in addition to the tax, plus interest at the rate
28 of 1.5 percent per month, or fraction of a month, from the date the tax was due until
29 the date of payment.

30 2. The Department may, for good cause shown, waive or reduce the payment
31 of the interest or penalty, or both, that is required to be paid pursuant to subsection

32 1. The Department shall, upon the request of any person, disclose:

33 (a) The name of the person whose interest or penalty was waived or reduced;
34 and

35 (b) The amount so waived or the amount of the reduction.

36 3. All taxes levied by the Department on livestock pursuant to ~~NRS~~
37 ~~571.035~~ **section 10 of this act**, and all penalties and interest accrued thereon,
38 constitute a lien upon the livestock until paid.

39 **Sec. 13.** NRS 575.210 is hereby amended to read as follows:

40 575.210 Whenever any taxes, or penalties or interest for delinquencies
41 pursuant to NRS 562.175, 575.130 or 575.205 are paid to the Department, the
42 Department shall record the payment and the date thereof with the name of the
43 person liable therefor, and the amount of taxes, penalties and interest collected
44 pursuant to NRS 562.170, 562.175, 567.110, ~~§571.035~~ 575.130 and 575.205, **and**
45 **section 10 of this act**, and transmit the revenue thereof to the State Controller for
46 deposit into the appropriate account or fund in the State Treasury.

47 **Sec. 14.** NRS 576.128 is hereby amended to read as follows:

48 576.128 1. The Department shall adopt regulations pursuant to which a
49 person may obtain certification that the person is an actual producer of ~~an~~
50 ~~agricultural product of the soil~~ **farm products other than any livestock, livestock**
51 **product or poultry.** The regulations may include provisions for the certification by
52 reciprocity of a person who holds a similar certification from another jurisdiction

1 where the requirements for that certification are substantially equal to the
2 requirements in this state.

3 2. The Department may impose fees for the certification of ~~persons~~ *a person*
4 as *an* actual ~~producers~~ *producer* of ~~an agricultural product of the soil~~ *farm*
5 *products specified in subsection 1* and any inspections necessary for that
6 certification. The fees must be set in an amount which approximates the cost to the
7 Department of performing those services and activities.

8 3. A person who obtains certification pursuant to this section is exempt from
9 any:

10 (a) Tax or other fee imposed pursuant to NRS 244.335, 266.355, subsection 7
11 of NRS 266.600, NRS 268.095, 269.170 or 269.175, relating to the issuance of any
12 license to sell or offer to sell, in its natural and unprocessed state directly to any
13 consumer, restaurant or grocery store, ~~an agricultural product of the soil~~ *farm*
14 *products specified in subsection 1* for which the person has obtained certification
15 pursuant to this section.

16 (b) Fee imposed for:

17 (1) The issuance of a permit pursuant to the provisions of chapter 446 of
18 NRS to sell or offer to sell, in its natural and unprocessed state directly to any
19 consumer, restaurant or grocery store, ~~an agricultural product of the soil~~ *farm*
20 *products specified in subsection 1* for which the person has obtained certification
21 pursuant to this section; or

22 (2) Any inspection conducted pursuant to the provisions of chapter 446 of
23 NRS relating to such a sale or offer to sell.

24 **Sec. 15.** Chapter 555 of NRS is hereby amended by adding thereto the
25 provisions set forth as sections 16 and 17 of this act.

26 **Sec. 16.** *“Primary principal” means a principal who has been designated*
27 *by a pest control business as the person responsible for the daily supervision of*
28 *each category of pest control.*

29 **Sec. 17.** *“Principal” means an owner, officer, partner, member or*
30 *technician of a pest control business who has qualified by examination in one or*
31 *more categories of pest control.*

32 **Sec. 18.** NRS 555.2605 is hereby amended to read as follows:

33 555.2605 As used in NRS 555.2605 to 555.460, inclusive, *and sections 16*
34 *and 17 of this act*, unless the context otherwise requires, the words and terms
35 defined in NRS 555.261 to 555.2695, inclusive, *and sections 16 and 17 of this act*
36 have the meanings ascribed to them in those sections.

37 **Sec. 19.** NRS 555.2667 is hereby amended to read as follows:

38 555.2667 “Pest control” means *publicly holding oneself out as being in* the
39 business of *detecting, preventing, controlling or exterminating pests or otherwise*
40 *engaging in, advertising or soliciting for:*

41 1. The use for hire of pesticides or mechanical devices for the extermination,
42 control or prevention of infestations of pests.

43 2. The inspection for hire of households or other structures and the
44 submission of reports of inspection, estimates or bids, written or oral, for the
45 inspection, extermination, control or prevention of wood-destroying pests.

46 **Sec. 20.** NRS 555.277 is hereby amended to read as follows:

47 555.277 1. The provisions of NRS 555.2605 to 555.460, inclusive, *and*
48 *sections 16 and 17 of this act* relating to licenses and requirements for their
49 issuance, except a certificate or permit to use a restricted-use pesticide, do not apply
50 to any farmer-owner of ground equipment applying pesticides for himself, herself
51 or his or her neighbors, if:

52 (a) The farmer-owner operates farm property and operates and maintains
53 equipment for applying pesticides primarily for his or her own use.

(b) The farmer-owner is not regularly engaged in the business of applying pesticides *or performing pest control* for hire as ~~†† an operator, primary principal or principal~~ or *as a regular occupation*, and the farmer-owner does not *advertise or solicit pest control or* publicly hold himself or herself out as *being in the business of pest control or as a pesticide applicator*.

(c) The farmer-owner operates his or her equipment for applying pesticides only in the vicinity of the farmer-owner's own property and for the accommodation of the farmer-owner's neighbors for agricultural purposes only.

2. The provisions of NRS 555.2605 to 555.460, inclusive, *and sections 16 and 17 of this act*, except those provisions relating to a certificate or permit to use a restricted-use pesticide, do not apply to any person using hand-powered equipment, devices or contrivances to apply pesticides to ~~†† lawns or to ornamental shrubs and trees††~~ *any landscaped area* as an incidental part of the person's business of taking care of ~~†† lawns and yards††~~ *a landscaped area* for remuneration, if that person does not *advertise or solicit pest control or* publicly hold himself or herself out as being in the business of *pest control or* applying pesticides and the cost of applying the pesticides does not exceed 20 percent of the total remuneration received.

Sec. 21. NRS 555.280 is hereby amended to read as follows:

555.280 A person shall not engage in pest control or serve as an agent, operator, ~~†† pilot~~, *primary principal or principal* for that purpose within this State at any time without a license issued by the Director.

Sec. 22. NRS 555.310 is hereby amended to read as follows:

555.310 1. The Director shall collect from each person applying for the examination or reexamination a testing fee established by regulation of the State Board of Agriculture.

2. Upon the successful completion of the testing, the Director shall, before the license is issued, collect from each person applying for a license for pest control an annual fee established by regulation of the State Board of Agriculture. Any company or person employing *primary principals, principals*, operators ~~†† pilots††~~ or agents shall pay to the Director a fee established by regulation of the Board for each *primary principal, principal*, operator ~~†† pilot††~~ or agent licensed.

Sec. 23. NRS 555.330 is hereby amended to read as follows:

555.330 1. The Director shall require from each applicant for a pest control license proof of public liability and property damage insurance in an amount of:

(a) Except as otherwise provided in paragraph (b), not less than ~~†\$10,000.†~~ *\$50,000*.

(b) If the license would authorize the application of pesticides by aircraft:

(1) Not less than \$100,000 for bodily injury to or death of one person in any one accident;

(2) Subject to the limit for one person, not less than \$300,000 for bodily injury to or death of two or more persons in any one accident; and

(3) Not less than \$100,000 for each occurrence of damage to property in any one accident.

➤ The Director may accept a liability insurance policy or surety bond in the proper amount.

2. The Director may require drift insurance for the use of pesticides or other materials declared hazardous or dangerous to humans, livestock, wildlife, crops or plantlife.

3. Any person injured by the breach of any such obligation is entitled to sue in his or her own name in any court of competent jurisdiction to recover the damages the person sustained by that breach, if each claim is made within 6 months after the alleged injury.

4. The Director on his or her own motion may, or upon receipt of a verified complaint of an interested person shall, investigate, as he or she deems necessary, any loss or damage resulting from the application of any pesticide by a licensed pest control operator ~~H~~, *primary principal or principal*. A verified complaint of loss or damage must be filed within 60 days after the time that the occurrence of the loss or damage becomes known except that, if a growing crop is alleged to have been damaged, the verified complaint must be filed before 50 percent of the crop has been harvested. A report of investigations resulting from a verified complaint must be furnished to the person who filed the complaint.

Sec. 24. NRS 555.350 is hereby amended to read as follows:

555.350 1. The Director may suspend, pending inquiry, for not longer than 10 days, and, after opportunity for a hearing, may revoke, suspend or modify any license issued under NRS 555.2605 to 555.460, inclusive, *and sections 16 and 17 of this act* if the Director finds that:

- (a) The licensee is no longer qualified;
- (b) The licensee has engaged in fraudulent business practices in pest control;
- (c) The licensee has made false or fraudulent claims through any media by misrepresenting the effect of materials or methods to be used;
- (d) The licensee has applied known ineffective or improper materials;
- (e) The licensee operated faulty or unsafe equipment;
- (f) The licensee has made any application in a faulty, careless or negligent manner;
- (g) The licensee has violated any of the provisions of NRS 555.2605 to 555.460, inclusive, *and sections 16 and 17 of this act* or regulations adopted pursuant thereto;
- (h) The licensee engaged in the business of pest control without having a licensed ~~applicator or~~ *agent*, operator, *primary principal or principal* in direct on-the-job supervision;
- (i) The licensee aided or abetted a licensed or an unlicensed person to evade the provisions of NRS 555.2605 to 555.460, inclusive, *and sections 16 and 17 of this act*, combined or conspired with such a licensee or an unlicensed person to evade the provisions, or allowed one's license to be used by an unlicensed person;
- (j) The licensee was intentionally guilty of fraud or deception in the procurement of his or her license;
- (k) The licensee was intentionally guilty of fraud, *falsification* or deception in the issuance of an inspection report on wood-destroying pests or other report *or record* required by regulation; or
- (l) The licensee has been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving moral turpitude in any court of competent jurisdiction in the United States or any other country.

2. A license is suspended automatically, without action of the Director, if the proof of public liability and property damage or drift insurance filed pursuant to NRS 555.330 is cancelled, and the license remains suspended until the insurance is re-established.

3. A licensee against whom the Director initiates disciplinary action to revoke, suspend or modify the license of the licensee pursuant to this section shall, within 30 days after receiving written notice of the disciplinary action from the Director, submit to the Director a complete set of the licensee's fingerprints and written permission authorizing the Director to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

4. A willful failure of a licensee to comply with the requirements of subsection 3 constitutes an additional ground for the revocation, suspension or modification of the license of the licensee pursuant to this section.

5. The Director has additional grounds to revoke, suspend or modify a license pursuant to this section if the report from the Federal Bureau of Investigation indicates that the licensee has been convicted of a felony or crime specified in paragraph (l) of subsection 1.

Sec. 25. NRS 555.3507 is hereby amended to read as follows:

555.3507 ~~1-1~~ A person licensed to engage in pest control shall ensure that ~~each of~~ the licensee's business ~~locations in this State~~ has a primary principal who is licensed in the appropriate category or categories of pest control.

~~2. If a licensee ceases to have a primary principal at each of the licensee's business locations in this State for 30 consecutive calendar days, his or her license for pest control is automatically suspended, without action of the Director, and remains suspended until such time as the licensee obtains a primary principal for each business location.~~

~~3. As used in this section, "primary principal" means an owner, officer, partner, member or technician of a pest control business who has qualified by examination in one or more of the categories of pest control and who has been designated by the pest control business as the person responsible for the daily supervision of the category or categories of pest control performed by a business location of the pest control business within this State.~~

Sec. 26. NRS ~~555.285~~ 561.247, 566.027, 566.035 and 571.035 are hereby repealed.

Sec. 27. Any person who, before the effective date of this act, has obtained certification that the person is an actual producer of an agricultural product of the soil in accordance with regulations adopted by the State Department of Agriculture pursuant to NRS 576.128 shall, if he or she is otherwise qualified for that certification, be deemed to be certified as an actual producer of farm products other than any livestock, livestock product or poultry in accordance with NRS 576.128, as amended by section 14 of this act.

Sec. 28. 1. Any regulations adopted by the State Department of Agriculture pursuant to NRS 561.247 are void. The Legislative Counsel shall remove those regulations from the Nevada Administrative Code as soon as practicable after the effective date of this act.

2. Any information or document made confidential by the regulations specified in subsection 1 remains confidential.

3. Any agreement for the resolution of an agricultural debt entered into pursuant to the regulations specified in subsection 1 remains in effect in accordance with the provisions of the agreement.

4. If the State Department of Agriculture receives any fees from a participant in the Agricultural Loan Mediation Program before the effective date of this section, and if any portion of those fees remains unused on that date, the Department shall, as soon as practicable after that date, return the unused portion of those fees to the participant.

Sec. 29. This act becomes effective upon passage and approval.

LEADLINES OF REPEALED SECTIONS

~~555.285 License required to engage in activities concerning control of wood destroying pests or organisms.~~

561.247 Establishment and administration of Agricultural Loan Mediation Program; fees for participation.

566.027 Persons slaughtering cattle without formal inspection system required to retain hides for 30 days; exhibition of hides or certificate of release.

566.035 Inspection by inspectors of Department and peace officers.

571.035 Maximum rate of tax; minimum tax; deposit in Livestock Inspection Account.