

ASSEMBLY BILL NO. 31—COMMITTEE ON NATURAL RESOURCES
(ON BEHALF OF THE STATE DEPARTMENT OF AGRICULTURE)

PREFILED NOVEMBER 18, 2020

Referred to Committee on Natural Resources

SUMMARY—Revises provisions governing the Nevada Petroleum Products Inspection Act. (BDR 51-276)

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

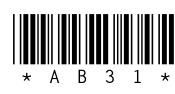
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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ***[omitted material]*** is material to be omitted.

AN ACT relating to substances regulated by the State Department of Agriculture; requiring the State Board of Agriculture to adopt standards for diesel exhaust fluid; prohibiting certain commercial activities relating to diesel exhaust fluid in certain circumstances; transferring the duty to adopt standards for aviation fuel from the State Sealer of Consumer Equitability to the Board; requiring the Board to adopt standards for petroleum heating products, not including liquefied petroleum gas and natural gas; revising provisions relating to the storage and disposal of petroleum products; eliminating certain powers and duties of the State Sealer of Consumer Equitability relating to petroleum products; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires the State Board of Agriculture to adopt by regulation
2 specifications for motor vehicle fuel that comply with certain requirements. (NRS
3 590.070) **Sections 1 and 3** of this bill additionally require the Board to adopt by
4 regulation specification standards for diesel exhaust fluid and authorize the Board
5 to follow the specification standards set forth by the International Organization for
6 Standardization or by ASTM International. **Section 1** also makes it unlawful for a
7 person to engage in certain commercial activities regarding diesel exhaust fluid
8 unless the diesel exhaust fluid conforms to the specification standards prescribed by
9 the Board. Finally, **section 1** makes a violation punishable by the imposition of a
10 fine and authorizes the Board to request the district attorney to investigate a
11 suspected violation or file a complaint, as set forth in **section 5** of this bill.



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12 Additionally, **section 5** requires the Board to enforce the specification standards for
13 diesel exhaust fluid that are adopted by the Board. **Sections 2, 4 and 10-14** of this
14 bill make conforming changes to indicate the appropriate placement of **section 1** in
15 the Nevada Revised Statutes.

16 Existing law excludes “additives” from the definition of “petroleum products,”
17 which has the effect of excluding additives from the regulatory requirements
18 imposed on petroleum products. (NRS 590.020) **Section 3** revises the definition of
19 “additives” to include substances added to motor vehicle fuel or petroleum heating
20 product, which has the effect of excluding these substances from regulatory
21 requirements which would otherwise apply. **Section 3** also applies the regulatory
22 requirements for motor vehicle fuels to certain additional types of alternative fuels.

23 Existing law provides that it is unlawful for a person to engage in certain
24 commercial activities regarding any aviation fuel unless the aviation fuel conforms
25 to the specification standards prescribed by regulation of the State Sealer of
26 Consumer Equitability. (NRS 590.073) **Section 6** of this bill transfers this duty to
27 the Board. **Section 6** also makes a violation punishable by the imposition of a fine
28 and authorizes the Board to request the district attorney to investigate a suspected
29 violation or file a complaint, as set forth in **section 5**. Additionally, **section 5**
30 requires the Board to enforce the specification standards for aviation fuel that are
31 adopted by the Board.

32 Existing law makes it unlawful to engage in certain commercial activities
33 regarding any petroleum or petroleum product to be used for heating purposes
34 unless the petroleum or petroleum product conforms to the most recent standards
35 adopted by ASTM International. (NRS 590.090) **Section 7** of this bill instead
36 prohibits a person from engaging in such commercial activities relating to any
37 petroleum heating product, not including liquefied petroleum gas or natural gas,
38 unless the petroleum heating product conforms to specification standards prescribed
39 by regulation of the Board. **Section 7** requires the Board to adopt such standards by
40 regulation and requires the regulations to conform to the specification standards set
41 forth by ASTM International. **Section 7** makes a violation of the prohibition against
42 certain commercial activities relating to any petroleum heating product punishable
43 by the imposition of a fine and authorizes the Board to request the district attorney
44 to investigate a suspected violation or file a complaint, as set forth in **section 5**.
45 Additionally, **section 5** requires the Board to enforce the specification standards
46 adopted by the Board for petroleum heating products.

47 Existing law authorizes the State Sealer of Consumer Equitability, or the
48 appointees thereof, to close and seal the outlets of any unlabeled or mislabeled
49 containers, pumps, dispensers or storage tanks connected thereto or which contain
50 any petroleum product or motor vehicle fuel which, if sold, would violate any
51 labeling requirements that are set forth in the Nevada Petroleum Products
52 Inspection Act. (NRS 590.100) **Section 8** of this bill authorizes the State Sealer of
53 Consumer Equitability or his or her appointee, upon closing and sealing an outlet,
54 to take meter readings and an inventory of the petroleum product or motor vehicle
55 fuel. **Section 8** also requires the operator of a bulk storage facility where such a
56 violation occurs to: (1) make arrangements to replace or adjust the petroleum
57 product or motor vehicle fuel to correct the violation; and (2) notify all customers
58 that have or may have received the petroleum product or motor vehicle fuel that
59 was in violation. After the petroleum product or motor vehicle fuel is removed,
60 **section 8** requires: (1) the method of disposing of the petroleum product or motor
61 vehicle fuel to be agreed to by the State Sealer of Consumer Equitability, or the
62 appointees thereof, before the petroleum product or motor vehicle fuel is disposed
63 of; and (2) the person who disposes of the petroleum product or motor vehicle fuel
64 to make available upon request of the State Sealer of Consumer Equitability, or the
65 appointees thereof, a written confirmation of the disposition of the products in
66 violation. **Section 8** further authorizes such a confirmation to be in the form of a



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67 delivery ticket, an invoice ticket, a bill of lading, a bill of sale, a terminal ticket or
68 any other proof of transfer that is approved by the Board. **Section 5** authorizes the
69 Board to adopt regulations approving other types of proof of transfer.

70 Existing law requires the Board to adopt by regulation: (1) certain
71 specifications for motor vehicle fuel; and (2) procedures for allowing variances
72 from such specifications for motor vehicle fuel. Existing law requires any
73 petroleum or petroleum product that is sold or offered for sale as motor vehicle fuel
74 to conform with the regulations that the Board adopts. (NRS 590.070) Additionally,
75 existing law requires the State Sealer of Consumer Equitability to adopt by
76 regulation standard procedures for testing petroleum products and motor vehicle
77 fuel. Existing law further authorizes the State Sealer of Consumer Equitability to
78 adopt specification standards for certain types of fuel that are used in internal
79 combustion engines. (NRS 590.100) **Section 8** removes this requirement and
80 authority from the State Sealer of Consumer Equitability, thereby leaving only the
81 Board with the authority to regulate such products and fuels.

82 **Section 9** of this bill updates the publication required by existing law to be
83 used for gravity and volume conversion and temperature correction of 60°F.
84 (NRS 590.105)

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

1 **Section 1.** Chapter 590 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *The State Board of Agriculture shall adopt by regulation
4 specification standards for diesel exhaust fluid.*

5 2. *When adopting the regulations required pursuant to
6 subsection 1, the State Board of Agriculture may follow the
7 specification standards set forth by the International Organization
8 for Standardization or by ASTM International.*

9 3. *It is unlawful for any person to sell, offer for sale or assist
10 in the sale of, or permit to be sold or offered for sale, any diesel
11 exhaust fluid unless the diesel exhaust fluid conforms to the
12 specification standards prescribed by regulation of the State Board
13 of Agriculture pursuant to subsection 1.*

14 4. *In addition to any criminal penalty that is imposed
15 pursuant to the provisions of NRS 590.150, any person who
16 violates any provision of this section may be further punished as
17 provided in NRS 590.071.*

18 **Sec. 2.** NRS 590.010 is hereby amended to read as follows:

19 590.010 NRS 590.010 to 590.150, inclusive, *and section 1 of
20 this act* may be known and cited as the Nevada Petroleum Products
21 Inspection Act.

22 **Sec. 3.** NRS 590.020 is hereby amended to read as follows:

23 590.020 As used in NRS 590.010 to 590.330, inclusive, *and
24 section 1 of this act*, unless the context otherwise requires:



1 1. “Additives” means a substance to be added to a **motor**
2 **vehicle fuel, petroleum heating product**, motor oil or lubricating oil
3 to impart or improve desirable properties or to suppress undesirable
4 properties.

5 2. “Advertising medium” means any sign, printed or written
6 matter, or device for oral or visual communication.

7 3. “Alternative fuel” includes, without limitation ~~[, premium~~
8 ~~diesel fuel, B-5 diesel fuel, B-10 diesel fuel, B-20 diesel fuel, B-100~~
9 ~~diesel fuel,]~~ :

10 (a) Any M-85 ~~[,]~~ or M-100 ~~[,]~~ fuel methanol that meets the
11 specifications for motor vehicle fuel adopted by regulation
12 pursuant to NRS 590.070;

13 (b) Any E-85 ~~[,]~~ or E-100 ~~[, liquefied]~~ fuel ethanol that meets
14 the specifications for motor vehicle fuel adopted by regulation
15 pursuant to NRS 590.070;

16 (c) Liquefied petroleum gas ~~[, natural]~~;

17 (d) Natural gas ~~[, reformulated gasoline, gasohol and~~
18 ~~oxygenated fuel]~~;

19 (e) Any hydrogen that meets the specifications for motor
20 vehicle fuel adopted by regulation pursuant to NRS 590.070;

21 (f) Electricity;

22 (g) Any biodiesel fuel that contains:

23 (1) Diesel that meets the specifications for motor vehicle
24 fuel adopted by regulation pursuant to NRS 590.070; and

25 (2) At least 5 percent by volume biodiesel fuel blend stock
26 for distillate fuels;

27 (h) Any blend of ethanol and diesel fuel:

28 (1) That contains:

29 (I) Any amount of diesel fuel that meets the
30 specifications for motor vehicle fuel adopted by regulation
31 pursuant to NRS 590.070; and

32 (II) At least 5 percent by volume ethanol; and

33 (2) That may contain a proprietary additive; and

34 (i) Any renewable diesel fuel that:

35 (1) Contains at least 20 percent by volume renewable diesel
36 blend stock for distillate fuels; and

37 (2) If a part of a blend stock, contains diesel that meets the
38 specifications for motor vehicle fuel adopted by regulation
39 pursuant to NRS 590.070.

40 ► The term does not include a fuel that is required for use in this
41 State pursuant to a state implementation plan adopted by this State
42 pursuant to 42 U.S.C. § 7410.

43 4. “Brand name” means a name or logo that is used to identify
44 a business or company.



1 5. “*Diesel exhaust fluid*” means an aqueous urea solution
2 that:

3 (a) Contains, by mass, 32.5 percent technically pure urea and
4 67.5 percent pure water;

5 (b) Is used in selective catalytic reduction to lower oxides of
6 nitrogen concentration in the exhaust emissions of diesel engines;
7 and

8 (c) Meets the standards set forth in the latest version of ISO
9 22241, “*Diesel engines — NO_x reduction agent AUS 32*” of the
10 International Organization for Standardization.

11 6. “Grade” means:

12 (a) “Regular,” “midgrade,” “plus,” “super,” “premium” or words
13 of similar meaning when describing a grade designation for
14 gasoline.

15 (b) “Diesel” or words of similar meaning, including, without
16 limitation, any specific type of diesel, when describing a grade
17 designation for diesel motor fuel.

18 (c) “M-85,” “M-100,” “E-85,” “E-100” or words of similar
19 meaning when describing a grade designation for alternative fuel.

20 (d) “Propane,” “liquefied petroleum gas,” “compressed natural
21 gas,” “liquefied natural gas” or words of similar meaning when
22 describing pressurized gases.

23 ~~6.~~ 7. “Motor vehicle fuel” means a petroleum product or
24 alternative fuel used for internal combustion engines in motor
25 vehicles. *The term does not include motor vehicle fuel additives.*

26 ~~7.~~ 8. “Performance rating” means the system adopted by the
27 American Petroleum Institute for the classification of uses for which
28 an oil is designed.

29 ~~8.~~ 9. “*Petroleum heating product*” means a petroleum
30 product that is used for heating purposes. *The term does not*
31 *include petroleum heating product additives.*

32 10. “Petroleum products” means gasoline, diesel fuel, burner
33 fuel kerosene, lubricating oil, motor oil or any product represented
34 as motor oil or lubricating oil. The term does not include liquefied
35 petroleum gas, natural gas or motor oil additives.

36 ~~9.~~ 11. “*Pure water*” means water that is:

37 (a) Very low in inorganic, organic or colloidal contaminants;
38 and

39 (b) Produced by a process such as:

40 (1) Single distillation;

41 (2) Deionization;

42 (3) Ultra-filtration; or

43 (4) Reverse osmosis.



1 **12.** “Recycled oil” means a petroleum product which is
2 prepared from used motor oil or used lubricating oil. The term
3 includes rerefined oil.

4 **[H0.] 13.** “Rerefined oil” means used oil which is refined after
5 its previous use to remove from the oil any contaminants acquired
6 during the previous use.

7 **14. “Technically pure urea” means urea that is:**

8 **(a) An industrially produced grade of urea with traces of
9 biuret, ammonia and water only;**

10 **(b) Free of aldehydes or other substances, including, without
11 limitation, anticaking agents; and**

12 **(c) Free of contaminants, including, without limitation,
13 sulphur and its compounds, chloride and nitrate.**

14 **[H1.] 15.** “Used oil” means any oil which has been refined
15 from crude or synthetic oil and, as a result of use, has become
16 unsuitable for its original purpose because of a loss of its original
17 properties or the presence of impurities, but which may be suitable
18 for another use or economically recycled.

19 **[H2.] 16.** “Viscosity grade classification” means the measure
20 of an oil’s resistance to flow at a given temperature according to the
21 grade classification system of the Society of Automotive Engineers
22 or other grade classification.

23 **Sec. 4.** NRS 590.040 is hereby amended to read as follows:

24 **590.040** 1. It is unlawful for any person to sell or offer to sell
25 any motor vehicle fuel unless a sign or label is firmly attached to or
26 painted at or near the outlet of the container from which or into
27 which the motor vehicle fuel is dispensed or received for sale or
28 delivery. Except as otherwise provided in this section, the sign or
29 label, in letters not less than one-half inch in height, must contain
30 the brand name and the grade designation of the motor vehicle fuel.
31 All containers and dispensers of lubricating and motor oil must also
32 be labeled in the same manner with the oil’s viscosity grade
33 classification and performance rating. If a lubricating or motor oil
34 has more than one viscosity grade classification or performance
35 rating, each viscosity grade classification and performance rating
36 must be included in the label. When the sign or label is attached to
37 the faucet or valve of a tank truck or tank wagon, the letters must be
38 not less than one-half inch in height. The provisions of this
39 subsection do not apply to any oil labeled “prediluted” or intended
40 only for mixture with gasoline or other motor vehicle fuel in a two-
41 cycle engine.

42 2. The inlet end of the fill pipe to each storage tank of motor
43 vehicle fuel must be labeled with the brand name and the grade of
44 the motor vehicle fuel contained therein or have a product-specific
45 pressure vessel fill connection.



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1 3. Delivery outlets for motor vehicle fuel on tank delivery
2 trucks must be labeled to comply with the requirements of this
3 section before departure from the bulk plants.

4 4. If any motor vehicle fuel has no brand name, the sign or
5 label required by subsection 1 must consist of words, in letters not
6 less than 3 inches high, that designate the specific type of motor
7 vehicle fuel followed by the words “No Brand,” such as “Gasoline,
8 No Brand” or “E-100, No Brand.”

9 5. On any container with a net content of 1 United States
10 gallon or less, the brand name or trademark, the name and address
11 of the distributor or manufacturer, the viscosity grade classification,
12 the performance rating and the words “Motor Oil” or “Lubricating
13 Oil” must be painted, printed, embossed or otherwise firmly affixed
14 on the container in letters and numerals of legible size. Such a
15 designation constitutes compliance with the provisions of this
16 section.

17 6. Small hand measures used for delivery of petroleum
18 products or motor vehicle fuel that are filled in the presence of the
19 customer need not be labeled in accordance with the provisions of
20 NRS 590.010 to 590.150, inclusive, *and section 1 of this act* if the
21 receptacle, container or pump from which petroleum products or
22 motor vehicle fuel is drawn or poured into the hand measures is
23 properly labeled as required by the provisions of NRS 590.010 to
24 590.150, inclusive *§ 590.071, and section 1 of this act*.

25 **Sec. 5.** NRS 590.071 is hereby amended to read as follows:

26 590.071 1. The State Board of Agriculture shall:

27 (a) Enforce the specifications for motor vehicle fuel adopted by
28 regulation pursuant to NRS 590.070.

29 (b) *Enforce the specification standards for diesel exhaust fluid
30 adopted by regulation pursuant to section 1 of this act.*

31 (c) *Enforce the specification standards for aviation fuel
32 adopted by regulation pursuant to NRS 590.073.*

33 (d) *Enforce the specification standards for petroleum heating
34 products adopted by regulation pursuant to NRS 590.090.*

35 (e) Adopt regulations specifying a schedule of fines that it may
36 impose, upon notice and hearing, for each violation of the
37 provisions of NRS 590.070 *§ 590.073 and 590.090 and section 1
38 of this act.* The maximum fine that may be imposed by the Board
39 for each violation must not exceed \$5,000 per day. All fines
40 collected by the Board pursuant to the regulations adopted pursuant
41 to this subsection must be deposited with the State Treasurer for
42 credit to the State General Fund.

43 2. The State Board of Agriculture may:



1 (a) *Adopt regulations approving other types of proof of
2 transfer as described in subsection 9 of NRS 590.100. Such proof of
3 transfer must contain:*

4 (1) *The name of the person or business who makes the
5 transfer;*

6 (2) *The name of the person or business to whom the
7 petroleum product or motor vehicle fuel is transferred;*

8 (3) *The date of the transfer;*

9 (4) *If the motor vehicle fuel is gasoline, the octane rating
10 number of the gasoline; and*

11 (5) *If the meter readings and physical inventory is taken or
12 caused to be taken pursuant to subsection 5 of NRS 590.100, the
13 volume, in gallons, of the petroleum product or motor vehicle fuel
14 that is transferred.*

15 (b) In addition to imposing a fine pursuant to subsection 1, issue
16 an order requiring a violator to take appropriate action to correct the
17 violation.

18 (c) Request the district attorney of the appropriate county
19 to investigate or file a criminal complaint against any person that the
20 Board suspects may have violated any provision of NRS 590.070 ~~590.073 and 590.090 and section 1 of this act.~~

22 Sec. 6. NRS 590.073 is hereby amended to read as follows:

23 590.073 1. ~~The State Board of Agriculture shall adopt~~
24 *by regulation specification standards for aviation fuel.*

25 2. *When adopting the regulations required pursuant to*
26 *subsection 1, the State Board of Agriculture may follow the*
27 *specification standards set forth by ASTM International.*

28 3. *Except as otherwise provided in subsection 5, it* is unlawful
29 for any person to sell, offer for sale or assist in the sale of, or permit
30 to be sold or offered for sale, any aviation fuel unless such fuel
31 conforms to the specification standards prescribed by regulation of
32 the State ~~Sealer of Consumer Equitability. The State Sealer of~~
33 ~~Consumer Equitability may follow the specification standards set~~
34 ~~forth by ASTM International.~~

35 ~~2. Board of Agriculture pursuant to subsection 1.~~

36 4. *In addition to any criminal penalty that is imposed*
37 *pursuant to the provisions of NRS 590.150, any person who*
38 *violates any provision of this section may be further punished as*
39 *provided in NRS 590.071.*

40 5. This section does not apply to aviation fuel for use by
41 military aircraft.

42 Sec. 7. NRS 590.090 is hereby amended to read as follows:

43 590.090 1. *The State Board of Agriculture shall adopt by*
44 *regulation specification standards for petroleum heating products,*
45 *not including liquefied petroleum gas and natural gas. Such*



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1 ***regulations must conform to the specification standards set forth***
2 ***by ASTM International.***

3 2. It is unlawful for any person, or any officer, agent or
4 employee thereof, to sell, offer for sale, or assist in the sale of or
5 permit to be sold or offered for sale any ~~petroleum or~~ petroleum
6 ***heating*** product ~~to be used for heating purposes,], not including~~
7 ***liquefied petroleum gas and natural gas***, unless the ~~petroleum or~~
8 petroleum ***heating*** product conforms to the ~~most recent~~
9 ***specification*** standards ~~adopted by~~ ASTM International.]
10 ***prescribed by regulation of the State Board of Agriculture***
11 ***pursuant to subsection 1.***

12 ~~2.~~ 3. All bulk storage tanks, dispensers and petroleum tank
13 truck compartment outlets containing or dispensing heating fuel
14 must be labeled with the brand name and the grade designation of
15 the heating fuel.

16 ~~3.~~ 4. A person shall not use the numerical grade designation
17 for heating fuels adopted by ASTM International unless the
18 designation conforms to that designation. Persons using a
19 designation other than the numerical grade designation adopted by
20 ASTM International must file with the Division of Consumer
21 Equitability of the State Department of Agriculture the designation
22 to be used together with its corresponding grade designation of
23 ASTM International.

24 5. ***In addition to any criminal penalty that is imposed***
25 ***pursuant to the provisions of NRS 590.150, any person who***
26 ***violates any provision of this section may be further punished as***
27 ***provided in NRS 590.071.***

28 **Sec. 8.** NRS 590.100 is hereby amended to read as follows:

29 590.100 The State Sealer of Consumer Equitability is charged
30 with the proper enforcement of NRS 590.010 to 590.150, inclusive,
31 ***and section 1 of this act*** and has the following powers and duties:

32 1. The State Sealer of Consumer Equitability may publish
33 reports relating to petroleum products and motor vehicle fuel in such
34 form and at such times as he or she deems necessary.

35 2. The State Sealer of Consumer Equitability, or the appointees
36 thereof, shall inspect and check the accuracy of all measuring
37 devices for petroleum products and motor vehicle fuel maintained in
38 this State, and shall seal all such devices whose tolerances are found
39 to be within those prescribed by the National Institute of Standards
40 and Technology.

41 3. The State Sealer of Consumer Equitability, or the appointees
42 thereof, or any member of the Nevada Highway Patrol, may take
43 such samples as he or she deems necessary of any petroleum
44 product or motor vehicle fuel that is kept, transported or stored
45 within the State of Nevada. It is unlawful for any person, or any



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1 officer, agent or employee thereof, to refuse to permit the State
2 Sealer of Consumer Equitability, or the appointees thereof, or any
3 member of the Nevada Highway Patrol, in the State of Nevada, to
4 take such samples, or to prevent or to attempt to prevent the State
5 Sealer of Consumer Equitability, or the appointees thereof, or any
6 member of the Nevada Highway Patrol, from taking them. If the
7 person, or any officer, agent or employee thereof, from which a
8 sample is taken at the time of taking demands payment, then the
9 person taking the sample shall pay the reasonable market price for
10 the quantity taken.

11 4. The State Sealer of Consumer Equitability, or the appointees
12 thereof, may close and seal the outlets of any ~~unlabeled or~~
13 ~~mislabeled~~] containers, pumps, dispensers or storage tanks
14 connected thereto *which are unlabeled or mislabeled* or which
15 contain any petroleum product or motor vehicle fuel which, if sold,
16 would violate any of the provisions of NRS 590.010 to 590.150,
17 inclusive, *and section 1 of this act* and shall post, in a conspicuous
18 place on the premises where those containers, pumps, dispensers or
19 storage tanks have been sealed, a notice stating that the action of
20 sealing has been taken in accordance with the provisions of NRS
21 590.010 to 590.150, inclusive, *and section 1 of this act* and giving
22 warning that it is unlawful to break, mutilate or destroy the seal or
23 seals thereof under penalty as provided in NRS 590.110.

24 5. *Upon closing and sealing an outlet pursuant to subsection*
25 *4, the State Sealer of Consumer Equitability, or the appointees*
26 *thereof:*

27 (a) *May take or cause to be taken meter readings and a*
28 *physical inventory of the petroleum product or motor vehicle fuel;*
29 *and*

30 (b) *If meter readings and an inventory are taken pursuant to*
31 *paragraph (a), shall ensure that the findings of the meter readings*
32 *and physical inventory are reported in the confirmation for*
33 *disposition.*

34 6. *If a violation of any of the provisions of NRS 590.010 to*
35 *590.150, inclusive, and section 1 of this act occurs at a bulk*
36 *storage facility, the operator of the bulk storage facility shall,*
37 *within 12 hours after being notified by the State Sealer of*
38 *Consumer Equitability, or the appointees thereof, of the violation,*
39 *make any arrangements necessary to replace or adjust the*
40 *petroleum product or motor vehicle fuel so that the product or fuel*
41 *is no longer in violation. Except as otherwise provided in this*
42 *subsection, the operator of the bulk storage facility shall also,*
43 *within 12 hours after being notified by the State Sealer of*
44 *Consumer Equitability, or the appointees thereof, notify all*
45 *customers that have or may have received the petroleum product*



1 *or motor vehicle fuel that is in violation. The operator of the bulk
2 storage facility shall make available to the State Sealer of
3 Consumer Equitability, or the appointees thereof, upon request, a
4 complete list of customers contacted and how such contact was
5 made. The State Sealer of Consumer Equitability may exempt
6 from the notification requirement a bulk storage facility where
7 such a violation occurs if:*

8 *(a) The petroleum product or motor vehicle fuel is used for
9 blending purposes or is designed for special equipment or
10 services; and*

11 *(b) The operator of the bulk storage facility can demonstrate
12 that the distribution of the petroleum product or motor vehicle fuel
13 will be restricted to those uses.*

14 7. The State Sealer of Consumer Equitability, or the appointees
15 thereof, shall, upon at least 24 hours' notice to the owner, manager,
16 operator or attendant of the premises where a container, pump,
17 dispenser or storage tank has been sealed ~~16~~ pursuant to subsection
18 4, and at the time specified in the notice, break the seal for the
19 purpose of permitting the removal of the contents of the container,
20 pump, dispenser or storage tank. If the contents are not immediately
21 and completely removed, the container, pump, dispenser or storage
22 tank must be again sealed.

23 ~~16~~ 8. *After removing the contents pursuant to subsection 7
24 and before the contents may be disposed of, the method of
25 disposition of the contents must be agreed to by the State Sealer of
26 Consumer Equitability, or the appointees thereof.*

27 9. *After the method of disposition of the contents is agreed to
28 pursuant to subsection 8 and the disposition occurs, the person
29 who disposes of the contents shall make available in writing to the
30 State Sealer of Consumer Equitability, or the appointees thereof, a
31 confirmation of the disposition of the products in violation. Such a
32 confirmation of disposition must include the volume, in gallons, of
33 the petroleum product or motor vehicle fuel that is transferred if
34 the meter readings and physical inventory are taken or caused to
35 be taken pursuant to subsection 5. A confirmation of the
36 disposition of the products in violation may be in the form of:*

37 *(a) A delivery ticket;*

38 *(b) An invoice;*

39 *(c) A bill of lading;*

40 *(d) A bill of sale;*

41 *(e) A terminal ticket; or*

42 *(f) Any other proof of transfer that is approved by the State
43 Board of Agriculture pursuant to paragraph (a) of subsection 2 of
44 NRS 590.071.*



1 **10.** The State Sealer of Consumer Equitability shall adopt
2 regulations which are necessary for the enforcement of NRS
3 590.010 to 590.150, inclusive, ~~including standard procedures for~~
4 ~~testing petroleum products or motor vehicle fuel which are based on~~
5 ~~sources such as those approved by ASTM International, and may~~
6 ~~adopt specifications for any fuel for use in internal combustion~~
7 ~~engines which is sold or offered for sale and contains any alcohol or~~
8 ~~other combustible chemical that is not a petroleum product or motor~~
9 ~~vehicle fuel.] and section 1 of this act.~~

10 **11.** *As used in this section, “bulk storage facility” means a*
11 *facility that is used to temporarily store a petroleum product or*
12 *motor vehicle fuel in bulk before distribution of the petroleum*
13 *product or motor vehicle fuel to retail, commercial or consumer*
14 *outlets.*

15 **Sec. 9.** NRS 590.105 is hereby amended to read as follows:

16 590.105 For the purpose of testing petroleum products or
17 motor vehicle fuel as provided in NRS 590.010 to 590.150,
18 inclusive, *and section 1 of this act*, the ASTM ~~IP~~ Petroleum
19 Measurement Tables ~~American Edition~~ must be used for gravity
20 and volume conversion and temperature correction of 60°F.

21 **Sec. 10.** NRS 590.120 is hereby amended to read as follows:

22 590.120 1. Every person, or any officer, agent or employee
23 thereof, shipping or transporting any motor vehicle fuel or
24 lubricating oil into this State for sale or consignment, or with intent
25 to sell or consign the same, shall pay to the Department of Motor
26 Vehicles an inspection fee of 0.055 of a cent per gallon for every
27 gallon of motor vehicle fuel or lubricating oil so shipped or
28 transported into the State, or that is held for sale within this State.
29 This section does not require the payment of an inspection fee on
30 any shipment or consignment of motor vehicle fuel or lubricating oil
31 when the inspection fee has been paid.

32 2. The inspection fees collected pursuant to the provisions of
33 subsection 1, together with any penalties and interest collected
34 thereon, must be transferred quarterly to the account in the State
35 General Fund created pursuant to NRS 561.412 for the use of the
36 State Department of Agriculture.

37 3. On or before the last day of each calendar month, every
38 person, or any officer, agent or employee thereof, required to pay
39 the inspection fee described in subsection 1 shall send to the
40 Department of Motor Vehicles a correct report of the motor vehicle
41 fuel or oil volumes for the preceding month. The report must
42 include a list of distributors or retailers distributing or selling the
43 products and must be accompanied by the required fees.

44 4. Failure to send the report and remittance as specified in
45 subsections 1 and 3 is a violation of NRS 590.010 to 590.150,



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1 inclusive, ***and section 1 of this act*** and is punishable as provided in
2 NRS 590.150.

3 5. The provisions of this section must be carried out in the
4 manner prescribed in chapters 360A and 365 of NRS.

5 6. All expenses incurred by the Department of Motor Vehicles
6 in carrying out the provisions of this section are a charge against the
7 account created pursuant to NRS 561.412.

8 7. For the purposes of this section, “motor vehicle fuel” does
9 not include diesel fuel, burner fuel or kerosene.

10 **Sec. 11.** NRS 590.140 is hereby amended to read as follows:

11 590.140 The district attorney of each county shall prosecute all
12 violations of the provisions of NRS 590.010 to 590.150, inclusive,
13 ***and section 1 of this act*** occurring within the county.

14 **Sec. 12.** NRS 590.150 is hereby amended to read as follows:

15 590.150 1. Any person, or any officer, agent or employee
16 thereof, who violates any of the provisions of NRS 590.010 to
17 590.140, inclusive, ***and section 1 of this act*** is guilty of a
18 misdemeanor.

19 2. Each such person, or any officer, agent or employee thereof,
20 is guilty of a separate offense for each day during any portion of
21 which any violation of any provision of NRS 590.010 to 590.140,
22 inclusive, ***and section 1 of this act*** is committed, continued or
23 permitted by such person, or any officer, agent or employee thereof,
24 and shall be punished as provided in this section.

25 3. The selling and delivery of any petroleum product or motor
26 vehicle fuel mentioned in NRS 590.010 to 590.140, inclusive, ***and***
27 ***section 1 of this act*** is prima facie evidence of the representation on
28 the part of the vendor that the quality sold and delivered was the
29 quality bought by the vendee.

30 **Sec. 13.** NRS 561.385 is hereby amended to read as follows:

31 561.385 1. The Agriculture Registration and Enforcement
32 Account is hereby created in the State General Fund for the use of
33 the Department.

34 2. The following fees must be deposited in the Agriculture
35 Registration and Enforcement Account:

36 (a) Except as otherwise provided in NRS 586.270 and 586.940,
37 fees collected pursuant to the provisions of chapter 586 of NRS.

38 (b) Fees collected pursuant to the provisions of chapter 588 of
39 NRS.

40 (c) Fees collected pursuant to the provisions of NRS 590.340 to
41 590.450, inclusive.

42 (d) Laboratory fees collected for the testing of pesticides as
43 authorized by NRS 561.305, and as are necessary pursuant to the
44 provisions of NRS 555.2605 to 555.460, inclusive, and, except as



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1 otherwise provided in NRS 586.270 and 586.940, chapter 586 of
2 NRS.

3 (e) Laboratory fees collected for the analysis and testing of
4 commercial fertilizers and agricultural minerals, as authorized by
5 NRS 561.305, and as are necessary pursuant to the provisions of
6 chapter 588 of NRS.

7 (f) Laboratory fees collected for the analysis and testing of
8 petroleum products or motor vehicle fuel, as authorized by NRS
9 561.305, and as are necessary pursuant to the provisions of NRS
10 590.010 to 590.150, inclusive **¶, and section 1 of this act.**

11 (g) Laboratory fees collected for the analysis and testing of
12 antifreeze, as authorized by NRS 561.305, and as are necessary
13 pursuant to the provisions of NRS 590.340 to 590.450, inclusive.

14 3. Expenditures from the Agriculture Registration and
15 Enforcement Account may be made to carry out the provisions of
16 this chapter, NRS 555.2605 to 555.460, inclusive, or chapters 586,
17 588 and 590 of NRS or for any other purpose authorized by the
18 Legislature.

19 **Sec. 14.** NRS 561.412 is hereby amended to read as follows:

20 561.412 1. In addition to the inspection fees and other money
21 transferred pursuant to NRS 590.120, all fees and other money
22 collected pursuant to the provisions of NRS 581.001 to 581.395,
23 inclusive, and 582.001 to 582.210, inclusive, must be deposited in
24 the State Treasury and credited to a separate account in the State
25 General Fund for the use of the Department.

26 2. Expenditures from the account must be made only for
27 carrying out the provisions of this chapter and chapters 581 and 582
28 of NRS and NRS 590.010 to 590.330, inclusive **¶, and section 1 of
29 this act.**

30 3. Money in the account does not lapse to the State General
31 Fund at the end of a fiscal year. The interest and income earned on
32 the money in the account, after deducting any applicable charges,
33 must be credited to the account.

34 **Sec. 15.** 1. Any administrative regulations adopted by an
35 officer or an agency whose name has been changed or whose
36 responsibilities have been transferred pursuant to the provisions of
37 this act to another officer or agency remain in force until amended
38 by the officer or agency to which the responsibility for the adoption
39 of the regulations has been transferred.

40 2. Any contracts or other agreements entered into by an officer
41 or agency whose name has been changed or whose responsibilities
42 have been transferred pursuant to the provisions of this act to
43 another officer or agency are binding upon the officer or agency to
44 which the responsibility for the administration of the provisions of
45 the contract or other agreement has been transferred. Such contracts



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1 and other agreements may be enforced by the officer or agency to
2 which the responsibility for the enforcement of the provisions of the
3 contract or other agreement has been transferred.

4 3. Any action taken by an officer or agency whose name has
5 been changed or whose responsibilities have been transferred
6 pursuant to the provisions of this act to another officer or agency
7 remains in effect as if taken by the officer or agency to which the
8 responsibility for the enforcement of such actions has been
9 transferred.

10 **Sec. 16.** 1. This section becomes effective upon passage and
11 approval.

12 2. Sections 1 to 15, inclusive, of this act become effective:
13 (a) Upon passage and approval for the purpose of adopting any
14 regulations and performing any other preparatory administrative
15 tasks that are necessary to carry out the provisions of this act; and
16 (b) On July 1, 2021, for all other purposes.

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