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FIRST REPRINT

A.B. 31

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.



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, or any member of the Nevada Highway Patrol, to take such
49 samples as he or she deems necessary of any petroleum product or motor vehicle
50 fuel. Existing law provides that it is unlawful for any person, or any officer, agent
51 or employee thereof, to refuse to permit the State Sealer of Consumer Equitability,
52 or the appointees thereof, or any member of the Nevada Highway Patrol, in the
53 State of Nevada, to take such samples or to prevent the taking of such samples.
54 (NRS 590.100) **Section 8** of this bill removes the language which makes this an
55 unlawful act. **Section 8** instead provides that it is unlawful for any person, or any
56 officer, agent or employee thereof, to hinder, obstruct or prevent, or attempt to
57 hinder, obstruct or prevent the State Sealer of Consumer Equitability, or the
58 appointees thereof, or any member of the Nevada Highway Patrol, the performance
59 of certain duties. **Section 8** further provides that it is unlawful for any person, or
60 any officer, agent or employee thereof, to refuse to permit, during regular business
61 hours, the State Sealer of Consumer Equitability, or the appointees thereof, or any
62 member of the Nevada Highway Patrol, access to property or equipment in this
63 State to carry out certain duties.

64 Existing law authorizes the State Sealer of Consumer Equitability, or the
65 appointees thereof, to close and seal the outlets of any unlabeled or mislabeled
66 containers, pumps, dispensers or storage tanks connected thereto or which contain



67 any petroleum product or motor vehicle fuel which, if sold, would violate any
68 labeling requirements that are set forth in the Nevada Petroleum Products
69 Inspection Act. (NRS 590.100) **Section 8** authorizes the State Sealer of Consumer
70 Equitability or his or her appointee, upon closing and sealing an outlet, to take
71 meter readings and an inventory of the petroleum product or motor vehicle fuel.
72 **Section 8** also requires the operator of a bulk storage facility where such a violation
73 occurs to: (1) make arrangements to replace or adjust the petroleum product or
74 motor vehicle fuel to correct the violation; and (2) notify all customers that have or
75 may have received the petroleum product or motor vehicle fuel that was in
76 violation. After the petroleum product or motor vehicle fuel is removed, **section 8**
77 requires: (1) the method of disposing of the petroleum product or motor vehicle fuel
78 to be agreed to by the State Sealer of Consumer Equitability, or the appointees
79 thereof, before the petroleum product or motor vehicle fuel is disposed of; and (2)
80 the person who disposes of the petroleum product or motor vehicle fuel to make
81 available upon request of the State Sealer of Consumer Equitability, or the
82 appointees thereof, a written confirmation of the disposition of the products in
83 violation. **Section 8** further authorizes such a confirmation to be in the form of a
84 delivery ticket, an invoice ticket, a bill of lading, a bill of sale, a terminal ticket or
85 any other proof of transfer that is approved by the Board. **Section 5** authorizes the
86 Board to adopt regulations approving other types of proof of transfer.

87 Existing law requires the State Sealer of Consumer Equitability, or the
88 appointees thereof, upon at least 24 hours' notice to certain persons, to break a seal
89 for the purpose of removing the contents of the container, pump, dispenser or
90 storage tank. (NRS 590.100) **Section 8** authorizes this 24 hours' notice requirement
91 to be waived if the State Sealer of Consumer Equitability, or the appointees thereof,
92 and certain persons agree in writing to the waiver.

93 Existing law requires the Board to adopt by regulation: (1) certain
94 specifications for motor vehicle fuel; and (2) procedures for allowing variances
95 from such specifications for motor vehicle fuel. Existing law requires any
96 petroleum or petroleum product that is sold or offered for sale as motor vehicle fuel
97 to conform with the regulations that the Board adopts. (NRS 590.070) Additionally,
98 existing law requires the State Sealer of Consumer Equitability to adopt by
99 regulation standard procedures for testing petroleum products and motor vehicle
100 fuel. Existing law further authorizes the State Sealer of Consumer Equitability to
101 adopt specification standards for certain types of fuel that are used in internal
102 combustion engines. (NRS 590.100) **Section 8** removes this requirement and
103 authority from the State Sealer of Consumer Equitability, thereby leaving only the
104 Board with the authority to regulate such products and fuels.

105 **Section 9** of this bill updates the publication required by existing law to be
106 used for gravity and volume conversion and temperature correction of 60°F.
107 (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***



1 *specification standards set forth by the International Organization*
2 *for Standardization or by ASTM International.*

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

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

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

13 590.010 NRS 590.010 to 590.150, inclusive, *and section 1 of*
14 *this act* may be known and cited as the Nevada Petroleum Products
15 Inspection Act.

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

17 590.020 As used in NRS 590.010 to 590.330, inclusive, *and*
18 *section 1 of this act*, unless the context otherwise requires:

19 1. "Additives" means a substance to be added to a *motor*
20 *vehicle fuel, petroleum heating product*, motor oil or lubricating oil
21 to impart or improve desirable properties or to suppress undesirable
22 properties.

23 2. "Advertising medium" means any sign, printed or written
24 matter, or device for oral or visual communication.

25 3. "Alternative fuel" includes, without limitation ~~[, premium~~
26 ~~diesel fuel, B-5 diesel fuel, B-10 diesel fuel, B-20 diesel fuel, B-100~~
27 ~~diesel fuel,]~~ :

28 (a) *Any M-85 [] or M-100 [] fuel methanol that meets the*
29 *specifications for motor vehicle fuel adopted by regulation*
30 *pursuant to NRS 590.070;*

31 (b) *Any E-85 [] or E-100 [~~liquefied~~] fuel ethanol that meets*
32 *the specifications for motor vehicle fuel adopted by regulation*
33 *pursuant to NRS 590.070;*

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

35 (d) *Natural* gas ~~[, reformulated gasoline, gasohol and~~
36 ~~oxygenated fuel,]~~ ;

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

39 (f) *Electricity;*

40 (g) *Any biodiesel fuel that contains:*

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

43 (2) *At least 5 percent by volume biodiesel fuel blend stock*
44 *for distillate fuels;*

45 (h) *Any blend of ethanol and diesel fuel:*



1 (1) *That contains:*

2 (I) *Any amount of diesel fuel that meets the*
3 *specifications for motor vehicle fuel adopted by regulation*
4 *pursuant to NRS 590.070; and*

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

6 (2) *That may contain a proprietary additive; and*

7 (i) *Any renewable diesel fuel that:*

8 (1) *Contains at least 20 percent by volume renewable diesel*
9 *blend stock for distillate fuels; and*

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

13 *↳ The term does not include a fuel that is required for use in this*
14 *State pursuant to a state implementation plan adopted by this State*
15 *pursuant to 42 U.S.C. § 7410.*

16 4. "Brand name" means a name or logo that is used to identify
17 a business or company.

18 5. "Diesel exhaust fluid" means an aqueous urea solution
19 that:

20 (a) *Contains, by mass, 32.5 percent technically pure urea and*
21 *67.5 percent pure water;*

22 (b) *Is used in selective catalytic reduction to lower oxides of*
23 *nitrogen concentration in the exhaust emissions of diesel engines;*
24 *and*

25 (c) *Meets the standards set forth in the latest version of ISO*
26 *22241, "Diesel engines — NOx reduction agent AUS 32" of the*
27 *International Organization for Standardization.*

28 6. "Grade" means:

29 (a) "Regular," "midgrade," "plus," "super," "premium" or words
30 of similar meaning when describing a grade designation for
31 gasoline.

32 (b) "Diesel" or words of similar meaning, including, without
33 limitation, any specific type of diesel, when describing a grade
34 designation for diesel motor fuel.

35 (c) "M-85," "M-100," "E-85," "E-100" or words of similar
36 meaning when describing a grade designation for alternative fuel.

37 (d) "Propane," "liquefied petroleum gas," "compressed natural
38 gas," "liquefied natural gas" or words of similar meaning when
39 describing pressurized gases.

40 ~~[6.]~~ 7. "Motor vehicle fuel" means a petroleum product or
41 alternative fuel used for internal combustion engines in motor
42 vehicles. *The term does not include motor vehicle fuel additives.*

43 ~~[7.]~~ 8. "Performance rating" means the system adopted by the
44 American Petroleum Institute for the classification of uses for which
45 an oil is designed.



~~18.]~~ 9. *“Petroleum heating product” means a petroleum product that is used for heating purposes. The term does not include petroleum heating product additives.*

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

~~19.]~~ 11. *“Pure water” means water that is:*

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

(b) *Produced by a process such as:*

(1) *Single distillation;*

(2) *Deionization;*

(3) *Ultra-filtration; or*

(4) *Reverse osmosis.*

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

~~10.]~~ 13. *“Rerefined oil” means used oil which is refined after its previous use to remove from the oil any contaminants acquired during the previous use.*

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

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

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

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

~~11.]~~ 15. *“Used oil” means any oil which has been refined from crude or synthetic oil and, as a result of use, has become unsuitable for its original purpose because of a loss of its original properties or the presence of impurities, but which may be suitable for another use or economically recycled.*

~~12.]~~ 16. *“Viscosity grade classification” means the measure of an oil’s resistance to flow at a given temperature according to the grade classification system of the Society of Automotive Engineers or other grade classification.*

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

590.040 1. It is unlawful for any person to sell or offer to sell any motor vehicle fuel unless a sign or label is firmly attached to or painted at or near the outlet of the container from which or into which the motor vehicle fuel is dispensed or received for sale or delivery. Except as otherwise provided in this section, the sign or label, in letters not less than one-half inch in height, must contain the brand name and the grade designation of the motor vehicle fuel.



1 All containers and dispensers of lubricating and motor oil must also
2 be labeled in the same manner with the oil's viscosity grade
3 classification and performance rating. If a lubricating or motor oil
4 has more than one viscosity grade classification and performance
5 rating, each viscosity grade classification and performance rating
6 must be included in the label. When the sign or label is attached to
7 the faucet or valve of a tank truck or tank wagon, the letters must be
8 not less than one-half inch in height. The provisions of this
9 subsection do not apply to any oil labeled "prediluted" or intended
10 only for mixture with gasoline or other motor vehicle fuel in a two-
11 cycle engine.

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

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

19 4. If any motor vehicle fuel has no brand name, the sign or
20 label required by subsection 1 must consist of words, in letters not
21 less than 3 inches high, that designate the specific type of motor
22 vehicle fuel followed by the words "No Brand," such as "Gasoline,
23 No Brand" or "E-100, No Brand."

24 5. On any container with a net content of 1 United States
25 gallon or less, the brand name or trademark, the name and address
26 of the distributor or manufacturer, the viscosity grade classification,
27 the performance rating and the words "Motor Oil" or "Lubricating
28 Oil" must be painted, printed, embossed or otherwise firmly affixed
29 on the container in letters and numerals of legible size. Such a
30 designation constitutes compliance with the provisions of this
31 section.

32 6. Small hand measures used for delivery of petroleum
33 products or motor vehicle fuel that are filled in the presence of the
34 customer need not be labeled in accordance with the provisions of
35 NRS 590.010 to 590.150, inclusive, *and section 1 of this act* if the
36 receptacle, container or pump from which petroleum products or
37 motor vehicle fuel is drawn or poured into the hand measures is
38 properly labeled as required by the provisions of NRS 590.010 to
39 590.150, inclusive **H**, *and section 1 of this act*.

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

41 590.071 1. The State Board of Agriculture shall:

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

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



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

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

5 *(e) Adopt regulations specifying a schedule of fines that it may*
6 *impose, upon notice and hearing, for each violation of the*
7 *provisions of NRS 590.070 ~~[(c)], 590.073 and 590.090 and section 1~~*
8 *of this act. The maximum fine that may be imposed by the Board*
9 *for each violation must not exceed \$5,000 per day. All fines*
10 *collected by the Board pursuant to the regulations adopted pursuant*
11 *to this subsection must be deposited with the State Treasurer for*
12 *credit to the State General Fund.*

13 2. The State Board of Agriculture may:

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

17 *(1) The name of the person or business who makes the*
18 *transfer;*

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

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

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

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

28 *(b) In addition to imposing a fine pursuant to subsection 1, issue*
29 *an order requiring a violator to take appropriate action to correct the*
30 *violation.*

31 ~~[(b)]~~ *(c) Request the district attorney of the appropriate county*
32 *to investigate or file a criminal complaint against any person that the*
33 *Board suspects may have violated any provision of NRS 590.070 ~~[(c)]~~*
34 *, 590.073 and 590.090 and section 1 of this act.*

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

36 590.073 1. ~~[(c)]~~ *The State Board of Agriculture shall adopt*
37 *by regulation specification standards for aviation fuel.*

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

41 *3. Except as otherwise provided in subsection 5, it is unlawful*
42 *for any person to sell, offer for sale or assist in the sale of, or permit*
43 *to be sold or offered for sale, any aviation fuel unless such fuel*
44 *conforms to the specification standards prescribed by regulation of*
45 *the State ~~Sealer of Consumer Equitability. The State Sealer of~~*



1 ~~Consumer Equitability may follow the specification standards set~~
2 ~~forth by ASTM International.~~

3 ~~—2.] Board of Agriculture pursuant to subsection 1.~~

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

8 *5. This section does not apply to aviation fuel for use by*
9 *military aircraft.*

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

11 590.090 1. *The State Board of Agriculture shall adopt by*
12 *regulation specification standards for petroleum heating products,*
13 *not including liquefied petroleum gas and natural gas. Such*
14 *regulations must conform to the specification standards set forth*
15 *by ASTM International.*

16 *2. It is unlawful for any person, or any officer, agent or*
17 *employee thereof, to sell, offer for sale, or assist in the sale of or*
18 *permit to be sold or offered for sale any ~~[petroleum or]~~ petroleum*
19 *heating product ~~[to be used for heating purposes.]~~, not including*
20 *liquefied petroleum gas and natural gas, unless the ~~[petroleum or]~~*
21 *petroleum heating product conforms to the ~~[most recent]~~*
22 *specification standards ~~[adopted by ASTM International.]~~*
23 *prescribed by regulation of the State Board of Agriculture*
24 *pursuant to subsection 1.*

25 ~~[2.]~~ *3. All bulk storage tanks, dispensers and petroleum tank*
26 *truck compartment outlets containing or dispensing heating fuel*
27 *must be labeled with the brand name and the grade designation of*
28 *the heating fuel.*

29 ~~[3.]~~ *4. A person shall not use the numerical grade designation*
30 *for heating fuels adopted by ASTM International unless the*
31 *designation conforms to that designation. Persons using a*
32 *designation other than the numerical grade designation adopted by*
33 *ASTM International must file with the Division of Consumer*
34 *Equitability of the State Department of Agriculture the designation*
35 *to be used together with its corresponding grade designation of*
36 *ASTM International.*

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

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

42 590.100 The State Sealer of Consumer Equitability is charged
43 with the proper enforcement of NRS 590.010 to 590.150, inclusive,
44 *and section 1 of this act* and has the following powers and duties:



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

4 2. The State Sealer of Consumer Equitability, or the appointees
5 thereof, shall inspect and check the accuracy of all measuring
6 devices for petroleum products and motor vehicle fuel maintained in
7 this State, and shall seal all such devices whose tolerances are found
8 to be within those prescribed by the National Institute of Standards
9 and Technology.

10 3. The State Sealer of Consumer Equitability, or the appointees
11 thereof, or any member of the Nevada Highway Patrol, may take
12 such samples as he or she deems necessary of any petroleum
13 product or motor vehicle fuel that is kept, transported or stored
14 within the State of Nevada. ~~It is unlawful for any person, or any
15 officer, agent or employee thereof, to refuse to permit the State
16 Sealer of Consumer Equitability, or the appointees thereof, or any
17 member of the Nevada Highway Patrol, in the State of Nevada, to
18 take such samples, or to prevent or to attempt to prevent the State
19 Sealer of Consumer Equitability, or the appointees thereof, or any
20 member of the Nevada Highway Patrol, from taking them.~~ If the
21 person, or any officer, agent or employee thereof, from which a
22 sample is taken at the time of taking demands payment, then the
23 person taking the sample shall pay the reasonable market price for
24 the quantity taken.

25 4. The State Sealer of Consumer Equitability, or the appointees
26 thereof, may close and seal the outlets of any ~~unlabeled or~~
27 ~~mislabeled~~ containers, pumps, dispensers or storage tanks
28 connected thereto *which are unlabeled or mislabeled* or which
29 contain any petroleum product or motor vehicle fuel which, if sold,
30 would violate any of the provisions of NRS 590.010 to 590.150,
31 inclusive, *and section 1 of this act* and shall post, in a conspicuous
32 place on the premises where those containers, pumps, dispensers or
33 storage tanks have been sealed, a notice stating that the action of
34 sealing has been taken in accordance with the provisions of NRS
35 590.010 to 590.150, inclusive, *and section 1 of this act* and giving
36 warning that it is unlawful to break, mutilate or destroy the seal or
37 seals thereof under penalty as provided in NRS 590.110.

38 5. *Upon closing and sealing an outlet pursuant to subsection*
39 *4, the State Sealer of Consumer Equitability, or the appointees*
40 *thereof:*

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

44 *(b) If meter readings and an inventory are taken pursuant to*
45 *paragraph (a), shall ensure that the findings of the meter readings*



1 *and physical inventory are reported in the confirmation for*
2 *disposition.*

3 *6. If a violation of any of the provisions of NRS 590.010 to*
4 *590.150, inclusive, and section 1 of this act occurs at a bulk*
5 *storage facility, the operator of the bulk storage facility shall,*
6 *within 12 hours after being notified by the State Sealer of*
7 *Consumer Equitability, or the appointees thereof, of the violation,*
8 *make any arrangements necessary to replace or adjust the*
9 *petroleum product or motor vehicle fuel so that the product or fuel*
10 *is no longer in violation. Except as otherwise provided in this*
11 *subsection, the operator of the bulk storage facility shall also,*
12 *within 12 hours after being notified by the State Sealer of*
13 *Consumer Equitability, or the appointees thereof, notify all*
14 *customers that have or may have received the petroleum product*
15 *or motor vehicle fuel that is in violation. The operator of the bulk*
16 *storage facility shall make available to the State Sealer of*
17 *Consumer Equitability, or the appointees thereof, upon request, a*
18 *complete list of customers contacted and how such contact was*
19 *made. The State Sealer of Consumer Equitability may exempt*
20 *from the notification requirement a bulk storage facility where*
21 *such a violation occurs if:*

22 *(a) The petroleum product or motor vehicle fuel is used for*
23 *blending purposes or is designed for special equipment or*
24 *services; and*

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

28 *7. ~~[The]~~ Except as otherwise provided in this subsection, the*
29 *State Sealer of Consumer Equitability, or the appointees thereof,*
30 *shall, upon at least 24 hours' notice to the owner, manager, operator or*
31 *attendant of the premises where a container, pump, dispenser or*
32 *storage tank has been sealed ~~[]~~ pursuant to subsection 4, and at the*
33 *time specified in the notice, break the seal for the purpose of*
34 *permitting the removal of the contents of the container, pump,*
35 *dispenser or storage tank. If the contents are not immediately and*
36 *completely removed, the container, pump, dispenser or storage tank*
37 *must be again sealed. **The requirement to provide 24 hours' notice***
38 ***pursuant to this subsection may be waived if the State Sealer of***
39 ***Consumer Equitability, or the appointees thereof, and the owner,***
40 ***manager, operator or attendant of the premises where a container,***
41 ***pump, dispenser or storage tank has been sealed agree in writing***
42 ***to the waiver.***

43 *~~[6.]~~ 8. After removing the contents pursuant to subsection 7*
44 *and before the contents may be disposed of, the method of*



1 *disposition of the contents must be agreed to by the State Sealer of*
2 *Consumer Equitability, or the appointees thereof.*

3 9. *After the method of disposition of the contents is agreed to*
4 *pursuant to subsection 8 and the disposition occurs, the person*
5 *who disposes of the contents shall make available in writing to the*
6 *State Sealer of Consumer Equitability, or the appointees thereof, a*
7 *confirmation of the disposition of the products in violation. Such a*
8 *confirmation of disposition must include the volume, in gallons, of*
9 *the petroleum product or motor vehicle fuel that is transferred if*
10 *the meter readings and physical inventory are taken or caused to*
11 *be taken pursuant to subsection 5. A confirmation of the*
12 *disposition of the products in violation may be in the form of:*

13 (a) *A delivery ticket;*

14 (b) *An invoice;*

15 (c) *A bill of lading;*

16 (d) *A bill of sale;*

17 (e) *A terminal ticket; or*

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

21 10. *The State Sealer of Consumer Equitability shall adopt*
22 *regulations which are necessary for the enforcement of NRS*
23 *590.010 to 590.150, inclusive, ~~including standard procedures for~~*
24 *~~testing petroleum products or motor vehicle fuel which are based on~~*
25 *~~sources such as those approved by ASTM International, and may~~*
26 *~~adopt specifications for any fuel for use in internal combustion~~*
27 *~~engines which is sold or offered for sale and contains any alcohol or~~*
28 *~~other combustible chemical that is not a petroleum product or motor~~*
29 *~~vehicle fuel.] and section 1 of this act.~~*

30 11. *It is unlawful for any person, or any officer, agent or*
31 *employee thereof, to hinder, obstruct or prevent, or attempt to*
32 *hinder, obstruct or prevent, the State Sealer of Consumer*
33 *Equitability, or the appointees thereof, or any member of the*
34 *Nevada Highway Patrol, the performance of his or her duties*
35 *described in this section, including, without limitation, refusing to*
36 *permit, during regular business hours, the State Sealer of*
37 *Consumer Equitability, or the appointees thereof, or any member*
38 *of the Nevada Highway Patrol, access to property or equipment in*
39 *this State.*

40 12. *As used in this section, "bulk storage facility" means a*
41 *facility that is used to temporarily store a petroleum product or*
42 *motor vehicle fuel in bulk before distribution of the petroleum*
43 *product or motor vehicle fuel to retail, commercial or consumer*
44 *outlets.*



1 **Sec. 9.** NRS 590.105 is hereby amended to read as follows:
2 590.105 For the purpose of testing petroleum products or
3 motor vehicle fuel as provided in NRS 590.010 to 590.150,
4 inclusive, *and section 1 of this act*, the ASTM ~~[-IP]~~ Petroleum
5 Measurement Tables ~~[-American Edition,]~~ must be used for gravity
6 and volume conversion and temperature correction of 60°F.

7 **Sec. 10.** NRS 590.120 is hereby amended to read as follows:
8 590.120 1. Every person, or any officer, agent or employee
9 thereof, shipping or transporting any motor vehicle fuel or
10 lubricating oil into this State for sale or consignment, or with intent
11 to sell or consign the same, shall pay to the Department of Motor
12 Vehicles an inspection fee of 0.055 of a cent per gallon for every
13 gallon of motor vehicle fuel or lubricating oil so shipped or
14 transported into the State, or that is held for sale within this State.
15 This section does not require the payment of an inspection fee on
16 any shipment or consignment of motor vehicle fuel or lubricating oil
17 when the inspection fee has been paid.

18 2. The inspection fees collected pursuant to the provisions of
19 subsection 1, together with any penalties and interest collected
20 thereon, must be transferred quarterly to the account in the State
21 General Fund created pursuant to NRS 561.412 for the use of the
22 State Department of Agriculture.

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

30 4. Failure to send the report and remittance as specified in
31 subsections 1 and 3 is a violation of NRS 590.010 to 590.150,
32 inclusive, *and section 1 of this act* and is punishable as provided in
33 NRS 590.150.

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

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

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

41 **Sec. 11.** NRS 590.140 is hereby amended to read as follows:
42 590.140 The district attorney of each county shall prosecute all
43 violations of the provisions of NRS 590.010 to 590.150, inclusive,
44 *and section 1 of this act* occurring within the county.



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

2 590.150 1. Any person, or any officer, agent or employee
3 thereof, who violates any of the provisions of NRS 590.010 to
4 590.140, inclusive, *and section 1 of this act* is guilty of a
5 misdemeanor.

6 2. Each such person, or any officer, agent or employee thereof,
7 is guilty of a separate offense for each day during any portion of
8 which any violation of any provision of NRS 590.010 to 590.140,
9 inclusive, *and section 1 of this act* is committed, continued or
10 permitted by such person, or any officer, agent or employee thereof,
11 and shall be punished as provided in this section.

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

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

18 561.385 1. The Agriculture Registration and Enforcement
19 Account is hereby created in the State General Fund for the use of
20 the Department.

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

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

25 (b) Fees collected pursuant to the provisions of chapter 588 of
26 NRS.

27 (c) Fees collected pursuant to the provisions of NRS 590.340 to
28 590.450, inclusive.

29 (d) Laboratory fees collected for the testing of pesticides as
30 authorized by NRS 561.305, and as are necessary pursuant to the
31 provisions of NRS 555.2605 to 555.460, inclusive, and, except as
32 otherwise provided in NRS 586.270 and 586.940, chapter 586 of
33 NRS.

34 (e) Laboratory fees collected for the analysis and testing of
35 commercial fertilizers and agricultural minerals, as authorized by
36 NRS 561.305, and as are necessary pursuant to the provisions of
37 chapter 588 of NRS.

38 (f) Laboratory fees collected for the analysis and testing of
39 petroleum products or motor vehicle fuel, as authorized by NRS
40 561.305, and as are necessary pursuant to the provisions of NRS
41 590.010 to 590.150, inclusive ~~H~~, *and section 1 of this act*.

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



1 3. Expenditures from the Agriculture Registration and
2 Enforcement Account may be made to carry out the provisions of
3 this chapter, NRS 555.2605 to 555.460, inclusive, or chapters 586,
4 588 and 590 of NRS or for any other purpose authorized by the
5 Legislature.

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

7 561.412 1. In addition to the inspection fees and other money
8 transferred pursuant to NRS 590.120, all fees and other money
9 collected pursuant to the provisions of NRS 581.001 to 581.395,
10 inclusive, and 582.001 to 582.210, inclusive, must be deposited in
11 the State Treasury and credited to a separate account in the State
12 General Fund for the use of the Department.

13 2. Expenditures from the account must be made only for
14 carrying out the provisions of this chapter and chapters 581 and 582
15 of NRS and NRS 590.010 to 590.330, inclusive ~~§~~, *and section 1 of*
16 *this act.*

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

21 **Sec. 15.** 1. Any administrative regulations adopted by an
22 officer or an agency whose name has been changed or whose
23 responsibilities have been transferred pursuant to the provisions of
24 this act to another officer or agency remain in force until amended
25 by the officer or agency to which the responsibility for the adoption
26 of the regulations has been transferred.

27 2. Any contracts or other agreements entered into by an officer
28 or agency whose name has been changed or whose responsibilities
29 have been transferred pursuant to the provisions of this act to
30 another officer or agency are binding upon the officer or agency to
31 which the responsibility for the administration of the provisions of
32 the contract or other agreement has been transferred. Such contracts
33 and other agreements may be enforced by the officer or agency to
34 which the responsibility for the enforcement of the provisions of the
35 contract or other agreement has been transferred.

36 3. Any action taken by an officer or agency whose name has
37 been changed or whose responsibilities have been transferred
38 pursuant to the provisions of this act to another officer or agency
39 remains in effect as if taken by the officer or agency to which the
40 responsibility for the enforcement of such actions has been
41 transferred.

42 **Sec. 16.** 1. This section becomes effective upon passage and
43 approval.

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



- 1 (a) Upon passage and approval for the purpose of adopting any
2 regulations and performing any other preparatory administrative
3 tasks that are necessary to carry out the provisions of this act; and
4 (b) On July 1, 2021, for all other purposes.

