

SENATE BILL NO. 251—SENATORS GOICOECHEA;  
AND SETTELMAYER

MARCH 8, 2017

Referred to Committee on Natural Resources

SUMMARY—Requires the Board to Review Claims to adopt regulations for the administration of certain programs to assist operators of petroleum storage tanks. (BDR 40-942)

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 storage tanks; requiring the Board to Review Claims to adopt regulations for the administration of a program to award grants of money from the Fund for Cleaning Up Discharges of Petroleum to certain operators of storage tanks; authorizing the Division of Environmental Protection of the State Department of Conservation and Natural Resources to award grants of money to those operators under certain circumstances; requiring the Board to adopt regulations for the administration of a program to provide assistance in complying with certain laws or regulations to any operator; requiring the Division to administer the program; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Under existing law: (1) the State Department of Conservation and Natural  
2 Resources is required to impose fees on the importation of certain fuels into this  
3 State; and (2) the Division of Environmental Protection of the Department is  
4 required to impose an annual fee for the registration of certain storage tanks used to  
5 store petroleum in this State. (NRS 445C.330, 445C.340) The money collected by  
6 the Division from such fees is deposited into the Fund for Cleaning Up Discharges  
7 of Petroleum, and used to reimburse the Division for the costs of cleaning up  
8 discharges involving petroleum, heating oil and certain petrochemicals from  
9 storage tanks and mobile tanks. (NRS 445C.320, 445C.360-445C.380) The Board



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10 to Review Claims is required to adopt regulations for the investigation and payment  
11 of claims against the Fund and to review each claim and authorize payment if  
12 warranted. (NRS 445C.310)

13 This bill requires the Board to adopt regulations for the administration by the  
14 Division of a grant program to award grants of money from the Fund to assist  
15 operators of petroleum storage tanks who have a demonstrated financial need for  
16 assistance in defraying the costs of any infrastructure required by the operator to  
17 comply with any law or regulation relating to preventing discharge of petroleum  
18 from a storage tank. The Division is required to report annually to the Board  
19 concerning the grants, if any, awarded by the Division.

20 This bill also requires the Board to adopt regulations for the administration by  
21 the Division of a program to provide assistance to operators in complying with any  
22 law or regulation relating to the prevention of discharges which are applicable to  
23 storage tanks.

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

1 **Section 1.** NRS 445C.310 is hereby amended to read as  
2 follows:

3 445C.310 1. The Fund for Cleaning Up Discharges of  
4 Petroleum is hereby created as a special revenue fund in the State  
5 Treasury. The Division shall administer the Fund for the purposes  
6 prescribed in NRS 445C.150 to 445C.410, inclusive, and the Board  
7 shall adopt appropriate regulations for the ~~investigation~~ :

8 *(a) Investigation* and payment of claims against the Fund. The  
9 Board shall review each claim presented and authorize payment to  
10 the extent warranted by the facts of the case.

11 *(b) Administration by the Division of a grant program*  
12 *described in subsection 2, which must include, without limitation:*

13 *(1) The manner in which an operator may apply for a grant*  
14 *of money from the program;*

15 *(2) The criteria that the Division must consider in*  
16 *determining whether to award a grant of money from the*  
17 *program;*

18 *(3) The methods by which the Division must, in the*  
19 *following order, prioritize the award of available money for grants*  
20 *from the program, including, without limitation, consideration of:*

21 *(I) The financial need of an operator who applies for a*  
22 *grant of money from the program;*

23 *(II) The total volume of petroleum dispensed on an*  
24 *annual basis from each storage tank of an operator who applies*  
25 *for a grant of money from the program; and*

26 *(III) The availability and proximity of other petroleum*  
27 *dispensing locations, if any, in the same geographical area as an*  
28 *operator who applies for a grant of money from the program; and*

29 *(4) The manner in which the Division:*



- 1           (I) *Must distribute and administer the grant program;*
- 2           (II) *May audit and inspect relevant records of an*
- 3 *operator who receives a grant of money from the program;*
- 4           (III) *May, upon good cause shown, seek repayment of*
- 5 *any unauthorized expenditures by an operator who receives a*
- 6 *grant of money from the program; and*
- 7           (IV) *May seek to recover from an operator who receives*
- 8 *a grant of money from the program the costs incurred by the*
- 9 *Division in seeking repayment of any unauthorized expenditures*
- 10 *by the operator.*

11       (c) *Administration by the Division of the program of assistance*  
12 *described in subsection 3.*

13       2. *The Division may award a grant of money from the Fund*  
14 *to an operator who has a demonstrated financial need for*  
15 *assistance in defraying the costs of any infrastructure required by*  
16 *the operator to comply with any law or regulation relating to the*  
17 *prevention of discharges. The Division shall:*

18       (a) *Administer the grant program in accordance with the*  
19 *regulations adopted by the Board pursuant to paragraph (b) of*  
20 *subsection 1; and*

21       (b) *Submit to the Board an annual report concerning the*  
22 *grants, if any, awarded pursuant to this subsection.*

23       3. *The Division shall, in accordance with the regulations*  
24 *adopted pursuant to paragraph (c) of subsection 1, administer a*  
25 *program to provide assistance to an operator in complying with*  
26 *any law or regulation relating to the prevention of discharges*  
27 *which are applicable to storage tanks.*

28       4. *The expenses incurred by the Division in performing its*  
29 *duties pursuant to NRS 445C.150 to 445C.410, inclusive, are a*  
30 *charge against the Fund. The interest earned on money in the Fund*  
31 *must be credited to the Fund.*

32       ~~13-~~ 5. *The Board shall transmit a copy of any resolution that*  
33 *the Board has adopted in carrying out its duties pursuant to this*  
34 *section to the Legislative Counsel within 5 working days after the*  
35 *adoption of the resolution for inclusion in the register of*  
36 *administrative regulations published pursuant to NRS 233B.0653.*

37       6. *As used in this section, "petroleum dispensing location"*  
38 *means a facility where a member of the public can obtain*  
39 *petroleum products of the same type as those offered by an*  
40 *operator who has applied for a grant pursuant to subsection 2.*

41       **Sec. 2.** *As soon as practicable after the effective date of this*  
42 *act, the Board to Review Claims shall adopt the regulations required*  
43 *pursuant to paragraphs (b) and (c) of subsection 1 of NRS*  
44 *445C.310, as amended by section 1 of this act.*



1     **Sec. 3.** This act becomes effective upon passage and approval.

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