

Amendment No. 18

Assembly Amendment to Assembly Bill No. 31	(BDR 51-276)
Proposed by: Assembly Committee on Natural Resources	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

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) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.

ALA/WLK



Date: 4/11/2021

A.B. No. 31—Revises provisions governing the Nevada Petroleum Products Inspection Act. (BDR 51-276)



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:

Existing law requires the State Board of Agriculture to adopt by regulation specifications for motor vehicle fuel that comply with certain requirements. (NRS 590.070) **Sections 1 and 3** of this bill additionally require the Board to adopt by regulation specification standards for diesel exhaust fluid and authorize the Board to follow the specification standards set forth by the International Organization for Standardization or by ASTM International. **Section 1** also makes it unlawful for a person to engage in certain commercial activities regarding diesel exhaust fluid unless the diesel exhaust fluid conforms to the specification standards prescribed by the Board. Finally, **section 1** makes a violation punishable by the imposition of a fine and authorizes the Board to request the district attorney to investigate a suspected violation or file a complaint, as set forth in **section 5** of this bill. Additionally, **section 5** requires the Board to enforce the specification standards for diesel exhaust fluid that are adopted by the Board. **Sections 2, 4 and 10-14** of this bill make conforming changes to indicate the appropriate placement of **section 1** in the Nevada Revised Statutes.

Existing law excludes “additives” from the definition of “petroleum products,” which has the effect of excluding additives from the regulatory requirements imposed on petroleum products. (NRS 590.020) **Section 3** revises the definition of “additives” to include substances added to motor vehicle fuel or petroleum heating product, which has the effect of excluding these substances from regulatory requirements which would otherwise apply. **Section 3** also

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19 applies the regulatory requirements for motor vehicle fuels to certain additional types of
20 alternative fuels.

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

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

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

59 Existing law authorizes the State Sealer of Consumer Equitability, or the appointees
60 thereof, to close and seal the outlets of any unlabeled or mislabeled containers, pumps,
61 dispensers or storage tanks connected thereto or which contain any petroleum product or
62 motor vehicle fuel which, if sold, would violate any labeling requirements that are set forth in
63 the Nevada Petroleum Products Inspection Act. (NRS 590.100) **Section 8** ~~of this bill~~
64 authorizes the State Sealer of Consumer Equitability or his or her appointee, upon closing and
65 sealing an outlet, to take meter readings and an inventory of the petroleum product or motor
66 vehicle fuel. **Section 8** also requires the operator of a bulk storage facility where such a
67 violation occurs to: (1) make arrangements to replace or adjust the petroleum product or motor
68 vehicle fuel to correct the violation; and (2) notify all customers that have or may have
69 received the petroleum product or motor vehicle fuel that was in violation. After the
70 petroleum product or motor vehicle fuel is removed, **section 8** requires: (1) the method of
71 disposing of the petroleum product or motor vehicle fuel to be agreed to by the State Sealer of
72 Consumer Equitability, or the appointees thereof, before the petroleum product or motor
73 vehicle fuel is disposed of; and (2) the person who disposes of the petroleum product or motor
74 vehicle fuel to make available upon request of the State Sealer of Consumer Equitability, or
75 the appointees thereof, a written confirmation of the disposition of the products in violation.
76 **Section 8** further authorizes such a confirmation to be in the form of a delivery ticket, an
77 invoice ticket, a bill of lading, a bill of sale, a terminal ticket or any other proof of transfer that

78 is approved by the Board. **Section 5** authorizes the Board to adopt regulations approving other
 79 types of proof of transfer.

80 Existing law requires the State Sealer of Consumer Equitability, or the appointees
 81 thereof, upon at least 24 hours' notice to certain persons, to break a seal for the purpose
 82 of removing the contents of the container, pump, dispenser or storage tank. (NRS
 83 590.100) Section 8 authorizes this 24 hours' notice requirement to be waived if the State
 84 Sealer of Consumer Equitability, or the appointees thereof, and certain persons agree in
 85 writing to the waiver.

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

97 **Section 9** of this bill updates the publication required by existing law to be used for
 98 gravity and volume conversion and temperature correction of 60°F. (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 thereto a new
 2 section to read as follows:

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

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

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

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

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

16 590.010 NRS 590.010 to 590.150, inclusive, *and section 1 of this act* may be
 17 known and cited as the Nevada Petroleum Products Inspection Act.

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

19 590.020 As used in NRS 590.010 to 590.330, inclusive, *and section 1 of this*
 20 *act*, unless the context otherwise requires:

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

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

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

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

3 (b) Any E-85 ~~[]~~ or E-100 ~~[liquefied]~~ fuel ethanol that meets the
4 specifications for motor vehicle fuel adopted by regulation pursuant to NRS
5 590.070;

6 (c) Liquefied petroleum gas ~~[natural]~~;

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

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

10 (f) Electricity;

11 (g) Any biodiesel fuel that contains:

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

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

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

17 (1) That contains:

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

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

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

22 (i) Any renewable diesel fuel that:

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

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

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

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

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

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

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

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

39 6. "Grade" means:

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

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

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

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

48 ~~[6-]~~ 7. "Motor vehicle fuel" means a petroleum product or alternative fuel
49 used for internal combustion engines in motor vehicles. *The term does not include*
50 *motor vehicle fuel additives.*

51 ~~[7-]~~ 8. "Performance rating" means the system adopted by the American
52 Petroleum Institute for the classification of uses for which an oil is designed.

~~8.1~~ 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.

~~9.1~~ 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.

~~10.1~~ 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.*

~~11.1~~ 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.

~~12.1~~ 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. All containers and dispensers of lubricating and motor oil must also be labeled in the same manner with the oil’s viscosity grade classification and performance rating. If a lubricating or motor oil has more than one viscosity grade classification or performance rating, each viscosity grade classification and performance rating must be included in the label. When the sign or label is attached to the faucet or valve of a tank truck or tank wagon, the letters must be not less than one-half inch in height. The provisions of this subsection do not apply to any oil labeled “prediluted” or intended only for mixture with gasoline or other motor vehicle fuel in a two-cycle engine.

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

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

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

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

11 6. Small hand measures used for delivery of petroleum products or motor
12 vehicle fuel that are filled in the presence of the customer need not be labeled in
13 accordance with the provisions of NRS 590.010 to 590.150, inclusive, *and section*
14 *1 of this act* if the receptacle, container or pump from which petroleum products or
15 motor vehicle fuel is drawn or poured into the hand measures is properly labeled as
16 required by the provisions of NRS 590.010 to 590.150, inclusive ~~§~~, *and section 1*
17 *of this act*.

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

19 590.071 1. The State Board of Agriculture shall:

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

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

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

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

28 (e) Adopt regulations specifying a schedule of fines that it may impose, upon
29 notice and hearing, for each violation of the provisions of NRS 590.070 ~~§~~,
30 *590.073 and 590.090 and section 1 of this act*. The maximum fine that may be
31 imposed by the Board for each violation must not exceed \$5,000 per day. All fines
32 collected by the Board pursuant to the regulations adopted pursuant to this
33 subsection must be deposited with the State Treasurer for credit to the State General
34 Fund.

35 2. The State Board of Agriculture may:

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

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

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

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

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

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

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

49 ~~§(b)~~ (c) Request the district attorney of the appropriate county to investigate
50 or file a criminal complaint against any person that the Board suspects may have
51 violated any provision of NRS 590.070 ~~§~~, *590.073 and 590.090 and section 1 of*
52 *this act*.

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

2 590.073 1. ~~[[4]]~~ *The State Board of Agriculture shall adopt by regulation*
3 *specification standards for aviation fuel.*

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

7 3. *Except as otherwise provided in subsection 5, it is unlawful for any person*
8 *to sell, offer for sale or assist in the sale of, or permit to be sold or offered for sale,*
9 *any aviation fuel unless such fuel conforms to the specification standards*
10 *prescribed by regulation of the State* ~~Sealer of Consumer Equitability. The State~~
11 ~~Sealer of Consumer Equitability may follow the specification standards set forth by~~
12 ~~ASTM International.~~

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

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

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

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

19 590.090 1. *The State Board of Agriculture shall adopt by regulation*
20 *specification standards for petroleum heating products, not including liquefied*
21 *petroleum gas and natural gas. Such regulations must conform to the*
22 *specification standards set forth by ASTM International.*

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

30 ~~2.]~~ 3. All bulk storage tanks, dispensers and petroleum tank truck
31 compartment outlets containing or dispensing heating fuel must be labeled with the
32 brand name and the grade designation of the heating fuel.

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

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

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

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

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

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

1 3. The State Sealer of Consumer Equitability, or the appointees thereof, or
2 any member of the Nevada Highway Patrol, may take such samples as he or she
3 deems necessary of any petroleum product or motor vehicle fuel that is kept,
4 transported or stored within the State of Nevada. ~~It is unlawful for any person, or~~
5 ~~any officer, agent or employee thereof, to refuse to permit the State Sealer of~~
6 ~~Consumer Equitability, or the appointees thereof, or any member of the Nevada~~
7 ~~Highway Patrol, in the State of Nevada, to take such samples, or to prevent or to~~
8 ~~attempt to prevent the State Sealer of Consumer Equitability, or the appointees~~
9 ~~thereof, or any member of the Nevada Highway Patrol, from taking them.~~ If
10 the person, or any officer, agent or employee thereof, from which a sample is taken at
11 the time of taking demands payment, then the person taking the sample shall pay
12 the reasonable market price for the quantity taken.

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

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

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

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

31 6. **If a violation of any of the provisions of NRS 590.010 to 590.150,**
32 **inclusive, and section 1 of this act occurs at a bulk storage facility, the operator**
33 **of the bulk storage facility shall, within 12 hours after being notified by the State**
34 **Sealer of Consumer Equitability, or the appointees thereof, of the violation, make**
35 **any arrangements necessary to replace or adjust the petroleum product or motor**
36 **vehicle fuel so that the product or fuel is no longer in violation. Except as**
37 **otherwise provided in this subsection, the operator of the bulk storage facility**
38 **shall also, within 12 hours after being notified by the State Sealer of Consumer**
39 **Equitability, or the appointees thereof, notify all customers that have or may have**
40 **received the petroleum product or motor vehicle fuel that is in violation. The**
41 **operator of the bulk storage facility shall make available to the State Sealer of**
42 **Consumer Equitability, or the appointees thereof, upon request, a complete list of**
43 **customers contacted and how such contact was made. The State Sealer of**
44 **Consumer Equitability may exempt from the notification requirement a bulk**
45 **storage facility where such a violation occurs if:**

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

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

51 7. ~~[The]~~ **Except as otherwise provided in this subsection, the** State Sealer of
52 Consumer Equitability, or the appointees thereof, shall, upon at least 24 hours'
53 notice to the owner, manager, operator or attendant of the premises where a

1 container, pump, dispenser or storage tank has been sealed ~~[F]~~ pursuant to
2 subsection 4, and at the time specified in the notice, break the seal for the purpose
3 of permitting the removal of the contents of the container, pump, dispenser or
4 storage tank. If the contents are not immediately and completely removed, the
5 container, pump, dispenser or storage tank must be again sealed. The requirement
6 to provide 24 hours' notice pursuant to this subsection may be waived if the State
7 Sealer of Consumer Equitability, or the appointees thereof, and the owner,
8 manager, operator or attendant of the premises where a container, pump,
9 dispenser or storage tank has been sealed agree in writing to the waiver.

10 ~~[6.]~~ 8. After removing the contents pursuant to subsection 7 and before the
11 contents may be disposed of, the method of disposition of the contents must be
12 agreed to by the State Sealer of Consumer Equitability, or the appointees thereof.

13 9. After the method of disposition of the contents is agreed to pursuant to
14 subsection 8 and the disposition occurs, the person who disposes of the contents
15 shall make available in writing to the State Sealer of Consumer Equitability, or
16 the appointees thereof, a confirmation of the disposition of the products in
17 violation. Such a confirmation of disposition must include the volume, in gallons,
18 of the petroleum product or motor vehicle fuel that is transferred if the meter
19 readings and physical inventory are taken or caused to be taken pursuant to
20 subsection 5. A confirmation of the disposition of the products in violation may
21 be in the form of:

22 (a) A delivery ticket;

23 (b) An invoice;

24 (c) A bill of lading;

25 (d) A bill of sale;

26 (e) A terminal ticket; or

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

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

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

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

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

49 590.105 For the purpose of testing petroleum products or motor vehicle fuel
50 as provided in NRS 590.010 to 590.150, inclusive, and section 1 of this act, the
51 ASTM ~~[IP]~~ Petroleum Measurement Tables ~~[, American Edition.]~~ must be used for
52 gravity and volume conversion and temperature correction of 60°F.

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

2 590.120 1. Every person, or any officer, agent or employee thereof,
3 shipping or transporting any motor vehicle fuel or lubricating oil into this State for
4 sale or consignment, or with intent to sell or consign the same, shall pay to the
5 Department of Motor Vehicles an inspection fee of 0.055 of a cent per gallon for
6 every gallon of motor vehicle fuel or lubricating oil so shipped or transported into
7 the State, or that is held for sale within this State. This section does not require the
8 payment of an inspection fee on any shipment or consignment of motor vehicle fuel
9 or lubricating oil when the inspection fee has been paid.

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

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

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

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

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

28 7. For the purposes of this section, "motor vehicle fuel" does not include
29 diesel fuel, burner fuel or kerosene.

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

31 590.140 The district attorney of each county shall prosecute all violations of
32 the provisions of NRS 590.010 to 590.150, inclusive, *and section 1 of this act*
33 occurring within the county.

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

35 590.150 1. Any person, or any officer, agent or employee thereof, who
36 violates any of the provisions of NRS 590.010 to 590.140, inclusive, *and section 1*
37 *of this act* is guilty of a misdemeanor.

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

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

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

48 561.385 1. The Agriculture Registration and Enforcement Account is
49 hereby created in the State General Fund for the use of the Department.

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

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

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

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

4 (d) Laboratory fees collected for the testing of pesticides as authorized by NRS
5 561.305, and as are necessary pursuant to the provisions of NRS 555.2605 to
6 555.460, inclusive, and, except as otherwise provided in NRS 586.270 and 586.940,
7 chapter 586 of NRS.

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

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

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

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

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

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

28 2. Expenditures from the account must be made only for carrying out the
29 provisions of this chapter and chapters 581 and 582 of NRS and NRS 590.010 to
30 590.330, inclusive ~~H~~, *and section 1 of this act*.

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

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

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

47 3. Any action taken by an officer or agency whose name has been changed or
48 whose responsibilities have been transferred pursuant to the provisions of this act to
49 another officer or agency remains in effect as if taken by the officer or agency to
50 which the responsibility for the enforcement of such actions has been transferred.

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

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

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