

SENATE BILL NO. 478—COMMITTEE ON TAXATION

MARCH 23, 2001

Referred to Committee on Transportation

SUMMARY—Establishes certain benefits, exemptions and programs related to certain motor vehicles that use clean-burning fuel. (BDR 43-137)

FISCAL NOTE: Effect on Local Government: Yes.
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 motor vehicles; exempting certain motor vehicles that use clean-burning fuel from certain registration fees; increasing certain registration fees for certain motor vehicles that do not use clean-burning fuel; exempting clean-burning fuel from certain taxes on motor vehicle fuel; establishing programs to inspect emissions from certain motor vehicles that use clean-burning fuel; providing a penalty; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 482 of NRS is hereby amended by adding thereto a
- 2 new section to read as follows:
- 3 1. *Except as otherwise provided in subsection 2, the fees for*
- 4 *registration imposed by this chapter do not apply to:*
- 5 (a) *A passenger car that uses clean-burning fuel in compliance with*
- 6 *the provisions of sections 8 to 32, inclusive, of this act; or*
- 7 (b) *Any other type of motor vehicle that uses clean-burning fuel in*
- 8 *compliance with the provisions of sections 8 to 32, inclusive, of this act, if*
- 9 *the state environmental commission adopts regulations pursuant to*
- 10 *sections 8 to 32, inclusive, of this act which exempt that type of motor*
- 11 *vehicle from the fees for registration imposed by this chapter.*
- 12 2. *The provisions of this section do not apply to the fees imposed by*
- 13 *this chapter for the transfer or reinstatement of the registration of a*
- 14 *motor vehicle.*
- 15 **Sec. 2.** NRS 482.480 is hereby amended to read as follows:
- 16 482.480 There must be paid to the department for the registration or
- 17 the transfer or reinstatement of the registration of motor vehicles, trailers
- 18 and semitrailers, fees according to the following schedule:
- 19 1. Except as otherwise provided in this section, for each stock
- 20 passenger car and each reconstructed or specially constructed passenger car



1 registered to a person, regardless of weight or number of passenger
2 capacity, a fee for registration of ~~\$33.1~~ **\$33.50.**

3 2. Except as otherwise provided in subsection 3:

4 (a) For each of the fifth and sixth such cars registered to a person, a fee
5 for registration of \$16.50.

6 (b) For each of the seventh and eighth such cars registered to a person, a
7 fee for registration of \$12.

8 (c) For each of the ninth or more such cars registered to a person, a fee
9 for registration of \$8.

10 3. The fees specified in subsection 2 do not apply:

11 (a) Unless the person registering the cars presents to the department at
12 the time of registration the registrations of all of the cars registered to him.

13 (b) To cars that are part of a fleet.

14 4. For every motorcycle, a fee for registration of \$33 and for each
15 motorcycle other than a trimobile, an additional fee of \$6 for motorcycle
16 safety. The additional fee must be deposited in the state highway fund for
17 credit to the account for the program for the education of motorcycle
18 riders.

19 5. For each transfer of registration, a fee of \$6 in addition to any other
20 fees.

21 6. To reinstate the registration of a motor vehicle suspended pursuant
22 to NRS 485.317:

23 (a) A fee of \$250 for a registered owner who failed to have insurance on
24 the date specified in the form for verification that was mailed by the
25 department pursuant to subsection 2 of NRS 485.317; or

26 (b) A fee of \$50 for a registered owner of a dormant vehicle who
27 canceled the insurance coverage for that vehicle or allowed the insurance
28 coverage for that vehicle to expire without first canceling the registration
29 for the vehicle in accordance with subsection 3 of NRS 485.320,
30 both of which must be deposited in the account for verification of
31 insurance which is hereby created in the state highway fund. Money in the
32 account must be used to carry out the provisions of NRS 485.313 to
33 485.318, inclusive.

34 7. For every travel trailer, a fee for registration of \$27.

35 8. For every permit for the operation of a golf cart, an annual fee of
36 \$10.

37 9. For every low-speed vehicle, as that term is defined in NRS
38 484.527, a fee for registration of \$33.

39 10. To reinstate the registration of a motor vehicle that is suspended
40 pursuant to NRS 482.451, a fee of \$33.

41 **Sec. 3.** Chapter 365 of NRS is hereby amended by adding thereto a
42 new section to read as follows:

43 *The provisions of this chapter requiring the payment of excise taxes do*
44 *not apply to any clean-burning fuel, as defined in section 11 of this act,*
45 *which is sold, distributed or used for motor vehicles that use clean-*
46 *burning fuel in compliance with the provisions of sections 8 to 32,*
47 *inclusive, of this act.*



1 **Sec. 4.** NRS 365.240 is hereby amended to read as follows:
2 365.240 1. Every dealer shall report such exports and sales to the
3 department at such times, on such forms and in such detail as the
4 department may require.

5 2. Every dealer shall mark clearly upon each invoice rendered for sales
6 upon which no excise tax is required under NRS 365.220 and 365.230 *and*
7 *section 3 of this act* "Ex Nevada Motor Vehicle Fuel Tax" or "Ex Nevada
8 Fuel for Jet or Turbine-Powered Aircraft Tax," whichever is applicable.

9 **Sec. 5.** NRS 365.240 is hereby amended to read as follows:

10 365.240 1. Every dealer and supplier shall report such exports and
11 sales to the department at such times, on such forms and in such detail as
12 the department may require.

13 2. Every dealer and supplier shall mark clearly upon each invoice
14 rendered for sales upon which no excise tax is required under NRS 365.220
15 and 365.230 *and section 3 of this act* "Ex Nevada Motor Vehicle Fuel
16 Tax" or "Ex Nevada Fuel for Jet or Turbine-Powered Aircraft Tax,"
17 whichever is applicable.

18 **Sec. 6.** NRS 366.060 is hereby amended to read as follows:

19 366.060 1. "Special fuel" means any combustible gas or liquid used
20 for the generation of power for the propulsion of motor vehicles, including
21 an emulsion of water-phased hydrocarbon fuel.

22 2. The term does not include ~~motor~~ :

23 (a) *Motor* vehicle fuel as defined in chapter 365 of NRS ~~1~~; *and*

24 (b) *Clean-burning fuel as defined in section 11 of this act.*

25 **Sec. 7.** Chapter 445B of NRS is hereby amended by adding thereto
26 the provisions set forth as sections 8 to 32, inclusive, of this act.

27 **Sec. 8.** *As used in sections 8 to 32, inclusive, of this act, unless the*
28 *context otherwise requires, the words and terms defined in sections 9 to*
29 *18, inclusive, of this act have the meanings ascribed to them in those*
30 *sections.*

31 **Sec. 9.** *"Approved inspector" means a person licensed by the*
32 *department to inspect, for an authorized inspection station, motor*
33 *vehicles that use clean-burning fuel.*

34 **Sec. 10.** *"Authorized inspection station" means a station licensed by*
35 *the department to inspect motor vehicles that use clean-burning fuel for*
36 *compliance with the provisions of sections 8 to 32, inclusive, of this act or*
37 *any applicable federal regulation or regulation of the commission.*

38 **Sec. 11.** 1. "Clean-burning fuel" means any fuel that:

39 (a) *Is designed to be used in a motor vehicle;*

40 (b) *Is not substantially gasoline or diesel fuel;*

41 (c) *Is likely to yield substantial environmental benefits; and*

42 (d) *Complies with the standards and requirements adopted by the*
43 *commission.*

44 2. *The term includes, without limitation:*

45 (a) *Methanol, denatured ethanol and other alcohols;*

46 (b) *Mixtures containing not less than 85 percent by volume of*
47 *methanol, denatured ethanol or other alcohols with gasoline or other*
48 *fuels;*

49 (c) *Natural gas;*



- 1 (d) *Liquefied petroleum gas;*
2 (e) *Hydrogen;*
3 (f) *Coal-derived liquid fuels;*
4 (g) *Fuels, other than alcohol, that are derived from biological*
5 *materials; and*
6 (h) *Electricity, including, without limitation, electricity derived from*
7 *solar energy.*
8 Sec. 12. *“Commission” means the state environmental commission*
9 *of the state department of conservation and natural resources.*
10 Sec. 13. *“Department” means the department of motor vehicles and*
11 *public safety.*
12 Sec. 14. *“Evidence of compliance” means a certificate issued when*
13 *a motor vehicle that uses clean-burning fuel has been inspected and has*
14 *been found to be in compliance with the provisions of sections 8 to 32,*
15 *inclusive, of this act.*
16 Sec. 15. *“Fleet station” means a station licensed by the department*
17 *to inspect fleets of motor vehicles of qualified owners or lessees for*
18 *compliance with the provisions of sections 8 to 32, inclusive, of this act or*
19 *any applicable federal regulation or regulation of the commission.*
20 Sec. 16. *“Motor vehicle” has the meaning ascribed to it in NRS*
21 *482.075.*
22 Sec. 17. *“Motor vehicle that uses clean-burning fuel” means:*
23 1. *A passenger car that uses clean-burning fuel in compliance with*
24 *the provisions of sections 8 to 32, inclusive, of this act; or*
25 2. *Any other type of motor vehicle that uses clean-burning fuel in*
26 *compliance with the provisions of sections 8 to 32, inclusive, of this act, if*
27 *the commission adopts regulations pursuant to sections 8 to 32, inclusive,*
28 *of this act which exempt that type of motor vehicle from the fees for*
29 *registration imposed by chapter 482 of NRS.*
30 Sec. 18. *“Passenger car” has the meaning ascribed to it in NRS*
31 *482.087.*
32 Sec. 19. *The provisions of sections 8 to 32, inclusive, of this act do*
33 *not apply to any motor vehicle that is subject to the provisions of chapter*
34 *486A of NRS.*
35 Sec. 20. 1. *In any county whose population is 100,000 or more, the*
36 *commission shall adopt regulations that prescribe standards for*
37 *acceptable exhaust emissions from motor vehicles that use clean-burning*
38 *fuel, including, without limitation, motor vehicles that have been*
39 *converted to use clean-burning fuel.*
40 2. *In any county whose population is less than 100,000, the*
41 *commission may adopt regulations that prescribe standards for*
42 *acceptable exhaust emissions from motor vehicles that use clean-burning*
43 *fuel, including, without limitation, motor vehicles that have been*
44 *converted to use clean-burning fuel, if the commission determines that a*
45 *program for inspecting such motor vehicles is:*
46 (a) *Feasible and practicable; and*
47 (b) *Necessary to promote the operation of motor vehicles that use*
48 *clean-burning fuel.*



- 1 **Sec. 21. 1.** *The commission shall adopt regulations that:*
2 *(a) Prescribe requirements that the department will follow for*
3 *licensing authorized inspection stations and fleet stations that inspect*
4 *motor vehicles that use clean-burning fuel.*
5 *(b) Prescribe the criteria by which a person may become qualified to*
6 *inspect motor vehicles that use clean-burning fuel.*
7 *(c) Prescribe the manner in which authorized inspection stations and*
8 *fleet stations issue evidence of compliance for motor vehicles that use*
9 *clean-burning fuel.*
10 *(d) Prescribe the diagnostic equipment necessary to perform the*
11 *required inspection of motor vehicles that use clean-burning fuel. The*
12 *regulations must ensure that the equipment complies with any applicable*
13 *standards of the United States Environmental Protection Agency.*
14 *(e) Provide for any fee, bond or insurance which is necessary to carry*
15 *out the provisions of sections 8 to 32, inclusive, of this act.*
16 *(f) Provide for distribution to each owner of a motor vehicle that uses*
17 *clean-burning fuel a pamphlet which contains information that explains*
18 *the reasons for and the methods of the inspections.*
19 *(g) Provide for distribution to each authorized inspection station and*
20 *fleet station a copy of the regulations that pertain to the licensing of*
21 *authorized inspection stations and fleet stations.*
22 **2.** *The commission may adopt regulations that allow approved*
23 *inspectors, authorized inspection stations, authorized stations or fleet*
24 *stations that are licensed pursuant to NRS 445B.700 to 445B.845,*
25 *inclusive, to inspect motor vehicles that use clean-burning fuel for*
26 *compliance with the provisions of sections 8 to 32, inclusive, of this act.*
27 **Sec. 22.** *An application for the issuance of a license pursuant to*
28 *sections 8 to 32, inclusive, of this act must include the social security*
29 *number of the applicant.*
30 **Sec. 23. 1.** *An applicant for the issuance or renewal of a license*
31 *pursuant to sections 8 to 32, inclusive, of this act shall submit to the*
32 *department the statement prescribed by the welfare division of the*
33 *department of human resources pursuant to NRS 425.520. The statement*
34 *must be completed and signed by the applicant.*
35 **2.** *The department shall include the statement required pursuant to*
36 *subsection 1 in:*
37 *(a) The application or any other forms that must be submitted for the*
38 *issuance or renewal of the license; or*
39 *(b) A separate form prescribed by the department.*
40 **3.** *A license issued pursuant to sections 8 to 32, inclusive, of this act*
41 *may not be issued or renewed by the department if the applicant:*
42 *(a) Fails to submit the statement required pursuant to subsection 1; or*
43 *(b) Indicates on the statement submitted pursuant to subsection 1 that*
44 *he is subject to a court order for the support of a child and is not in*
45 *compliance with the order or a plan approved by the district attorney or*



1 *other public agency enforcing the order for the repayment of the amount*
2 *owed pursuant to the order.*

3 *4. If an applicant indicates on the statement submitted pursuant to*
4 *subsection 1 that he is subject to a court order for the support of a child*
5 *and is not in compliance with the order or a plan approved by the district*
6 *attorney or other public agency enforcing the order for the repayment of*
7 *the amount owed pursuant to the order, the department shall advise the*
8 *applicant to contact the district attorney or other public agency enforcing*
9 *the order to determine the actions that the applicant may take to satisfy*
10 *the arrearage.*

11 *Sec. 24. 1. If the department receives a copy of a court order*
12 *issued pursuant to NRS 425.540 that provides for the suspension of all*
13 *professional, occupational and recreational licenses, certificates and*
14 *permits issued to a person pursuant to sections 8 to 32, inclusive, of this*
15 *act, the department shall deem the license issued to that person to be*
16 *suspended at the end of the 30th day after the date on which the court*
17 *order was issued unless the department receives a letter issued to the*
18 *holder of the license by the district attorney or other public agency*
19 *pursuant to NRS 425.550 stating that the holder of the license has*
20 *complied with the subpoena or warrant or has satisfied the arrearage*
21 *pursuant to NRS 425.560.*

22 *2. The department shall reinstate a license that has been suspended*
23 *by a district court pursuant to NRS 425.540 if the department receives a*
24 *letter issued by the district attorney or other public agency pursuant to*
25 *NRS 425.550 to the person whose license was suspended stating that the*
26 *person whose license was suspended has complied with the subpoena or*
27 *warrant or has satisfied the arrearage pursuant to NRS 425.560.*

28 *Sec. 25. 1. The department shall establish procedures for*
29 *inspecting authorized inspection stations and fleet stations.*

30 *2. The department may require the holder of a license for an*
31 *authorized inspection station or fleet station to submit any material or*
32 *document which is used in the program to promote the operation of*
33 *motor vehicles that use clean-burning fuel.*

34 *3. The department may deny, suspend or revoke the license of an*
35 *approved inspector, authorized inspection station or fleet station if:*

36 *(a) The approved inspector or the holder of a license for an authorized*
37 *inspection station or fleet station is not complying with the provisions of*
38 *sections 8 to 32, inclusive, of this act;*

39 *(b) The holder of a license for an authorized inspection station or fleet*
40 *station refuses to furnish the department with the requested material or*
41 *document;*

42 *(c) The approved inspector has issued a fraudulent certificate of*
43 *compliance, whether intentionally or negligently; or*

44 *(d) The approved inspector does not follow the prescribed test*
45 *procedure.*

46 *4. For purposes of this section, "fraudulent certificate" includes,*
47 *without limitation:*

48 *(a) A backdated certificate;*



1 (b) A postdated certificate; and

2 (c) A certificate issued without an inspection.

3 **Sec. 26.** 1. Except as provided in subsection 2, to be exempt from
4 the registration fee for motor vehicles pursuant to section 1 of this act, an
5 owner of a motor vehicle that uses clean-burning fuel is required to have
6 evidence of compliance upon registration and renewal of registration.

7 2. The requirements of subsection 1 do not apply to:

8 (a) Transfer of registration or ownership between:

9 (1) Husband and wife; or

10 (2) Companies whose principal business is leasing of vehicles, if
11 there is no change in the lessee or operator of the vehicle.

12 (b) Transfer of registration if evidence of compliance was issued
13 within 90 days before the transfer.

14 **Sec. 27.** 1. The commission shall adopt regulations that establish
15 fees for:

16 (a) The issuance and annual renewal of a license for an authorized
17 inspection station or fleet station;

18 (b) Each set of 25 forms certifying emission control compliance; and

19 (c) Each form issued to a fleet station.

20 2. The fees established pursuant to this section must be paid to the
21 department and accounted for in the pollution control account.

22 **Sec. 28.** 1. The commission shall adopt regulations that establish
23 procedures for collecting, interpreting and correlating information
24 concerning the program to promote the operation of motor vehicles that
25 use clean-burning fuel.

26 2. All information received by the commission or the department is
27 open to public inspection.

28 3. Not later than 90 days after the close of each fiscal year, the
29 commission shall submit to the director of the legislative counsel bureau
30 a report concerning the costs and benefits to the State of Nevada of the
31 program to promote the operation of motor vehicles that use clean-
32 burning fuel. The report must include, without limitation, the following
33 information:

34 (a) The state revenue gained by increasing the fees for registration
35 imposed by chapter 482 of NRS for passenger cars that do not use clean-
36 burning fuel;

37 (b) The state revenue lost by exempting passenger cars and other types
38 of motor vehicles that use clean-burning fuel from the fees for
39 registration imposed by chapter 482 of NRS; and

40 (c) The state revenue lost by exempting clean-burning fuel from the
41 taxes imposed by chapters 365 and 366 of NRS.

42 **Sec. 29.** Before the commission may adopt any regulation pursuant
43 to sections 8 to 32, inclusive, of this act, the department must approve the
44 regulation.

45 **Sec. 30.** 1. The department may impose an administrative fine, not
46 to exceed \$2,500, for a violation of any provision of sections 8 to 32,
47 inclusive, of this act, or any rule, regulation or order adopted or issued



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1 *pursuant thereto. The department shall afford to any person so fined an*
2 *opportunity for a hearing pursuant to the provisions of NRS 233B.121.*

3 *2. All administrative fines collected by the department pursuant to*
4 *subsection 1 must be deposited with the state treasurer to the credit of the*
5 *pollution control account.*

6 *3. The department may compel compliance with any provision of*
7 *sections 8 to 32, inclusive, of this act, and any rule, regulation or order*
8 *adopted or issued pursuant thereto, by injunction or other appropriate*
9 *remedy and the department may institute and maintain in the name of*
10 *the State of Nevada any such enforcement proceedings.*

11 **Sec. 31.** *It is unlawful for any person to:*

12 *1. Possess any unauthorized evidence of compliance;*

13 *2. Make, issue or use any imitation or counterfeit evidence of*
14 *compliance;*

15 *3. Willfully and knowingly fail to comply with the provisions of*
16 *sections 8 to 32, inclusive, of this act or any regulation adopted by the*
17 *department; or*

18 *4. Issue evidence of compliance if he is not an approved inspector of*
19 *an authorized inspection station or fleet station.*

20 **Sec. 32.** *1. A violation of any provision of sections 8 to 32,*
21 *inclusive, of this act relating to motor vehicles that use clean-burning*
22 *fuel, or any regulation adopted pursuant thereto relating to motor*
23 *vehicles that use clean-burning fuel, is a misdemeanor. The provisions of*
24 *sections 8 to 32, inclusive, of this act, or any regulation adopted pursuant*
25 *thereto, must be enforced by any peace officer.*

26 *2. Satisfactory evidence that the motor vehicle or its equipment*
27 *conforms to those provisions or regulations, when supplied by the owner*
28 *of the motor vehicle to the department within 10 days after the issuance*
29 *of a citation pursuant to subsection 1, may be accepted by the court as a*
30 *complete or partial mitigation of the offense.*

31 **Sec. 33.** *NRS 445B.825 is hereby amended to read as follows:*

32 *445B.825 1. The commission may provide for exemption from the*
33 *provisions of NRS 445B.770 to 445B.815, inclusive, of designated classes*
34 *of motor vehicles, including classes based upon the year of manufacture of*
35 *motor vehicles.*

36 *2. The commission shall provide for a waiver from the provisions of*
37 *NRS 445B.770 to 445B.815, inclusive, if compliance involves repair and*
38 *equipment costs which exceed the limits established by the commission.*
39 *The commission shall establish the limits in a manner which avoids*
40 *unnecessary financial hardship to motor vehicle owners.*

41 *3. The commission shall provide for exemption from the provisions*
42 *of NRS 445B.700 to 445B.845, inclusive, of motor vehicles that use*
43 *clean-burning fuel in compliance with the provisions of sections 8 to 32,*
44 *inclusive, of this act.*

45 **Sec. 34.** *1. This section and sections 1 to 4, inclusive, and 6 to 33,*
46 *inclusive, of this act become effective on July 1, 2001.*

47 *2. Section 4 of this act expires by limitation on December 31, 2001.*



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1 3. Section 5 of this act becomes effective at 12:01 a.m. on January 1,
2 2002.

3 4. This section and sections 1, 2, 3, 5 to 21, inclusive, and 25 to 33,
4 inclusive, of this act expire by limitation on June 30, 2007.

5 5. Sections 22, 23 and 24 of this act expire by limitation on the earlier
6 of:

7 (a) June 30, 2007; or

8 (b) The date on which the provisions of 42 U.S.C. § 666 requiring each
9 state to establish procedures under which the state has authority to
10 withhold or suspend, or to restrict the use of professional, occupational and
11 recreational licenses of persons who:

12 (1) Have failed to comply with a subpoena or warrant relating to a
13 procedure to determine the paternity of a child or to establish or enforce an
14 obligation for the support of a child; or

15 (2) Are in arrears in the payment for the support of one or more
16 children,

17 are repealed by the Congress of the United States.

