
SENATE BILL NO. 16—COMMITTEE ON NATURAL RESOURCES
(ON BEHALF OF THE DIVISION OF ENVIRONMENTAL PROTECTION)

PREFILED FEBRUARY 1, 2005

Referred to Committee on Natural Resources

SUMMARY—Authorizes use of money in Fund for Cleaning Up Discharges of Petroleum by State for cleanup of discharges involving petroleum and other discharges under certain circumstances. (BDR 51-662)

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

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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 the Fund for Cleaning Up Discharges of Petroleum; authorizing the Division of Environmental Protection of the State Department of Conservation and Natural Resources to expend money from the Fund for the cleanup of discharges involving petroleum and other discharges under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law establishes the Fund for Cleaning Up Discharges of Petroleum
2 against which owners of storage tanks where discharges of petroleum occur may
3 file a claim to recover the costs incurred to clean up the discharge. The Fund is
4 administered by the Division of Environmental Protection of the State Department
5 of Conservation and Natural Resources. (NRS 590.700-590.920)
6 This bill allows the Division of Environmental Protection to spend not more
7 than \$500,000 each year to pay for the costs incurred by the Division to clean up all
8 discharges that involve petroleum, regardless of whether the discharges are from
9 storage tanks. This bill further allows the Division to expend money to clean up
10 discharges of other hazardous materials if the discharges also involve a cleanup of
11 petroleum. Money from the Fund expended by the Division must be used to
12 augment, not replace, other sources of money for cleaning up discharges of
13 petroleum, unless no money is available from those other sources.



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

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

1. The Division may expend not more than \$500,000 from the Fund per year as reimbursement for necessary costs incurred by the Division in the response to and cleanup of any discharge involving petroleum, regardless of whether the discharge is from a storage tank, including, without limitation, any discharges that occur during the transportation of petroleum on roads, highways and rail lines. If the discharge involving petroleum also involves the discharge of another hazardous material, the Division may expend money pursuant to this section in the cleanup of the discharge of petroleum and the other hazardous material.

2. Except as otherwise provided in this subsection, money from the Fund expended by the Division pursuant to this section must be used to augment, and must not be used to replace or supplant, any money available from other sources for the cleanup of discharges of petroleum, including, without limitation, reimbursements by operators required to be made to the Division pursuant to NRS 590.850 and 590.870. If no money is available from those other sources, the Division may expend money from the Fund pursuant to this section to reimburse the Division for any costs specified in subsection 1.

Sec. 2. NRS 590.700 is hereby amended to read as follows:

590.700 As used in NRS 590.700 to 590.920, inclusive, *and section 1 of this act*, unless the context otherwise requires, the words and terms defined in NRS 590.710 to 590.800, inclusive, have the meanings ascribed to them in those sections.

Sec. 3. NRS 590.830 is hereby amended to read as follows:

590.830 1. The Fund for Cleaning Up Discharges of Petroleum is hereby created as a special revenue fund in the State Treasury. The Division shall administer the Fund for the purposes prescribed in NRS 590.700 to 590.920, inclusive, *and section 1 of this act*, and the Board shall adopt appropriate regulations for the investigation and payment of claims against the Fund. The Board shall review each claim presented and authorize payment to the extent warranted by the facts of the case.

2. The expenses incurred by the Division in performing its duties pursuant to NRS 590.700 to 590.920, inclusive, *and section 1 of this act* are a charge against the Fund. The interest earned on money in the Fund must be credited to the Fund.

3. The Board shall transmit a copy of any resolution that the Board has adopted in carrying out its duties pursuant to this section



1 to the Legislative Counsel within 5 working days after the adoption
2 of the resolution for inclusion in the Register of Administrative
3 Regulations published pursuant to NRS 233B.0653.

4 **Sec. 4.** NRS 590.920 is hereby amended to read as follows:

5 590.920 1. The provisions of NRS 590.850 to 590.910,
6 inclusive, **and section 1 of this act** do not apply to any tank which:

7 (a) Contains petroleum being transported through this State in
8 interstate commerce, but do apply to a tank being used to store
9 petroleum received for sale or use in this State;

10 (b) Contains fuel for jet or turbine-powered aircraft, or is above
11 ground and has a capacity of 30,000 gallons or less, unless in either
12 case the operator complies with subsection 2; or

13 (c) Is above ground and has a capacity of more than 30,000
14 gallons.

15 2. The operator of a tank exempted by paragraph (b) of
16 subsection 1 may obtain the coverage provided by NRS 590.880 and
17 590.890 by applying to the Board, paying the fee set pursuant to
18 NRS 590.850 for its registration, and, if the tank is used to store fuel
19 for jet or turbine-powered aircraft, reporting monthly the number of
20 gallons of fuel put into the tank and paying the fee required by NRS
21 590.840. Coverage pursuant to this subsection begins 6 months after
22 the tank is registered and the required fee first paid.

23 **Sec. 5.** This act becomes effective on July 1, 2005.



