ASSEMBLY BILL NO. 237–ASSEMBLYMEN GEDDES, CONKLIN, KNECHT, GIBBONS, LESLIE, ANDERSON, ANDONOV, ARBERRY, ATKINSON, BROWN, BUCKLEY, CARPENTER, CHRISTENSEN, COLLINS, GIUNCHIGLIANI, GOICOECHEA, GRADY, GRIFFIN, HARDY, HETTRICK, HORNE, KOIVISTO, MABEY, MANENDO, MARVEL, MORTENSON, OCEGUERA, PARKS, PERKINS, PIERCE, SHERER AND WEBER

MARCH 5, 2003

JOINT SPONSORS: SENATORS TITUS, WIENER, COFFIN, RHOADS AND SHAFFER

Referred to Committee on Natural Resources, Agriculture, and Mining

SUMMARY—Revises provisions relating to use of alternative fuels by certain fleets of motor vehicles. (BDR 43-796)

FISCAL NOTE: Effect on Local Government: Yes. Effect on the State: Yes.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to fuels; revising the findings of the Legislature concerning the feasibility of the conversion to cleanerburning alternative fuels by certain fleets of motor vehicles; revising the definitions of "alternative fuel" and "dedicated alternative fuel motor vehicle"; requiring the State Environmental Commission to adopt regulations relating to dedicated alternative fuel motor vehicles; 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 486A of NRS is hereby amended by 2 adding thereto the provisions set forth as sections 2, 3 and 4 of this 3 act.

4 Sec. 2. "B5 biodiesel" means a blend of diesel fuels 5 consisting of:

6 1. Five percent diesel fuel that is made from renewable 7 resources, including, without limitation, soybean oil; and

8 2. Ninety-five percent diesel fuel that is made from petroleum 9 products.

10 Sec. 3. "Ethanol-diesel" means a fuel that is made from a 11 blend of:

12 1. Diesel fuel;

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2. Ethanol; and

14 3. An additive or emulsifier that allows the diesel fuel and 15 ethanol to mix.

16 Sec. 4. "Ultra low-sulfur diesel fuel" means diesel fuel 17 having a maximum sulfur content of 15 parts per million by 18 weight.

19 Sec. 5. NRS 486A.010 is hereby amended to read as follows:

20 486A.010 The Legislature finds that:

1. Protection of the State's environment, particularly the quality of its air, requires a reduction, especially in metropolitan areas, of the contaminants resulting from the combustion of conventional fuels in motor vehicles.

25 2. A very large proportion of these contaminants results from
26 the burning of liquid and gaseous fuels to operate trucks and buses,
27 many of which are operated in fleets. Each fuel can be evaluated as
28 to the air pollution it causes when burned in motor vehicles.

29 3. Conversion of these fleets to use cleaner-burning alternative
 30 fuels can reduce contaminants sufficiently to permit the continued
 31 use of conventional fuels in individually owned motor vehicles . [-,
 32 but such conversion is feasible only if sufficient financial assistance
 33 is provided to the owners of fleets.]

Sec. 6. NRS 486A.020 is hereby amended to read as follows:

486A.020 As used in NRS 486A.010 to 486A.180, inclusive, *and sections 2, 3 and 4 of this act,* unless the context otherwise requires, the words and terms defined in NRS 486A.030 to 486A.130, inclusive, *and sections 2, 3 and 4 of this act* have the meanings ascribed to them in those sections.

40 Sec. 7. NRS 486A.030 is hereby amended to read as follows:

41 486A.030 "Alternative fuel" means any fuel which complies
42 with the standards and requirements established by the Commission.
43 The term includes :

44 *1. Ultra* low-sulfur diesel fuel [and reformulated];

45 **2.** *Reformulated* gasoline ;



1 3. Diesel fuel that meets the requirements imposed by the 2 California Air Resources Board;

4. B5 biodiesel; and

5. Ethanol-diesel,

5 which comply with the regulations adopted by the United States Environmental Protection Agency pursuant to the standards for the 6 7 control of emissions from motor vehicles established in the Clean Air Act Amendments of 1990 [(Pub. L. No. 101-549, Nov. 15, 8 9 1990).], Public Law 101-549, November 15, 1990. 10 **Sec. 8.** NRS 486A.030 is hereby amended to read as follows:

486A.030 "Alternative fuel" means any fuel which complies 11

with the standards and requirements established by the Commission. 12

13 The term includes: 14

1. [Ultra low-sulfur diesel fuel:

15 2.] Reformulated gasoline;

[3. Diesel fuel that meets the requirements imposed by the 16 California Air Resources Board; 17

-4.12. B5 biodiesel: and 18 19

[5.] 3. Ethanol-diesel,

20 which comply with the regulations adopted by the United States

Environmental Protection Agency pursuant to the standards for the 21 control of emissions from motor vehicles established in the Clean 22 Air Act Amendments of 1990, Public Law 101-549, November 15, 23

24 1990.

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Sec. 9. NRS 486A.060 is hereby amended to read as follows:

26 486A.060 "Dedicated alternative fuel motor vehicle" means a 27 motor vehicle that [operates]:

1. Operates only on an alternative fuel [...]; or

29 2. *Regardless of the type of fuel on which it operates, emits:*

30 (a) Fewer than 0.04 grams per mile of nonmethane organic 31 gases;

32 (b) Fewer than 1.7 grams per mile of carbon monoxide; and

(c) Fewer than 0.05 grams per mile of nitrogen oxides. 33

34 **Sec. 10.** NRS 486A.150 is hereby amended to read as follows:

486A.150 The Commission shall adopt regulations necessary 35 to carry out the provisions of NRS 486A.010 to 486A.180, 36 inclusive, and sections 2, 3 and 4 of this act, including, but not 37 limited to, regulations concerning: 38

39 1. Standards and requirements for alternative fuel. The 40 Commission shall not discriminate against any product that is 41 petroleum based.

42 The conversion of fleets to use alternative fuels if the fleet is 2. 43 operated in a county whose population is 100,000 or more.

44 3. Standards for alternative fuel injection systems for diesel 45 motor vehicles.



1 4. Standards for levels of emissions from motor vehicles that 2 are converted to use alternative fuels.

5. The establishment of a procedure for approving exemptions to the requirements of NRS 486A.010 to 486A.180, inclusive [.], *and sections 2, 3 and 4 of this act.*

6 **6.** Standards related to the use of dedicated alternative fuel 7 motor vehicles.

8 **Sec. 11.** NRS 486A.180 is hereby amended to read as follows: 9 486A.180 1. Except as otherwise provided in subsection 4, any person who violates any provision of NRS 486A.010 to 10 486A.180, inclusive, and sections 2, 3 and 4 of this act, or any 11 regulation adopted pursuant thereto, is guilty of a civil offense and 12 13 shall pay an administrative fine levied by the Commission of not 14 more than \$5,000. Each day of violation constitutes a separate 15 offense.

16 2. The Commission shall by regulation establish a schedule of 17 administrative fines of not more than \$1,000 for lesser violations of 18 any provision of NRS 486A.010 to 486A.180, inclusive, *and* 19 *sections 2, 3 and 4 of this act* or any regulation in force pursuant 20 thereto.

3. Action pursuant to subsection 1 or 2 is not a bar to
enforcement of the provisions of NRS 486A.010 to 486A.180,
inclusive, *and sections 2, 3 and 4 of this act* and regulations in
force pursuant thereto, by injunction or other appropriate remedy.
The Commission or the Director of the Department may institute
and maintain in the name of the State of Nevada any such
enforcement proceeding.

4. A person who fails to pay a fine levied pursuant to subsection 1 or 2 within 30 days after the fine is imposed is guilty of a misdemeanor. The provisions of this subsection do not apply to a person found by the court to be indigent.

5. The Commission and the Department shall deposit all money collected pursuant to this section in the State General Fund. Money deposited in the State General Fund pursuant to this subsection must be accounted for separately and may only be expended upon legislative appropriation.

Sec. 12. As soon as practicable after July 1, 2003, the State Environmental Commission shall review its regulations set forth in chapter 486A of NAC and shall, pursuant to its authority to adopt regulations set forth in NRS 445B.210 and 486A.150:

41 1. Revise the definition of "alternative fuel" in a manner 42 consistent with the provisions of this act; and

2. Revise its schedule for the conversion of fleets to use
alternative fuels, if the Commission determines that the revision is
necessary as a result of the provisions of this act.



- **Sec. 13.** 1. This section and sections 1 to 7, inclusive, and 9 to 12, inclusive, of this act become effective on July 1, 2003. 2. Sections 4 and 7 of this act expire by limitation on December 31, 2006.
- 3. Section 8 of this act becomes effective on January 1, 2007.

