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.

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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 fuels; revising the findings of the Legislature concerning the feasibility of the conversion to cleaner-burning 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:



**Section 1.** Chapter 486A of NRS is hereby amended by adding thereto a new section to read as follows:

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

- **Sec. 2.** NRS 486A.010 is hereby amended to read as follows: 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.
- 2. A very large proportion of these contaminants results from the burning of liquid and gaseous fuels to operate trucks and buses, many of which are operated in fleets. Each fuel can be evaluated as to the air pollution it causes when burned in motor vehicles.
- 3. Conversion of these fleets to use cleaner-burning alternative fuels can reduce contaminants sufficiently to permit the continued use of conventional fuels in individually owned motor vehicles. <del>[, but such conversion is feasible only if sufficient financial assistance is provided to the owners of fleets.]</del>
- **Sec. 3.** NRS 486A.020 is hereby amended to read as follows: 486A.020 As used in NRS 486A.010 to 486A.180, inclusive, *and section 1 of this act*, unless the context otherwise requires, the words and terms defined in NRS 486A.030 to 486A.130, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.
- **Sec. 4.** NRS 486A.030 is hereby amended to read as follows: 486A.030 "Alternative fuel" means any fuel which complies with the standards and requirements established by the Commission. The term includes:
  - 1. Ultra low-sulfur diesel fuel [and reformulated];
  - 2. Reformulated gasoline;

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- 3. Diesel fuel that meets the requirements imposed by the California Air Resources Board; and
  - 4. Finished diesel fuel that:
- (a) Meets American Society for Testing and Materials (ASTM) specification D975; and
- 37 (b) Includes at least 5 percent but not more than 20 percent 38 biodiesel fuel blend stock for distillate fuels meeting ASTM 39 specification D6751,
- which comply with the regulations adopted by the United States Environmental Protection Agency pursuant to the standards for the
- 42 control of emissions from motor vehicles established in the Clean
- 43 Air Act Amendments of 1990 [(Pub. L. No. 101-549, Nov. 15, 1990).], Public Law 101-549, November 15, 1990.



- **Sec. 5.** NRS 486A.030 is hereby amended to read as follows: 486A.030 "Alternative fuel" means any fuel which complies with the standards and requirements established by the Commission. The term includes:
  - 1. [Ultra low-sulfur diesel fuel;
- 2.1 Reformulated gasoline;
- 7 [3. Diesel fuel that meets the requirements imposed by the California Air Resources Board: and 8 9
  - 4.] *and*

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- **2.** Finished diesel fuel that:
- (a) Meets American Society for Testing and Materials (ASTM) specification D975; and
- (b) Includes at least 5 percent but not more than 20 percent biodiesel fuel blend stock for distillate fuels meeting ASTM specification D6751.
- which comply with the regulations adopted by the United States Environmental Protection Agency pursuant to the standards for the control of emissions from motor vehicles established in the Clean Air Act Amendments of 1990, Public Law 101-549, November 15, 1990.
- **Sec. 6.** NRS 486A.060 is hereby amended to read as follows: 486A.060 "Dedicated alternative fuel motor vehicle" means a motor vehicle that [operates]:
  - 1. Operates only on an alternative fuel  $\Box$ ; or
- Regardless of the type of fuel on which it operates, has been certified by the United States Environmental Protection Agency as being in compliance with the standards for the control of emissions from an ultra low-emission vehicle, or more stringent standards, as set forth in 40 C.F.R. § 88.104-94 or 88.105-94.
- **Sec. 7.** NRS 486A.150 is hereby amended to read as follows: 486A.150 The Commission shall adopt regulations necessary to carry out the provisions of NRS 486A.010 to 486A.180, inclusive, and section 1 of this act, including, but not limited to, regulations concerning:
- 1. Standards and requirements for alternative fuel. The Commission shall not discriminate against any product that is petroleum based.
- 2. The conversion of fleets to use alternative fuels if the fleet is operated in a county whose population is 100,000 or more.
- 3. Standards for alternative fuel injection systems for diesel motor vehicles.
- 4. Standards for levels of emissions from motor vehicles that 42 43 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 section 1 of this act.

- 6. Standards related to the use of dedicated alternative fuel motor vehicles.
  - **Sec. 8.** NRS 486A.180 is hereby amended to read as follows:
- 486A.180 1. Except as otherwise provided in subsection 4, any person who violates any provision of NRS 486A.010 to 486A.180, inclusive, *and section 1 of this act*, or any regulation adopted pursuant thereto, is guilty of a civil offense and shall pay an administrative fine levied by the Commission of not more than \$5,000. Each day of violation constitutes a separate offense.
- 2. The Commission shall by regulation establish a schedule of administrative fines of not more than \$1,000 for lesser violations of any provision of NRS 486A.010 to 486A.180, inclusive, *and section 1 of this act* or any regulation in force pursuant 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 section 1 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. 9.** 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:
- 1. Revise the definition of "alternative fuel" in a manner 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. 10. 1. This section and sections 1 to 4, inclusive, and 6
  - **Sec. 10.** 1. This section and sections 1 to 4, inclusive, and 6 to 9, inclusive, of this act become effective on July 1, 2003.
- 43 2. Sections 1 and 4 of this act expire by limitation on 44 December 31, 2006.



3. Section 5 of this act becomes effective on January 1, 2007.



