### SENATE BILL NO. 67-COMMITTEE ON JUDICIARY

## (ON BEHALF OF SUBCOMMITTEE ON INDUSTRIAL EXPLOSIONS)

### **FEBRUARY 7, 2003**

## Referred to Committee on Natural Resources

SUMMARY—Makes various changes to provisions governing regulation of highly hazardous substances and explosives. (BDR 40-297)

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 fomitted material is material to be omitted.

AN ACT relating to hazardous materials; revising the provisions relating to the regulation of facilities and the disclosure of records and information of facilities involved in the use, production, storage or handling of highly hazardous substances or in the manufacture of explosives; requiring the State Environmental Commission to adopt certain regulations concerning such facilities; providing penalties; 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.** NRS 459.3802 is hereby amended to read as follows:

459.3802 As used in NRS 459.380 to 459.3874, inclusive, unless the context otherwise requires, the words and terms defined in NRS [459.3804] 459.3806 to 459.38125, inclusive, have the meanings ascribed to them in those sections.

**Sec. 2.** NRS 459.3809 is hereby amended to read as follows: 459.3809 "Process" means:

9 1. Any activity that involves a *highly hazardous* substance 0 listed in NRS 459.3816 [or in a regulation of the Division adopted



pursuant to NRS 459.3833,] or any regulations adopted pursuant thereto, and includes, without limitation, the use, storage, manufacture, handling or on-site movement of the substance, or any combination thereof.

- 2. A group of vessels that are used in connection with such an activity, including vessels that are:
  - (a) Interconnected; or

- (b) Separate, but located in such a manner which makes possible the release of a substance.
  - **Sec. 3.** NRS 459.381 is hereby amended to read as follows:
- 459.381 ["Regulated facility"] "Facility" means a building, equipment and contiguous area where:
- 1. Highly hazardous substances are produced, used, stored or handled; or
  - 2. Explosives are manufactured for sale.
  - **Sec. 4.** NRS 459.3813 is hereby amended to read as follows:
- 459.3813 1. Except as otherwise provided in this section and NRS 459.3814, the provisions of NRS 459.380 to 459.3874, inclusive, *and any regulations adopted pursuant thereto*, apply to a [regulated] facility that:
- (a) Produces, uses, stores or handles a highly hazardous substance in a quantity:
- (1) Equal to or greater than the amount set forth in NRS 459.3816; or
- (2) Less than the amount set forth in NRS 459.3816 if there are two or more releases from the [regulated] facility of the same or different highly hazardous substances during any 12-month period and:
- (I) The release of the highly hazardous substances is reportable pursuant to 40 C.F.R. Part 302; or
- (II) Each quantity released is equal to or greater than a maximum quantity allowable as established by regulation of the State Environmental Commission; or
  - (b) Manufactures explosives for sale.
- 2. A [regulated] facility described in subparagraph (2) of paragraph (a) of subsection 1 is exempt from complying with the provisions of NRS 459.380 to 459.3874, inclusive, *and any regulations adopted pursuant thereto*, if:
  - (a) The Division determines that the [regulated] facility has [:
- (1) Carried out the detailed plan to abate hazards recommended pursuant to subsection 3 of NRS 459.3852; and
- (2) Complied with such other] complied with such provisions of NRS 459.380 to 459.3874, inclusive, and the regulations adopted pursuant thereto, as the Division requires; and



- (b) The  $\[\]$  facility obtains an exemption from the State Environmental Commission. The State Environmental Commission shall adopt by regulation the procedures for obtaining such an exemption.
- 3. As used in this section, "highly hazardous substance" means any substance designated as such in NRS 459.3816 or any

regulations adopted pursuant thereto.

Sec. 5. NRS 459.3816 is hereby amended to read as follows:

459.3816 1. The following substances are designated as highly hazardous, if present in the quantity designated after each substance or a greater quantity:

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13		Number Assigned	
14		by Chemical	Quantity
15	Chemical Name of Substance	Abstract Service	(In pounds)
16			
17	Acetaldehyde	. 75-07-0	2500
18	Acrolein (2-Propenal)	. 107-02-8	150
19	Acrylyl Chloride	. 814-68-6	250
20	Allyl Chloride	. 107-05-1	1000
21	Allylamine	. 107-11-9	1000
22	Alkylaluminums	. None	5000
23	Ammonia, Anhydrous		5000
24	Ammonia solutions (concentration		
25	greater than 44% ammonia by		
26	weight)	. 7664-41-7	10000
27	Ammonium Perchlorate	. 7790-98-9	7500
28	Ammonium Permanganate	. 7787-36-2	7500
29	Arsine (also called Arsenic		
30	Hydride)	. 7784-42-1	100
31	Bis (Chloromethyl) Ether	. 542-88-1	100
32	Boron Trichloride		2500
33	Boron Trifluoride	. 7637-07-2	250
34	Bromine	. 7726-95-6	1500
35	Bromine Chloride	. 13863-41-7	1500
36	Bromine Pentafluoride	. 7789-30-2	2500
37	Bromine Trifluoride		15000
38	3-Bromopropyne (also called	1	
39	Propargyl Bromide)	. 106-96-7	100
40	Butyl Hydroperoxide (Tertiary)	. 75-91-2	5000
41	Butyl Perbenzoate (Tertiary)	. 614-45-9	7500
42	Carbonyl Chloride (see Phosgene)		100
43	Carbonyl Fluoride	. 353-50-4	2500
44	Cellulose Nitrate (concentration		
45	greater than 12.6% Nitrogen)	. 9004-70-0	2500



1	Chlorine	7782-50-5	1500
2	Chlorine Dioxide	10049-04-4	1000
3	Chlorine Pentafluoride	13637-63-3	1000
4	Chlorine Trifluoride	7790-91-2	1000
5	Chlorodiethylaluminum (also		
6	called Diethylaluminum		
7	Chloride)	96-10-6	5000
8	1-Chloro-2,4-Dinitrobenzene	97-00-7	5000
9	Chloromethyl Methyl Ether	107-30-2	500
10	Chloropicrin	76-06-2	500
11	Chloropicrin and Methyl Bromide		
12	mixture	None	1500
13	Chloropicrin and Methyl Chloride		
14	mixture	None	1500
15	Cumene Hydroperoxide	80-15-9	5000
16	Cyanogen	460-19-5	2500
17	Cyanogen Chloride	506-77-4	500
18	Cyanuric Fluoride	675-14-9	100
19	Diacetyl Peroxide (concentration		
20	greater than 70%)	110-22-5	5000
21	Diazomethane	334-88-3	500
22	Dibenzoyl Peroxide	94-36-0	7500
23	Diborane	19287-45-7	100
24	Dibutyl Peroxide (Tertiary)	110-05-4	5000
25	Dichloro Acetylene	7572-29-4	250
26	Dichlorosilane	4109-96-0	2500
27	Diethylzinc	557-20-0	10000
28	Diisopropyl Peroxydicarbonate	105-64-6	7500
29	Dilauroyl Peroxide	105-74-8	7500
30	Dimethyl Sulfide	75-18-3	100
31	Dimethyldichlorosilane	75-78-5	1000
32	Dimethylhydrazine, 1.1	57-14-7	1000
33	Dimethylamine, Anhydrous	124-40-3	2500
34	2, 4 Dinitroaniline	97-02-9	5000
35	Ethyl Methyl Ketone Peroxide		
36	(also Methyl Ethyl Ketone		
37	Peroxide; concentration greater		
38	than 60%)	1338-23-4	5000
39	Ethyl Nitrite	109-95-5	5000
40	Ethylamine	75-04-7	7500
41	Ethylene Fluorohydrin	371-62-0	100
42	Ethylene Oxide	75-21-8	5000
43	Ethyleneimine	151-56-4	1000
44	Fluorine	7782-41-4	100
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1	Formaldehyde (concentration 37%		
2	or greater by weight)	50-00-0	1000
3	Furan	110-00-9	500
4	Hexafluoroacetone	684-16-2	5000
5	Hydrochloric Acid, Anhydrous	7647-01-0	5000
6	Hydrofluoric Acid, Anhydrous	7664-39-3	1000
7	Hydrogen Bromide	10035-10-6	5000
8	Hydrogen Chloride	7647-01-0	5000
9	Hydrogen Cyanide, Anhydrous	74-90-8	1000
10	Hydrogen Fluoride	7664-39-3	1000
11	Hydrogen Peroxide (concentration		
12	52% greater by weight)	7722-84-1	7500
13	Hydrogen Selenide	7783-07-5	150
14	Hydrogen Sulfide	7783-06-4	1500
15	Hydroxylamine	7803-49-8	2500
16	Iron, Pentacarbonyl	13463-40-6	250
17	Isopropyl Formate	625-55-8	500
18	Isopropylamine	75-31-0	5000
19	Ketene	463-51-4	100
20	Methacrylaldehyde	78-85-3	1000
21	Methacryloyl Chloride	920-46-7	150
22	Methacryloyloxyethyl Isocyanate	30674-80-7	100
23	Methyl Acrylonitrile	126-98-7	250
24	Methylamine, Anhydrous	74-89-5	1000
25	Methyl Bromide	74-83-9	2500
26	Methyl Chloride	74-87-3	15000
27	Methyl Chloroformate	79-22-1	500
28	Methyl Disulfide	624-92-0	100
29	Methyl Ethyl Ketone Peroxide		
30	(also Ethyl Methyl Ketone		
31	Peroxide; concentration greater		
32	than 60%)	1338-23-4	5000
33	Methyl Fluoroacetate	453-18-9	100
34	Methyl Fluorosulfate	421-20-5	100
35	Methyl Hydrazine	60-34-4	100
36	Methyl Iodide	74-88-4	7500
37	Methyl Isocyanate	624-83-9	250
38	Methyl Mercaptan	74-93-1	5000
39	Methyl Vinyl Ketone	78-94-4	100
40	Methyltrichlorosilane	75-79-6	500
41	Nickel Carbonyl (Nickel		
42	Tetracarbonyl)	13463-39-3	150
43	Nitric Acid (concentration 94.5%		
44	or greater by weight)	7697-37-2	500
45	Nitric Oxide	10102-43-9	250



1	Nitroppiling (none Nitroppiling)	100-01-6	5000
1	Nitroaniline (para Nitroaniline)	75-52-5	2500
2 3	Nitromethane	10102-44-0	250
3 4	Nitrogen Ovides (NO: NO: NO:	10102-44-0	230
5	Nitrogen Oxides (NO; NO <sub>2</sub> ; N <sub>2</sub> O <sub>4</sub> ;	10102-44-0	250
5 6	N <sub>2</sub> O <sub>3</sub> )	10102-44-0	250
7	Nitrogen Tetroxide (also called	10544 72 6	250
	Nitrogen Peroxide)	10544-72-6 7783-54-2	250 5000
8	Nitrogen Tribuide	10544-73-7	250
9	Nitrogen Trioxide	10344-73-7	230
10	Oleum (65% or greater by weight		
11	of sulfur trioxide; also called	0014 05 7	1000
12	Fuming Sulfuric Acid)	8014-95-7	1000
13	Osmium Tetroxide	20816-12-0	100
14	Oxygen Difluoride (Fluorine	7702 41 7	100
15	Monoxide)	7783-41-7	100
16	Ozone	10028-15-6	100
17	Pentaborane	19624-22-7	100
18	Peracetic Acid (concentration		
19	greater than 60% Acetic Acid;		
20	also called Peroxyacetic Acid).	79-21-0	1000
21	Perchloric Acid (concentration		
22	greater than 60% by weight)	7601-90-3	5000
23	Perchloromethyl Mercaptan	594-42-3	150
24	Perchloryl Fluoride	7616-94-6	5000
25	Peroxyacetic Acid (concentration		
26	greater than 60% Acetic Acid;		
27	also called Peracetic Acid)	79-21-0	1000
28	Phosgene (also called Carbonyl		
29	Chloride)	75-44-5	100
30	Phosphine (Hydrogen Phosphide).	7803-51-2	100
31	Phosphorus Oxychloride (also		
32	called Phosphoryl Chloride)	10025-87-3	1000
33	Phosphorus Trichloride	7719-12-2	1000
34	Phosphoryl Chloride (also called		
35	Phosphorus		
36	Oxychloride)	10025-87-3	1000
37	Propargyl Bromide (also called 3-	10023 07 3	1000
38	Bromopropyne)	106-96-7	100
39	Propyl Nitrate	627-13-4	100
40	Sarin	107-44-8	100
41	Selenium Hexafluoride	7783-79-1	1000
42	Stibine (Antimony Hydride)	7803-52-3	500
43	Sulfur Dioxide (liquid)	7446-09-5	1000
44	Sulfur Pentafluoride	5714-22-7	250
45	Sulfur Tetrafluoride	7783-60-0	250
+5	Sulful Tetratiuoride	1103-00-0	230



1	Sulfur Trioxide (also called		
2	Sulfuric Anhydride)	7446-11-9	1000
3	Sulfuric Anhydride (also called		
4	Sulfur Trioxide)	7446-11-9	1000
5	Tellurium Hexafluoride	7783-80-4	250
6	Tetrafluoroethylene	116-14-3	5000
7	Tetrafluorohydrazine	10036-47-2	5000
8	Tetramethyl Lead	75-74-1	1000
9	Thionyl Chloride	7719-09-7	250
10	Titanium Tetrachloride	7550-45-0	2500
11	Trichloro (chloromethyl) Silane	1558-25-4	100
12	Trichloro (dichlorophenyl) Silane.	27137-85-5	2500
13	Trichlorosilane	10025-78-2	5000
14	Trifluorochloroethylene	79-38-9	10000
15	Trimethyoxysilane	2487-90-3	1500
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> The Division, in consultation with the health districts created pursuant to NRS 439.370, the Health Division of the Department of Human Resources and the Division of Industrial Relations of the Department of Business and Industry, shall regularly examine the sources of information available to it with regard to potentially highly hazardous substances. The [Division] State Environmental **Commission** shall, by regulation, add to the list of highly hazardous substances any chemical that is identified as being used, manufactured, stored, or capable of being produced, at a facility, in sufficient quantities at a single site, that its release into the environment would produce a significant likelihood that persons exposed would suffer death or substantial bodily harm as a consequence of the exposure.

**Sec. 6.** NRS 459.3818 is hereby amended to read as follows:

459.3818 1. [The Division] In addition to the regulations required to be adopted pursuant to NRS 459.380 to 459.3874, inclusive, the State Environmental Commission shall adopt such other regulations as are necessary to carry out the purposes and enforce the provisions of NRS 459.380 to 459.3874, inclusive. The regulations must include, without limitation:

(a) Specifications for the applicability of the provisions of NRS 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto;

(b) The establishment of a program for the prevention of accidental releases of chemicals that satisfies the provisions of the chemical process safety standard set forth pursuant to 29 U.S.C. § 655;



- (c) Provisions necessary to enable the Division to administer and enforce the provisions of NRS 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto;
- (d) Requirements for the registration of a facility with the Division; and
- (e) Provisions to ensure that the public is involved in the process of evaluating proposed regulatory actions that may affect the public.
  - 2. The Division shall [make]:

- (a) Administer and enforce the provisions of NRS 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto; and
- (b) Make every effort to involve advisory councils on hazardous materials, where they exist, the governing bodies of local governments and other interested persons in explaining actions taken pursuant to those sections and the regulations adopted pursuant thereto.
  - **Sec. 7.** NRS 459.3819 is hereby amended to read as follows:
- 459.3819 1. The Division shall enter into cooperative agreements with state and local agencies to provide inspections of [regulated] facilities where explosives are manufactured, or where an explosive is used, processed, handled, moved on site or stored in relation to its manufacture. The Division shall schedule the inspections in such a manner as to provide an opportunity for participation by:
- (a) A representative of the fire-fighting agency that exercises jurisdiction over the [regulated] facility;
- (b) A representative of the law enforcement agency that exercises jurisdiction over the [regulated] facility; and
- (c) Representatives of the Division and any other state agency responsible for minimizing risks to persons and property posed by such [regulated] facilities.
- 2. The owner or operator of such a [regulated] facility shall make the facility available for the inspections required by this section at such times as are designated by the Division.
- 3. Any inspection of a [regulated] facility conducted pursuant to this section is in addition to, and not in lieu of, any other inspection of the facility required or authorized by state statute *or* regulation, or local ordinance.
- 4. Notwithstanding any provision of this section to the contrary, the provisions of this section do not apply to the mining industry.
- [5. Except as otherwise provided in subsection 6, as used in this section, "explosive" means gunpowders, powders used for blasting, all forms of high explosives, blasting materials, fuses other



than electric circuit breakers, detonators and other detonating 2 agents, smokeless powders, other explosive or incendiary devices and any chemical compound, mechanical mixture or device that contains any oxidizing and combustible units, or other ingredients, 4 5 in such proportions, quantities or packing that ignition by fire, friction, concussion, percussion, or detonation of the compound, 6 mixture or device or any part thereof may cause an explosion.

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6. For the purposes of this section, an explosive does not include:

(a) Ammunition for small arms, or any component thereof;

(b) Black powder commercially manufactured in quantities that do not exceed 50 pounds, percussion caps, safety and pyrotechnic fuses, quills, quick and slow matches, and friction primers that are intended to be used solely for sporting, recreation or cultural purposes:

(1) In an antique firearm, as that term is defined in 18 U.S.C. § 921(a)(16), as that section existed on January 1, 1999; or

(2) In an antique device which is exempted from the definition of "destructive device" pursuant to 18 U.S.C. § 921(a)(4), as that section existed on January 1, 1999; or

(c) Any explosive that is manufactured under the regulation of a military department of the United States, or that is distributed to, or possessed or stored by, the military or naval service or any other agency of the United States, or an arsenal, a navy yard, a depot or any other establishment owned by or operated on behalf of the United States.1

**Sec. 8.** NRS 459.382 is hereby amended to read as follows:

459.382 1. The Health Division of the Department of Human Resources, the Division of Industrial Relations of the Department of Business and Industry and any other governmental entity or agency of the State responsible for minimizing risks to persons and property posed by [regulated] facilities and hazardous substances shall submit to the Division of Environmental Protection such reports as the Division deems necessary to carry out the provisions of NRS 459.380 to 459.3874, inclusive  $\square$ , and any regulations adopted pursuant thereto. The reports must be submitted at such times and contain such information as required by the Division.

- 2. The [Division] State Environmental Commission shall adopt by regulation common reporting forms to be used by such governmental entities and agencies when reporting information related to hazardous substances and [regulated] facilities.
- The Division shall review the rules, regulations, standards, codes and safety orders of other governmental entities and agencies of the State responsible for minimizing risks to persons and property posed by [regulated] facilities and hazardous substances to ensure



that they are sufficient to carry out the provisions of NRS 459.380 to 459.3874, inclusive [...], and any regulations adopted pursuant thereto.

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- 4. If the Division and any other governmental entity or agency of the State have coexisting jurisdiction over the regulation of [regulated] facilities or hazardous substances located at such facilities, the Division has the final authority to take such actions as are necessary to carry out the provisions of NRS 459.380 to 459.3874, inclusive [.], and any regulations adopted pursuant thereto.
  - **Sec. 9.** NRS 459.3822 is hereby amended to read as follows:
- 459.3822 1. [Any] The owner or operator of a facility shall, upon request, submit any records, reports or other information to the Division that the Division deems necessary to administer and enforce the provisions of NRS 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto.
- 2. Except as otherwise provided in this section, any records, reports or other information obtained pursuant to NRS 459.380 to 459.3874, inclusive, or any regulation adopted pursuant thereto must be made available to the public for inspection and copying. [If protection of a trade secret pursuant to NRS 459.3846 requires a deletion, the deletion must be limited to that information essential for compliance. In the event of deletion, the Division shall substitute language generally describing what was deleted, without revealing the trade secret, so that the information contained in the record or report is comprehensible.
- 2.] 3. The Division shall protect the confidentiality of any information obtained by the Division, including, without limitation, any information obtained through an observation made by the Division during a visit to a facility if:
- (a) The owner or operator of the facility from which the information was obtained or which was visited requests such protection; and
- (b) The information satisfies the conditions for protection as a trade secret pursuant to subsection 4.
- 4. Information is entitled to protection as a trade secret under this section only if:
- (a) The information has not been disclosed to any other person, other than a member of a local emergency planning committee, an officer or employee of the United States or a state or local government, an employee of such a person, or a person who is bound by an agreement of confidentiality, and the owner or operator of the facility has taken reasonable measures to protect the confidentiality of the information and intends to continue to take such measures;



(b) The information is not required to be disclosed, or otherwise made available, to the public under any other federal or state law:

- (c) Disclosure of the information is likely to cause substantial harm to the competitive position of the owner or operator of the facility; and
- (d) The chemical identity of a substance, if that is the information, is not readily discoverable through analysis of the product containing it or scientific knowledge of how such a product must be made.
- 5. The State Environmental Commission shall adopt regulations for the protection of the confidentiality of information entitled to protection as a trade secret pursuant to this section.
- **6.** The person requesting the copy or copies of the public records, shall tender or pay to the Division such fee as may be prescribed for the service of copying.
  - **Sec. 10.** NRS 459.3824 is hereby amended to read as follows:
- 459.3824 1. The owner *or operator* of a [regulated] facility shall pay to the Division an annual fee based on the fiscal year. The annual fee for each facility is the sum of a base fee set by the State Environmental Commission and any additional fee imposed by the Commission pursuant to subsection 2. The annual fee must be prorated and may not be refunded.
- 2. The State Environmental Commission may impose an additional fee upon the owner *or operator* of a [regulated] facility in an amount determined by the Commission to be necessary to enable the Division to carry out its duties pursuant to NRS 459.380 to 459.3874, inclusive [...], *and any regulations adopted pursuant thereto*. The additional fee must be based on a graduated schedule adopted by the Commission which takes into consideration the quantity of hazardous substances located at each facility.
- 3. After the payment of the initial annual fee, the Division shall send the owner *or operator* of a [regulated] facility a bill in July for the annual fee for the fiscal year then beginning which is based on the applicable reports for the preceding year.
- 4. The State Environmental Commission may modify the amount of the annual fee required pursuant to this section and the timing for payment of the annual fee:
- (a) To include consideration of any fee paid to the Division for a permit to construct a new process or commence operation of a new process pursuant to NRS 459.3829; and
- (b) If any regulations adopted pursuant to NRS 459.380 to 459.3874, inclusive, require such a modification.
- 5. The owner *or operator* of a [regulated] facility shall submit, with any payment required by this section, the number assigned by



the Department of Taxation, for the imposition and collection of taxes pursuant to chapter 364A of NRS, to the business for which the payment is made.

[5.] 6. All fees [collected pursuant to this section] and penalties collected pursuant to NRS [459.3833, 459.3834 and 459.3874, and any interest earned thereon,] 459.380 to 459.3874, inclusive, and any regulations adopted pursuant thereto, other than a fine collected pursuant to subsection 3 of NRS 459.3834, must be deposited with the State Treasurer for credit to the Fund for Precaution Against Chemical Accidents, which is hereby created as a special revenue fund. All interest earned on the money in the Fund must be credited to the Fund.

**Sec. 11.** NRS 459.3829 is hereby amended to read as follows: 459.3829 1. No owner or operator of a [regulated] facility may commence construction or operation of any new process *that will be* subject to regulation pursuant to NRS 459.380 to 459.3874, inclusive, *or any regulation adopted pursuant thereto*, unless he first obtains all appropriate permits from the Division to construct the new process [or] *and* commence operation of the new process [, or both.] Before issuing any such permits, the Division *of Environmental Protection* shall consult with the Division of Industrial Relations of the Department of Business and Industry.

- 2. An application for such a permit must be submitted on a form prescribed by the Division [...] of Environmental Protection.
- 3. The State Environmental Commission shall adopt regulations establishing the requirements for the issuance of a permit pursuant to this section. [The Division may require the applicant to] An applicant shall comply with requirements that [it] the State Environmental Commission establishes by regulation for the issuance of a permit before [issuing any permits] the applicant may receive a permit from the Division for the construction and operation of the process.
- 4. The Division may charge and collect a fee for the issuance of such a permit. [All fees collected pursuant to this section and any interest earned thereon must be deposited with the State Treasurer for credit to the Fund for Precaution Against Chemical Accidents created pursuant to NRS 459.3824.]
- **Sec. 12.** NRS 459.3832 is hereby amended to read as follows: 459.3832 1. [All forms for registration, reports on safety and reports on the assessment of risk through analysis of hazards must contain a certification in one of the following two forms:
- (a) "I certify under penalty of law that the information provided in this document is true, accurate and complete. I am aware that there are significant civil and criminal penalties for submitting false,



inaccurate or incomplete information, including fines or imprisonment, or both."

— (b) "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attached documents and that based on my inquiry of the natural persons immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant civil and criminal penalties for submitting false information, including the possibility of fines or imprisonment, or both."

- 2. The State Environmental Commission shall adopt regulations setting forth:
- (a) The records, reports and information submitted to the Division which must contain a certification; and
- (b) The requirements of such certifications.
- **2.** Each certification must be signed by the sole proprietor of the facility, the highest ranking corporate officer or partner at the facility, the manager of the facility, or a person designated by any one of those persons to sign the certification.

**Sec. 13.** NRS 459.3833 is hereby amended to read as follows:

- 459.3833 1. The State Department of Conservation and Natural Resources may, in accordance with the authority granted to it pursuant to NRS 445B.205, apply for and accept any delegation of authority and any grant of money from the Federal Government for the purpose of establishing and carrying out a program to prevent and minimize the consequences of the accidental release of hazardous substances in accordance with the provisions of 42 U.S.C. § 7412(r).
- 2. The State Environmental Commission [may adopt such regulations as it determines are] shall adopt regulations necessary to establish and carry out such a program. [The regulations must:
- (a) Establish a list of hazardous substances and the quantities thereof that will be regulated pursuant to the program.
- (b) Provide that the provisions of NRS 459.3824, 459.3826 and 459.3828 apply to all facilities regulated pursuant to the program.
- (c) Provide that a person who violates any such regulation or the provisions of NRS 459.3824, 459.3826 or 459.3828 is, in addition to any penalty that may apply pursuant to NRS 459.3834, subject to a civil administrative penalty not to exceed \$10,000 per day of the violation, and that each day on which the violation continues constitutes a separate and distinct violation. Any penalty imposed pursuant to this paragraph may be recovered with costs in a summary proceeding by the Attorney General.
- 44 3. The Division:

45 (a) Shall carry out and enforce the provisions of the program.



(b) May enter into cooperative agreements with other agencies of this state for the enforcement of specific provisions of the program.

- 4. The Division may compromise and settle any claim for any penalty under this section in such amount in the discretion of the Division as may appear appropriate and equitable under all of the circumstances, including the posting of a performance bond by the violator. If a violator is subject to the imposition of more than one civil administrative penalty for the same violation, the Division shall compromise and settle the claim for the penalty under this section in such amount as to avoid the duplication of penalties.
- 5. If a person violates any regulation adopted pursuant to subsection 2, or the provisions of NRS 459.3824, 459.3826 or 459.3828, the Division may institute a civil action in a court of competent jurisdiction for injunctive or any other appropriate relief to prohibit and prevent the violation and the court may proceed in the action in a summary manner.]
- **Sec. 14.** NRS 459.3834 is hereby amended to read as follows: 459.3834 1. A person [subject to the regulations adopted by the State Environmental Commission pursuant to NRS 459.3833] shall not knowingly:
- (a) Violate any [such regulation or the provisions of NRS 459.3824, 459.3826 or 459.3828;] provision of NRS 459.380 to 459.3874, inclusive, or any regulation adopted pursuant thereto;
- (b) Make any false material statement, representation or certification in any required form, notice or report; or
- (c) Render inaccurate any required monitoring device or method.
- 2. [A] Except as otherwise provided in subsection 3, a person who violates subsection 1 shall be punished by a fine of not more than [\$10,000] \$25,000 per day of the violation, and each day on which the violation continues constitutes a separate and distinct violation.
- 3. A person who violates subsection 1 in a manner that contributes to the substantial bodily harm or death of any person is guilty of a category D felony and shall be punished as provided in NRS 193.130, or by a fine of not more than \$50,000 for each day of the violation, or by both fine and the punishment provided in NRS 193.130.
- **Sec. 15.** NRS 459.3866 is hereby amended to read as follows: 459.3866 1. After giving reasonable notice to the facility it oversees and after making arrangements to ensure that the normal operations of the facility will not be disrupted, a committee is entitled to receive from the facility such records and documents as the committee demonstrates are required to carry out its duties. The



committee is entitled to receive only those records and documents which cannot be obtained from the Division.

- 2. A committee is entitled to receive from any governmental entity or agency records, documents and other materials relevant to the committee's review and evaluation of the facility to carry out its duties.
- 3. In carrying out its duties a committee and the Attorney General may, by subpoena, require the attendance and testimony of witnesses and the production of reports, papers, documents and other evidence which they deem necessary. Before obtaining such a subpoena, the committee or the Attorney General shall request the attendance of the witness or the production of the reports, papers, documents or other evidence. If the person to whom the request is made fails or refuses to attend or produce the reports, documents or other evidence, the committee and the Attorney General may obtain the subpoena requiring him to do so.
- 4. In carrying out its duties, a committee may make informal inquiry of persons or entities with knowledge relevant to the committee's review and evaluation of the facility it oversees. Any committee which makes such informal inquiries shall advise the facility of those inquiries and of the results of the inquiries.
- 5. If the owner *or operator* of a facility claims that the disclosure of information to a committee will reveal a trade secret or confidential information, the owner *or operator* must specifically identify such information as confidential. When such an identification has been made, the [provisions of NRS 459.3846 apply.] committee shall protect the confidentiality of the trade secret or information if the trade secret or information would be entitled to protection pursuant to NRS 459.3822.
- 6. A committee or its authorized representative may, to carry out its duties, enter and inspect the facility overseen, its records and other relevant materials. Before such an inspection is made, the committee shall provide reasonable notice to the facility. The inspection must be conducted in such a manner as to ensure that the operations of the facility will not be disrupted.
- 7. The Attorney General is counsel and attorney to each committee for the purposes of carrying out its duties and powers.
- 8. The members of a committee may make public comment with regard to their review and evaluation of the facility it oversees. At least 24 hours before making any formal comment, the committee shall advise the facility of its intention to do so and provide the facility with a summary of the comments that will be made.



- 9. A committee may review and make recommendations to the reviewing authority as to any applications for permits to construct, substantially alter or operate submitted by a facility which has been the subject of the committee's review and evaluation.
  - **Sec. 16.** NRS 459.387 is hereby amended to read as follows: 459.387

    1. The Division may enter any facility:
  - (a) During normal business hours; and

- (b) At any other time if there is probable cause to believe that a violation of any of the provisions of NRS 459.380 to 459.3874, inclusive, or any regulation adopted pursuant thereto, has occurred.
- to verify compliance with the provisions of NRS 459.380 to 459.3874, inclusive, *any regulation adopted pursuant thereto* and the quality of all work performed pursuant to those sections except that the owner or operator of a facility need not employ any personnel solely to assure access to the facility by the Division when this access would otherwise be impossible.
- 2. The [Division shall develop, adopt by regulation and enforce a] State Environmental Commission shall adopt regulations establishing:
  - (a) Requirements for the inspection of a facility; and
  - (b) A system of recordkeeping [. The system must:
- (a) Require the owner or operator of each facility registered pursuant to NRS 459.3828 to report to the Division on all efforts to assess and reduce risks undertaken, all continuing maintenance, all unanticipated and unusual events, and any other information the Division finds appropriate; and
- (b) Be so designed as to prevent the destruction or alteration of
   information and data contained in those records.
  - 3. Within 30 days after each anniversary of the date on which the plan to reduce accidents was first put into effect, the owner or operator of a regulated facility shall file an annual report of compliance with the Division. This annual report must include a report of progress describing in detail all actions taken to comply with the schedule of abatement set forth in the plan, including itemization of abatements accomplished and steps taken to accomplish abatements in accordance with the schedule. The annual report of compliance must be signed and certified as a report on safety and must be in a form and be accompanied by documentation showing compliance in accordance with the regulations of the Division.
- 42 <u>4. Within 30 days after receiving the annual report of</u>
  43 compliance, the Division shall conduct at the facility a confirmation
  44 and evaluation of the accuracy of the report and independent
  45 determination of the status of compliance with the schedule of



abatement. The Division's findings must be reduced to writing and made available to the public within 60 days after the date of filing of the report.] requiring the owner or operator of a facility to record the activities of the facility and any other information regarding the facility that the State Environmental Commission deems necessary.

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**Sec. 17.** NRS 459.3872 is hereby amended to read as follows: 459.3872 1. If any person violates any of the provisions of NRS 459.380 to [459.386,] 459.3834, inclusive, or 459.387, or any regulation or order adopted or issued pursuant thereto, the Division may institute a civil action in a court of competent jurisdiction for injunctive or any other appropriate relief to prohibit and prevent the violation and the court may proceed in the action in a summary manner.

2. Except as otherwise provided in NRS 445C.010 to 445C.120, inclusive, a person who violates a provision of NRS 459.380 to [459.386,] 459.3834, inclusive, or 459.387, or any regulation or order adopted pursuant thereto is liable to a civil administrative penalty as set forth in NRS 459.3874. If the violation is of a continuing nature, each day during which it continues constitutes an additional, separate and distinct offense. No civil administrative penalty may be levied until after notification to the violator by certified mail or personal service. The notice must include a reference to the section of the statute, regulation, order or condition of a permit violated, a concise statement of the facts alleged to constitute the violation, a statement of the amount of the civil penalties to be imposed, and a statement of the violator's right to a hearing. The violator has 20 days after receipt of the notice within which to deliver to the Division a written request for a hearing. After the hearing, if requested, and upon a finding that a violation has occurred, the Administrator of the Division may issue a final order [after assessing] and assess the amount of the fine. [specified in the notice.] If no hearing is requested, the notice becomes a final order upon the expiration of the 20-day period. Payment of the penalty is due when a final order is issued or when the notice becomes a final order. The authority to levy a civil administrative penalty is in addition to all other provisions for enforcement of NRS 459.380 to 459.387, inclusive, and the payment of a civil administrative penalty does not affect the availability of any other provision for enforcement in connection with the violation for which the penalty is levied.



1	<b>Sec. 18.</b> NRS 459.3874 is hereby amended to read as follows:
2	459.3874 1. The civil administrative penalties are:
3	Category of Offense Penalty in U.S. Dollars
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5	A. Failure to register a new or
6	existing [regulated] facility:\$25,000 plus \$2,000 per day
7	from the due date
8	B. Failure to pay the fee required
9	pursuant to NRS 459.3824:75 percent of the fee
10	C. [Failure to submit a safety
11	report: \$10,000 plus \$1,000 per day
12	report:
13	D. Failure to conduct an
14	assessment of risk through
15	analysis of hazards pursuant
16	to the conditions set forth in
17	NDC 450 2044. \$25,000
	NRS 459.3844: \$25,000
18	E. Failure to put into effect plan: \$50,000
19	F. Failure to comply with plan to
20	reduce accidents and schedule
21	of compliance: up to \$5,000
22	G. Failure to comply with
23	approved plan to reduce
24	accidents, each requirement: up to \$10,000
25	H.] Failure to provide information
26	requested by the Division: \$25,000
27	[I.] D. Failure to grant access to
28	employees or agents of the
29	Division for inspections: \$25,000
30	[J.] E. Failure to provide
31	information or grant access to
32	employees or agents of the
33	Division during an
34	emergency:
35	<b>K.</b> Falsification of
36	information submitted to <i>the</i>
37	Division: up to \$10,000 per incident
38	[L.] G. Failure to obtain a permit
39	for the construction of a new
40	Frequenced facility: \$25,000



H. Failure to comply with a regulation adopted pursuant to NRS 459.380 to 459.3874, inclusive, other than a regulation for which a civil administrative penalty is set forth in category A to G, inclusive:

inclusive: .....\$10,000 per incident

The civil administrative penalty prescribed in category H may be assessed for each regulatory provision that is violated. The civil administrative penalty prescribed in category [L] G may be assessed against a contractor who is constructing the [regulated] facility only if the contractor is contractually responsible for obtaining all appropriate permits for the construction of the [regulated] facility and the contractor knows or has reason to know the planned use of the [regulated] facility.

- 2. The Division may compromise and settle any claim for any penalty as set forth in this section in such amount in the discretion of the Division as may appear appropriate and equitable under all of the circumstances, including the posting of a performance bond by the violator. If a violator is subject to the imposition of more than one civil administrative penalty for the same violation, the Division shall compromise and settle the claim for the penalty as set forth in this section in such amount as to avoid the duplication of penalties.
- 3. No penalty may be imposed pursuant to this section for the failure to perform a required act within the time required if the delay was caused by a natural disaster or other circumstances which are beyond the control of the violator.
- 4. Any person who violates any of the provisions of NRS 459.380 to [459.386,] 459.3834, inclusive, or 459.387, or any regulation or order adopted or issued pursuant thereto, or an administrative order issued pursuant to subsection 2 of NRS 459.3872 or a court order issued pursuant to subsection 1 of NRS 459.3872, or who fails to pay a civil administrative penalty in full is subject, upon order of the court, to a civil penalty not to exceed \$10,000 per day of the violation, and each day's continuance of the violation constitutes a separate and distinct violation. Any penalty imposed pursuant to this subsection may be recovered with costs in a summary proceeding by the Attorney General.

**Sec. 19.** NRS 278.147 is hereby amended to read as follows:

278.147 1. No person may commence operation in this state of a facility where an explosive, or a substance listed in NRS 459.3816, *or* the regulations adopted pursuant thereto [or the regulations adopted pursuant to NRS 459.3833,] will be used,



manufactured, processed, transferred or stored without first obtaining a conditional use permit therefor from the governing body of the city or county in which the facility is to be located. Each governing body shall establish by local ordinance, in accordance with the provisions of this section, the procedures for obtaining such a permit.

- 2. An application for a conditional use permit must be filed with the planning commission of the city, county or region in which the facility is to be located. The planning commission shall, within 90 days after the filing of an application, hold a public hearing to consider the application. The planning commission shall, at least 30 days before the date of the hearing, cause notice of the time, date, place and purpose of the hearing to be:
- (a) Sent by mail to or, if requested by a party to whom notice must be provided pursuant to this paragraph, by electronic means if receipt of such an electronic notice can be verified, to:
  - (1) The applicant;

- (2) Each owner or tenant of real property located within 1,000 feet of the property in question;
- (3) The owner, as listed on the county assessor's records, of each of the 30 separately owned parcels nearest the property in question, to the extent this notice does not duplicate the notice given pursuant to subparagraph (2);
- (4) If a mobile home park or multiple-unit residence is located within 1,000 feet of the property in question, each tenant of that mobile home park or multiple-unit residence;
- (5) Any advisory board that has been established for the affected area by the governing body;
- (6) The Administrator of the Division of Environmental Protection of the State Department of Conservation and Natural Resources;
  - (7) The State Fire Marshal; and
- (8) The Administrator of the Division of Industrial Relations of the Department of Business and Industry; and
- (b) Published in a newspaper of general circulation within the city or county in which the property in question is located.
  - 3. The notice required by subsection 2 must:
  - (a) Be written in language that is easy to understand; and
- (b) Include a physical description or map of the property in question and a description of all explosives, and all substances described in subsection 1, that will be located at the facility.
- 4. In considering the application, the planning commission shall:
  - (a) Consult with:
    - (1) Local emergency planning committees;



- (2) The Administrator of the Division of Environmental Protection of the State Department of Conservation and Natural Resources:
  - (3) The State Fire Marshal;

- (4) The Administrator of the Division of Industrial Relations of the Department of Business and Industry; and
- (5) The governing body of any other city or county that may be affected by the operation of the facility; and
- (b) Consider fully the effect the facility will have on the health and safety of the residents of the city, county or region.
- 5. The planning commission shall, within a reasonable time after the public hearing, submit to the governing body its recommendations for any actions to be taken on the application. If the planning commission recommends that a conditional use permit be granted to the applicant, it shall include in its recommendations such terms and conditions for the operation of the facility as it deems necessary for the protection of the health and safety of the residents of the city, county or region.
- 6. The governing body shall, within 30 days after the receipt of the recommendations of the planning commission, hold a public hearing to consider the application. The governing body shall:
- (a) Cause notice of the hearing to be given in the manner prescribed by subsection 2; and
- (b) Grant or deny the conditional use permit within 30 days after the public hearing.
- 7. Notwithstanding any provision of this section to the contrary, the provisions of this section do not apply to the mining industry.
- 8. Except as otherwise provided in subsection 9, as used in this section, "explosive" means gunpowders, powders used for blasting, all forms of high explosives, blasting materials, fuses other than electric circuit breakers, detonators and other detonating agents, smokeless powders, other explosive or incendiary devices and any chemical compound, mechanical mixture or device that contains any oxidizing or combustible units, or other ingredients, in such proportions, quantities or packing that ignition by fire, friction, concussion, percussion or detonation of the compound, mixture, device or any part thereof may cause an explosion.
- 9. For the purposes of this section, an explosive does not include:
  - (a) Ammunition for small arms, or any component thereof;
  - (b) Black powder commercially manufactured in quantities that do not exceed 50 pounds, percussion caps, safety and pyrotechnic fuses, quills, quick and slow matches, and friction primers that are



intended to be used solely for sporting, recreation or cultural purposes:

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- (1) In an antique firearm, as that term is defined in 18 U.S.C. § 921(a)(16), as that section existed on January 1, 1999; or
- (2) In an antique device which is exempted from the definition of "destructive device" pursuant to 18 U.S.C. § 921(a)(4), as that section existed on January 1, 1999; or
- (c) Any explosive that is manufactured under the regulation of a military department of the United States, or that is distributed to, or possessed or stored by, the military or naval service or any other agency of the United States, or an arsenal, a navy yard, a depot or any other establishment owned by or operated on behalf of the United States.
- **Sec. 20.** NRS 459.3804, 459.3807, 459.3808, 459.3812, 459.3826, 459.3828, 459.383, 459.3836, 459.3837, 459.3844, 459.3842, 459.3844, 459.3846, 459.3848, 459.385, 459.3852, 459.3854, 459.3856, 459.3858 and 459.386 are hereby repealed.
- **Sec. 21.** Any regulations adopted by the Division of Environmental Protection of the State Department of Conservation and Natural Resources pursuant to a provision of NRS which was amended or repealed by this act remain in force until amended by the State Environmental Commission and such regulations may be enforced by the State Environmental Commission.
- **Sec. 22.** 1. This section and section 21 of this act become effective upon passage and approval.
- 2. Sections 1 to 20, inclusive, of this act become effective upon passage and approval for the purpose of adopting regulations and on October 1, 2003, for all other purposes.

## LEADLINES OF REPEALED SECTIONS

- 459.3804 "Chemical accident" defined.
- 459.3807 "Explosive" defined.
- 459.3808 "Hazard" defined.
- 459.3812 "Risk" defined.
- 459.3826 Payment of fees upon opening of new regulated facility or registration of new highly hazardous substance or explosive.
- 459.3828 Form for registration; contents of form; time for filing.
- 459.383 Report on safety; contents of report; current information required.



459.3836 Periodic assessments required; duties of owner or operator of facility and person conducting assessment.

459.3837 Prerequisites to introduction of new highly hazardous substance or explosive into regulated facility.

459.384 Designation of persons capable of performing assessment; documentation of ability to perform assessment.

459.3842 Description of how assessment will be conducted; qualifications of persons conducting assessment.

459.3844 Approval or rejection of persons designated to perform assessment; selection by Division; conditions for conducting assessment.

459.3846 Report of assessment; severable addendum containing trade secrets; report required pursuant to federal law sufficient; conditions for protection as trade secret.

459.3848 Contents of findings of person conducting assessment.

459.385 Contents of conclusions of person conducting assessment.

459.3852 Contents of recommendations of person conducting assessment.

459.3854 Notice of receipt of report of assessment; modifications to plan to abate hazards; effective date of plan.

459.3856 Contents of proposed modifications to plan to abate hazards; dissemination of proposed modifications.

459.3858 Hearing on proposed modifications to plan to abate hazards; notice; record of proceeding.

459.386 Issuance of decision of Division; notice of decision; effective date of plan to reduce accidents; inspection of facility to verify compliance with plan and schedule of abatement.

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