Assembly Bill No. 452–Committee on Ways and Means

CHAPTER.....

AN ACT relating to environmental protection; requiring certain agencies and entities to submit information to the State Department of Conservation and Natural Resources for purposes of the annual report that the Department is required to prepare on greenhouse gases; authorizing money in the Account for the Management of Air Quality to be expended to pay the costs of preparing the annual report on greenhouse gases; requiring a transfer of certain money from the Fund for Cleaning Up Discharges of Petroleum to the Account for the Management of Air Quality; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the State Department of Conservation and Natural Resources to prepare an annual report that includes a statewide inventory of greenhouse gas emissions and a projection of annual greenhouse gas emissions in this State for the 20 years immediately following the date of the report. In preparing the annual report, the Department is required to consult with the Public Utilities Commission of Nevada, the Office of Energy, the Department of Transportation, the Department of Motor Vehicles and any entity designated by the Governor. (NRS 445B.380) Section 1 of this bill requires these agencies and entities to submit to the State Department of Conservation and Natural Resources any information that is determined by the State Environmental Commission to be necessary to prepare the annual report, including certain information relating to emissions from substitutes for ozone-depleting substances. Section 1 authorizes the State Environmental Commission to adopt regulations related to the annual report.

Existing law creates the Account for the Management of Air Quality and provides that money in the Account must be expended for certain purposes. (NRS 445B.590) **Section 2** of this bill authorizes money in the Account to be expended by the Department to pay the direct and indirect costs of preparing the annual report on greenhouse gases.

Existing law creates the Fund for Cleaning Up Discharges of Petroleum and provides that if the balance in the Fund at the end of any fiscal year is estimated at \$7,500,000 or more, the Department of Motor Vehicles must transfer the balance which exceeds \$7,500,000 to the account established in the State Highway Fund for the construction, reconstruction, improvement and maintenance of public roads. (NRS 408.242, 445C.310, 445C.350) **Section 3** of this bill requires an amount of excess from the Fund, up to \$500,000 and as determined by the State Department of Conservation and Natural Resources, be transferred instead to the Account for the Management of Air Quality. The money transferred to the Account for the Management of Air Quality may be used only to pay the costs of preparing the annual report on greenhouse gases. Any remaining excess in the Fund for Cleaning Up Discharges of Petroleum must be transferred to the account established in the State Highway Fund for the construction, reconstruction, improvement and maintenance of public roads.



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

Section 1. NRS 445B.380 is hereby amended to read as follows:

- 445B.380 1. The Department shall, not later than December 31, 2019, and each year thereafter, issue a report that includes a statewide inventory of greenhouse gas emissions in this State and a projection of annual greenhouse gas emissions in this State for the 20 years immediately following the date of the report.
 - 2. The report must include, without limitation:
- (a) For each year of the inventory and projection required by subsection 1:
- (1) The sources and amounts of greenhouse gas emissions in this State from each of the following sectors:
 - (I) Electricity production; and
 - (II) Transportation.
- (2) The sources and amounts of reductions in greenhouse gas emissions in this State from each of the sectors set forth in subparagraph (1).
- (b) For the first and every fourth year thereafter of the inventory and projection required by subsection 1:
- (1) The sources and amounts of greenhouse gas emissions in this State from each of the following sectors:
 - (I) Industry;
 - (II) Commercial and residential;
 - (III) Agriculture; and
 - (IV) Land use and forestry.
- (2) The sources and amounts of reductions in greenhouse gas emissions in this State from each of the sectors set forth in subparagraph (1).
- (c) A statement of policies, including, without limitation, regulations, identified by the entity or entities designated by the Governor pursuant to subsection 4 that could achieve reductions in projected greenhouse gas emissions by the sectors set forth in subparagraph (1) of paragraph (a) and subparagraph (1) of paragraph (b), if applicable, and:
- (1) For each report due on or before December 31, 2024, a quantification of the reductions in greenhouse gas emissions in this State that would be required to achieve a statewide reduction of net greenhouse gas emissions of 28 percent by the year 2025, as



compared to the level of greenhouse gas emissions in this State in 2005.

- (2) For each report due on or before December 31, 2029, a quantification of the reductions in greenhouse gas emissions in this State that would be required to achieve a statewide reduction in net greenhouse gas emissions of 45 percent by the year 2030, as compared to the level of greenhouse gas emissions in this State in 2005.
- (d) A qualitative assessment of whether the policies identified in the statement of policies required by paragraph (c) support long-term reductions of greenhouse gas emissions to zero or near-zero by the year 2050.
- (e) The Department's analysis of the information set forth in paragraphs (a) to (d), inclusive.
- (f) Documentation for the information set forth in paragraphs (a) to (e), inclusive.
- 3. In preparing the report required by this section, the Department shall consult with the Public Utilities Commission of Nevada, the Office of Energy, the Department of Transportation, the Department of Motor Vehicles and the entity or entities designated by the Governor pursuant to subsection 4.
- 4. The Governor shall designate an entity or entities to consult with the Department and identify for the Department the policies required pursuant to paragraph (c) of subsection 2.
- 5. The Public Utilities Commission of Nevada, the Office of Energy, the Department of Transportation, the Department of Motor Vehicles and every entity designated by the Governor pursuant to subsection 4 shall submit to the Department any information that is determined by the State Environmental Commission to be necessary for the Department to prepare the report required pursuant to subsection 1. Such information may include, without limitation, information relating to emissions resulting from substitutes for ozone-depleting substances and information related to the types, sales, uses and disposal of products and equipment that use substitutes for ozone-depleting substances.
- 6. The State Environmental Commission may adopt any regulation necessary to carry out the provisions of this section.
 - Sec. 2. NRS 445B.590 is hereby amended to read as follows: 445B.590 1. The Account for the Management of Air Quality

445B.590 1. The Account for the Management of Air Quality is hereby created in the State General Fund, to be administered by the Department.



- 2. Money in the Account for the Management of Air Quality must be expended:
- (a) To carry out and enforce the provisions of NRS 445B.100 to 445B.640, inclusive, and of any regulations adopted pursuant to those sections, including, without limitation, the direct and indirect costs of:
- (1) Preparing regulations and recommendations for legislation regarding those provisions;
- (2) Furnishing guidance for compliance with those provisions;
- (3) Reviewing and acting upon applications for operating permits;
- (4) Administering and enforcing the terms and conditions of operating permits;
 - (5) Monitoring emissions and the quality of the ambient air;
 - (6) Preparing inventories and tracking emissions;
 - (7) Performing modeling, analyses and demonstrations; [and]
- (8) Establishing and administering a program for the provision of assistance, pursuant to 42 U.S.C. § 7661f, to small businesses operating stationary sources; *and*
 - (9) Preparing a report required pursuant to NRS 445B.380;
- (b) In any other manner required as a condition to the receipt of federal money for the purposes of NRS 445B.100 to 445B.640, inclusive; and
 - (c) For any other purpose authorized by the Legislature.
- 3. All interest earned on the money in the Account for the Management of Air Quality must be credited to the Account. Claims against the Account for the Management of Air Quality must be paid as other claims against the State are paid.
 - **Sec. 3.** NRS 445C.350 is hereby amended to read as follows:
- 445C.350 If the balance in the Fund for Cleaning Up Discharges of Petroleum at the end of any fiscal year is estimated at \$7,500,000 or more, the Department shall transfer:
- 1. An amount requested by the State Department of Conservation and Natural Resources, not to exceed \$500,000 of the balance of \$7,500,000, to the Account for the Management of Air Quality created pursuant to NRS 445B.590. Any money transferred to the Account for the Management of Air Quality pursuant to this subsection may be expended only to pay the direct and indirect costs of preparing the report required pursuant to NRS 445B.380.
- 2. The balance in the Fund for Cleaning Up Discharges of Petroleum which exceeds \$7,500,000 after transferring the



amount required pursuant to paragraph (a) to the account created pursuant to NRS 408.242. [the balance in the Fund for Cleaning Up Discharges of Petroleum which exceeds \$7,500,000.]

Sec. 4. This act becomes effective on July 1, 2021.

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