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SENATE BILL NO. 89—COMMITTEE ON NATURAL RESOURCES

(ON BEHALF OF THE DIVISION OF  
ENVIRONMENTAL PROTECTION)

PREFILED DECEMBER 20, 2014

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Referred to Committee on Natural Resources

**SUMMARY**—Revises provisions regarding expenditures from the Fund for Cleaning Up Discharges of Petroleum. (BDR 51-370)

**FISCAL NOTE:** Effect on Local Government: May have Fiscal Impact.  
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.

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AN ACT relating to the Fund for Cleaning Up Discharges of Petroleum; increasing the limitation on expenditures from the Fund for cleaning up certain discharges; authorizing the expenditure of money from the Fund for the cleanup of discharges involving petrochemicals; requiring a person responsible for the discharge of a petrochemical to reimburse the Division of Environmental Protection of the State Department of Conservation and Natural Resources for the person’s share of the cost of cleaning up the discharge; defining the term “petrochemical”; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Under existing law, the Division of Environmental Protection of the State  
2 Department of Conservation and Natural Resources may expend not more than  
3 \$250,000 per year from the Fund for Cleaning Up Discharges of Petroleum for the  
4 cleanup of any discharge involving petroleum. Existing law also requires the  
5 operator of a tank from which petroleum is discharged to reimburse the Division for  
6 the operator’s share of the costs of cleaning up the discharge. (NRS 590.835) This  
7 bill authorizes the Division to expend up to \$2 million per fiscal year from the Fund  
8 for the cleanup of discharges in the State involving petroleum or a petrochemical.  
9 The Interim Finance Committee may approve the expenditure of more than \$2  
10 million from the Fund in a fiscal year to pay for the costs of cleaning up such  
11 discharges. This bill also requires the person responsible for a discharge of a



12 petrochemical to reimburse the Division for the person's share of the costs of  
13 cleaning up the discharge. Finally, this bill defines the term "petrochemical."

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

1 **Section 1.** NRS 590.835 is hereby amended to read as follows:

2 590.835 Notwithstanding any provision of NRS 590.700 to  
3 590.920, inclusive, to the contrary, and except as otherwise provided  
4 in this section:

5 1. The Division may expend not more than ~~[\$250,000]~~  
6 *\$2,000,000* from the Fund per *fiscal* year as reimbursement for  
7 necessary costs incurred by the Division in the response to and  
8 cleanup of ~~[any discharge involving petroleum,]~~ *discharges in the*  
9 *State*, including discharges from a storage tank and discharges from  
10 a mobile tank that occur during the transportation of petroleum *or a*  
11 *petrochemical* on roads and highways. *The Interim Finance*  
12 *Committee may approve the expenditure of more than \$2,000,000*  
13 *from the Fund in a fiscal year for the purposes described in this*  
14 *subsection.* If ~~[the]~~ a discharge ~~[involving petroleum]~~ also involves  
15 ~~[the discharge of]~~ another hazardous material, the Division may  
16 expend money pursuant to this section in the cleanup of the  
17 discharge ~~[of petroleum]~~ and the other hazardous material. The  
18 Division shall not expend money from the Fund pursuant to this  
19 section to clean up discharges ~~[involving petroleum]~~ from pipelines.

20 2. Except as otherwise provided in this subsection, money from  
21 the Fund expended by the Division pursuant to this section must be  
22 used to augment, and must not be used to replace or supplant, any  
23 money available from other sources for the cleanup of discharges ,  
24 ~~[of petroleum,]~~ including, without limitation, reimbursements by  
25 operators required to be made to the Division pursuant to NRS  
26 590.850 and 590.870. If no money is available from those other  
27 sources, the Division may expend money from the Fund pursuant to  
28 this section to reimburse the Division for any costs specified in  
29 subsection 1.

30 3. If the Division expends money pursuant to this section to  
31 clean up a discharge involving ~~[petroleum,]~~ :

32 (a) *Petroleum*, the operator of the tank shall reimburse the  
33 Division for the operator's share of the costs for cleaning up the  
34 discharge.

35 (b) *A petrochemical, the person who is responsible for the*  
36 *discharge shall reimburse the Division for the person's share of*  
37 *the costs for cleaning up the discharge.*

38 ↪ The Division shall, upon being reimbursed ~~[by the operator of the~~  
39 ~~tank]~~ pursuant to this subsection, deposit that money in the Fund.



1 4. As used in this section:

2 (a) "Discharge" means , *unless authorized by state or federal*  
3 *law*, any ~~release~~ :

4 (1) *Release of a petrochemical into water or soil; or*

5 (2) *Release*, leaking or spilling *of petroleum or a*  
6 *petrochemical* from a tank into water or soil . ~~[, unless the discharge~~  
7 ~~is authorized by state or federal law.]~~

8 (b) "Operator" means a person who owns, controls or is  
9 responsible for the operation of a tank.

10 (c) *"Petrochemical" means a chemical derived from petroleum*  
11 *or a petroleum feedstock, including, without limitation,*  
12 *perchloroethylene and any degradation product of*  
13 *perchloroethylene.*

14 (d) "Tank" means a storage tank or a mobile tank used to  
15 transport petroleum *or a petrochemical* received for sale or use in  
16 this State.

17 **Sec. 2.** NRS 218E.405 is hereby amended to read as follows:

18 218E.405 1. Except as otherwise provided in subsection 2,  
19 the Interim Finance Committee may exercise the powers conferred  
20 upon it by law only when the Legislature is not in a regular or  
21 special session.

22 2. During a regular or special session, the Interim Finance  
23 Committee may also perform the duties imposed on it by subsection  
24 5 of NRS 284.115, NRS 285.070, subsection 2 of NRS 321.335,  
25 NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050,  
26 subsection 1 of NRS 323.100, subsection 3 of NRS 341.126, NRS  
27 341.142, paragraph (f) of subsection 1 of NRS 341.145, NRS  
28 353.220, 353.224, 353.2705 to 353.2771, inclusive, 353.288,  
29 353.335, 353C.224, 353C.226, paragraph (b) of subsection 4 of  
30 NRS 407.0762, NRS 428.375, 439.4905, 439.620, 439.630,  
31 445B.830 , ~~and~~ 538.650 ~~[.]~~ *and subsection 1 of NRS 590.835.* In  
32 performing those duties, the Senate Standing Committee on Finance  
33 and the Assembly Standing Committee on Ways and Means may  
34 meet separately and transmit the results of their respective votes to  
35 the Chair of the Interim Finance Committee to determine the action  
36 of the Interim Finance Committee as a whole.

37 3. The Chair of the Interim Finance Committee may appoint a  
38 subcommittee consisting of six members of the Committee to  
39 review and make recommendations to the Committee on matters of  
40 the State Public Works Division of the Department of  
41 Administration that require prior approval of the Interim Finance  
42 Committee pursuant to subsection 3 of NRS 341.126, NRS 341.142  
43 and paragraph (f) of subsection 1 of NRS 341.145. If the Chair  
44 appoints such a subcommittee:



1 (a) The Chair shall designate one of the members of the  
2 subcommittee to serve as the chair of the subcommittee;

3 (b) The subcommittee shall meet throughout the year at the  
4 times and places specified by the call of the chair of the  
5 subcommittee; and

6 (c) The Director or the Director's designee shall act as the  
7 nonvoting recording secretary of the subcommittee.

8 **Sec. 3.** This act becomes effective upon passage and approval.

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