

**159A.14 Renewable fuel infrastructure program for retail motor fuel sites.**

A renewable fuel infrastructure program for retail motor fuel sites is established in the department under the direction of the renewable fuel infrastructure board created pursuant to [section 159A.13](#).

1. The purpose of the program is to improve retail motor fuel sites by installing, replacing, or converting infrastructure to be used to store, blend, or dispense renewable fuel. The infrastructure shall be ethanol infrastructure or biodiesel infrastructure.

a. (1) Ethanol infrastructure shall have the capacity to do any of the following:

(a) Store and dispense E-85 gasoline.

(b) Store, blend, and dispense ethanol or ethanol blended gasoline from a motor fuel blender pump. The ethanol infrastructure must at least include a motor fuel blender pump that dispenses different classifications of ethanol blended gasoline and allows E-15 gasoline and E-85 gasoline to be dispensed at all times that the blender pump is operating.

(2) Biodiesel infrastructure shall have the capacity to do any of the following:

(a) Store and dispense biodiesel or biodiesel blended fuel classified as B-20 or higher.

(b) Store, blend, and dispense biodiesel fuel from a motor fuel blender pump. The biodiesel infrastructure must at least include a motor fuel blender pump that dispenses different classifications of biodiesel blended fuel and allows biodiesel blended fuel classified as B-5 or higher to be dispensed at all times that the blender pump is operating.

b. The infrastructure must be part of the premises of a retail motor fuel site operated by a retail dealer. The infrastructure shall not include a tank vehicle.

2. a. A person may apply to the department to receive financial incentives according to procedures required by the department. The department shall accept a timely received application to improve a retail motor fuel site as provided in [this section](#) and forward that application to the infrastructure board, as required by the board, for its approval or disapproval.

b. The application shall allow the department to determine all of the following:

(1) The tier designation of the retail motor fuel site as provided in [subsection 6](#).

(2) Whether the retail dealer would be in compliance with the general E-15 access standard or the alternative E-15 access standard as provided in [section 214A.32](#) if that standard were implemented on the date the application was filed.

(3) Whether the person is a retail dealer assigned special status. The department shall assign the person special status if the person does not comply with the E-15 access standard as provided in [section 214A.32](#) and the person is ineligible to be issued an E-15 incompatible infrastructure class 2 waiver order for that retail motor fuel site as provided in [section 214A.35, subsection 6](#).

c. The department shall award financial incentives on a cost-share basis to an eligible person whose application was approved by the infrastructure board.

d. An application shall automatically expire if the application has not been approved or disapproved by the board as provided in [this section](#) within twenty-four months after the department files the submitted application.

e. The infrastructure board shall not delay approving an application or financing agreement to install, replace, or convert ethanol infrastructure based on its priority status as provided in [subsection 6](#).

3. The infrastructure board shall approve financing agreements entered into by the department and persons that the infrastructure board determines are eligible as provided in [this section](#), according to terms and conditions required by the infrastructure board. In order to be eligible to participate in the program, all of the following must apply:

a. The person must be an owner or operator of the retail motor fuel site.

b. The person must apply to the department in a manner and according to procedures required by the infrastructure board. The application must contain all information required by the infrastructure board and shall at least include all of the following:

(1) The name of the person and the address of the retail motor fuel site to be improved.

(2) A detailed description of the infrastructure to be installed, replaced, or converted,

including but not limited to the model number of each installed, replaced, or converted motor fuel storage tank if available.

(3) A statement describing how the retail motor fuel site is to be improved, the total estimated cost of the planned improvement, and the date when the infrastructure will be first used.

(4) A statement certifying that the infrastructure shall only be used to comply with the provisions of [this section](#) and as specified in the financing agreement, unless granted a waiver by the infrastructure board pursuant to [this section](#).

4. A retail motor fuel site which is improved using financial incentives must comply with federal and state standards governing new or upgraded motor fuel storage tanks used to store and dispense the renewable fuel. A site classified as a no further action site pursuant to a certificate issued by the department of natural resources under [section 455B.474](#) shall retain its classification following modifications necessary to store and dispense the renewable fuel and the owner or operator shall not be required to perform a new site assessment unless a new release occurs or if a previously unknown or unforeseen risk condition should arise.

5. A financing agreement shall be for a five-year period. The financing agreement shall include provisions for standard financial incentives or standard financial incentives and supplemental financial incentives as provided in [this section](#). The infrastructure board may approve multiple improvements to the same retail motor fuel site for the full amount available for both ethanol infrastructure and biodiesel infrastructure so long as the improvements for ethanol infrastructure and for biodiesel infrastructure are made under separate financing statements.

a. For the term of a financing agreement to improve a retail motor fuel site by installing, replacing, or converting ethanol infrastructure, the participating person must use the ethanol infrastructure to store and dispense, or store, blend, and dispense, ethanol blended gasoline classified as E-15 or higher.

b. For the term of a financing agreement to improve a retail motor fuel site by installing, replacing, or converting biodiesel infrastructure, the participating person must use the biodiesel infrastructure to store and dispense, or store, blend, and dispense, biodiesel blended fuel classified as B-5 or higher. However, at least for the period beginning April 1 and ending October 31 of each year, the participating person must use the biodiesel infrastructure to store and dispense, or store, blend, and dispense, biodiesel blended fuel classified as B-11 or higher.

6. a. The infrastructure board shall award standard financial incentives to improve a retail motor fuel site by installing, replacing, or converting ethanol infrastructure designated by the department as a tier I site or tier II site. The department's designation shall be based on all of the following:

(1) The total number of retail motor fuel sites that store and dispense gasoline, or store, blend, and dispense gasoline, that are owned or operated in this state by the eligible person on the date of the application.

(2) The retail motor fuel site's average total gasoline gallonage for the qualifying phase that includes the three calendar years immediately prior to the year that the eligible person submitted the application.

(a) Upon request by the department of agriculture and land stewardship, the department of revenue shall certify the average total gasoline gallonage for the retail motor fuel site computed for the qualifying phase. The computation shall be based on site-by-site information for the retail motor fuel site in reports required to be filed for determination periods by the retail dealer with the department of revenue pursuant to [chapter 452A, subchapter II](#). However, if the department of revenue cannot obtain site-by-site information for the retail motor fuel site from such reports, the department of revenue may use other methods, including records maintained by the department of revenue under [chapter 422](#), to compute the retail motor fuel site's gallonage for all or any part of that qualifying phase.

(b) A person who submits an application under [this section](#) shall waive the confidentiality of information in the department of revenue's certification identifying the person or retail motor fuel site otherwise applicable under [chapter 422](#) or [452A](#). The information maintained by the department of agriculture and land stewardship under [this section](#) is a

confidential record under [section 22.7](#) and shall be used by the department of agriculture and land stewardship and the infrastructure board for the limited purpose of evaluating the eligible person's application for approval and entering into a financing agreement with the participating person. The application shall include a notice of the waiver. The department of agriculture and land stewardship or the infrastructure board shall redact such identifying information in any record otherwise requiring disclosure by that department under [chapter 22](#).

(c) The department of revenue, in cooperation with the department of agriculture and land stewardship, may adopt rules to administer this subparagraph.

b. (1) For a tier I site, all of the following apply:

(a) The eligible person must own or operate a total of ten or fewer of the retail motor fuel sites described in paragraph "a" regardless of their designations.

(b) The eligible person must not have stored and dispensed E-15 gasoline at the retail motor fuel site at any time prior to submitting the application.

(c) The retail motor fuel site's average total gasoline gallonage as certified by the department of revenue as provided in paragraph "a" must not be more than one hundred forty thousand gallons.

(2) The amount of standard financial incentives awarded to improve the tier I site is ninety percent of the actual cost of making the improvement or sixty-three thousand nine hundred dollars, whichever is less.

c. (1) For a tier II site, all of the following apply:

(a) The eligible person must own or operate a total of ten or fewer retail motor fuel sites described in paragraph "a" regardless of their designations.

(b) The eligible person must not have stored and dispensed E-15 gasoline at the retail motor fuel site at any time prior to submitting the application.

(c) The retail motor fuel site's average total gasoline gallonage as certified by the department of revenue as provided in paragraph "a" must be more than one hundred forty thousand gallons but not more than four hundred fifty thousand gallons.

(2) The amount of standard financial incentives awarded to improve the tier II site is seventy-five percent of the actual cost of making the improvements or fifty-three thousand two hundred fifty dollars, whichever is less.

d. The infrastructure board shall award standard financial incentives to improve a retail motor fuel site by installing, replacing, or converting ethanol infrastructure at a tier III site as designated by the department.

(1) Any retail motor fuel site not designated as a tier I site under paragraph "b" or a tier II site under paragraph "c" shall be designated as a tier III site.

(2) The amount of standard financial incentives awarded to improve the tier III site is seventy percent of the actual cost of making the improvement or fifty thousand dollars, whichever is less.

e. The infrastructure board shall establish a system to rank applications to improve a retail motor fuel site by installing, replacing, or converting ethanol infrastructure according to an order or priority order as follows:

(1) For the first priority, a retail motor fuel site assigned a special status as provided in [subsection 2](#).

(2) For the second priority, a retail motor fuel site that is a tier I site as provided in [this subsection](#).

(3) For the third priority, a retail motor fuel site that is a tier II site as provided in [this subsection](#).

(4) For the fourth priority, a tier III site as provided in [this subsection](#). Among tier III sites, the infrastructure board shall prioritize a retail motor fuel site that included motor fuel storage and dispensing infrastructure used to store and dispense gasoline prior to January 1, 2023.

7. The amount of standard financial incentives awarded to an eligible person to improve a retail motor fuel site by installing, replacing, or converting biodiesel infrastructure is seventy percent of the actual cost of making the improvement or fifty thousand dollars, whichever is less.

8. The department may provide for dedicated financing to an eligible person who receives standard financing under [subsection 6 or 7](#), subject to all of the following:

a. If the department determines that a participating person is assigned special status because the participating person is ineligible to be issued an E-15 incompatible infrastructure class 2 waiver order for the retail motor fuel site as provided in [subsection 2](#), the infrastructure board may approve one or multiple awards of standard financial incentives to make improvements to that retail motor fuel site subject to all of the following:

(1) The total amount of awards shall not be reduced by the amount of any standard or special financial incentives awarded to improve the retail motor fuel site under a prior financing agreement, notwithstanding [subsection 5](#).

(2) The total amount of awards for ethanol infrastructure under the financing agreement to be entered into by the retail dealer and department shall not exceed the limitations provided in [subsection 6](#).

b. In addition to any standard financial incentives awarded to a participating person under [subsections 6 and 7](#), the participating person may be awarded supplemental financial incentives to make improvements to a retail motor fuel site to improve additional retail motor fuel sites owned or operated by a participating person within a twelve-month period as provided in the cost-share agreement. The supplemental financial incentives shall be used for the installation of an additional motor fuel storage tank and associated infrastructure at each such retail motor fuel site. A participating person may be awarded supplemental financial incentives under this paragraph “b” and standard financial incentives under [subsection 6 or 7](#) to improve the same retail motor fuel site. The supplemental financial incentives awarded to the participating person shall not exceed twenty-four thousand dollars. The participating person shall be awarded the supplemental financial incentives on a cumulative basis according to the schedule provided in this paragraph, which shall not exceed the following:

(1) For the second retail motor fuel site, six thousand dollars.

(2) For the third retail motor fuel site, six thousand dollars.

(3) For the fourth retail motor fuel site, six thousand dollars.

(4) For the fifth retail motor fuel site, six thousand dollars.

9. A participating person shall not use the infrastructure to store and dispense motor fuel other than the type of renewable fuel approved by the board in the financing agreement, unless one of the following applies:

a. The participating person is granted a waiver by the infrastructure board. The participating person shall store or dispense the motor fuel according to the terms and conditions of the waiver.

b. The renewable fuel infrastructure fund created in [section 159A.16](#) is immediately repaid the total amount of moneys awarded to the participating person together with a monetary penalty equal to twenty-five percent of that awarded amount. The amount shall be deposited in the renewable fuel infrastructure fund created in [section 159A.16](#).

10. A participating person who acts in violation of an agreement executed with the department pursuant to [this section](#) is subject to a civil penalty of not more than one thousand dollars a day for each day of the violation. The civil penalty shall be deposited into the general fund of the state.

[2006 Acts, ch 1142, §30](#)

[C2007, §15G.203](#)

[2007 Acts, ch 126, §9](#); [2007 Acts, ch 211, §46](#); [2008 Acts, ch 1032, §128](#); [2008 Acts, ch 1169, §4 – 9, 30](#); [2009 Acts, ch 41, §263](#); [2011 Acts, ch 113, §55, 56](#)

[CS2011, §159A.14](#)

[2015 Acts, ch 138, §74, 161, 162](#); [2019 Acts, ch 59, §55](#); [2022 Acts, ch 1067, §90 – 97, 99](#)

Referred to in [§159A.13](#), [159A.16](#), [214A.35](#), [452A.33](#)