

House File 666 - Enrolled

House File 666

AN ACT

PROVIDING FOR PROGRAMS AND REGULATIONS ADMINISTERED AND ENFORCED BY THE DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP, PROVIDING FEES, PROVIDING FOR THE ALLOCATION OF MONEYS, MAKING PENALTIES APPLICABLE, AND INCLUDING EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

REGULATION OF COMMERCIAL ESTABLISHMENTS

Section 1. Section 162.2, subsection 19, Code 2023, is amended by striking the subsection and inserting in lieu thereof the following:

19. *"Pet shop"* means a facility where vertebrate animals, excluding fish, not born and reared on the facility's premises are bought, sold, exchanged, or offered for sale or exchange to the public, at retail. *"Pet shop"* does not include a facility if one of the following applies:

a. The facility receives less than one thousand dollars from the sale or exchange of vertebrate animals, excluding fish, during a twelve-month period.

b. The facility sells or exchanges less than twelve vertebrate animals, excluding fish, during a twelve-month period.

Sec. 2. Section 162.2A, subsection 3, paragraph d, Code 2023, is amended by striking the paragraph.

DIVISION II
GRAIN REGULATION
PART A
GRAIN DEALERS

Sec. 3. Section 203.1, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. "*Scale weight ticket*" means the same as defined in section 203C.1.

Sec. 4. Section 203.5, subsection 8, paragraph a, Code 2023, is amended to read as follows:

a. The applicant has caused liability to the Iowa grain depositors and sellers indemnity fund in regard to a license issued under [this chapter](#) or [chapter 203C](#), and the liability has not been discharged, settled, or satisfied.

Sec. 5. Section 203.11, subsection 2, paragraph a, subparagraph (3), Code 2023, is amended to read as follows:

(3) Uses a scale weight ticket or credit-sale contract in violation of [this chapter](#) or a requirement established by the department under [this chapter](#).

Sec. 6. Section 203.15, subsection 2, paragraph f, Code 2023, is amended to read as follows:

f. The duration of the credit-sale contract, which shall not exceed ~~twelve~~ fifteen months from the date the contract is executed.

Sec. 7. Section 203.17, Code 2023, is amended to read as follows:

203.17 Documents and records.

1. The department may adopt rules specifying the form, content, use, and maintenance of documents issued by a grain dealer under [this chapter](#) including but not limited to scale weight tickets, settlement sheets, daily position records, and credit-sale contracts. The department may adopt rules for both printed and electronic documents, including rules for the transmission, receipt, authentication, and archiving of

electronically generated or stored documents.

2. All scale weight ticket forms in the possession of a grain dealer shall have been permanently and consecutively numbered at the time of printing. A grain dealer shall maintain an accurate record of all scale weight ticket numbers. The record shall include the disposition of each numbered form, whether issued, destroyed, or otherwise disposed of.

Sec. 8. Section 203.20, Code 2023, is amended to read as follows:

203.20 Shrinkage adjustments — disclosures — penalties.

1. A person who, in connection with the receipt of ~~corn or soybeans~~ grain for storage, processing, or sale, adjusts the scale weight of the grain to compensate for the moisture content of the grain shall compute the amount of the adjustment by multiplying the scale weight of the grain by that factor which results in a rate of adjustment of one and eighteen hundredths percent of weight per one percent of moisture content. ~~The use of~~ person who uses any rate of weight adjustment for moisture content other than the one prescribed by this subsection ~~is~~ commits a fraudulent practice as defined in section 714.8. The person shall post on the business premises in a conspicuous place notice of the rate of adjustment for moisture content ~~that is~~ as prescribed by this subsection. ~~Failure~~ The person who fails to make this disclosure ~~is~~ commits a simple misdemeanor.

2. A person who, in connection with the receipt of grain for storage, processing, or sale, adjusts the quantity of the grain received to compensate for losses to be incurred during the handling, processing, or storage of the grain shall post on the business premises in a conspicuous place notice of the rate of adjustment to be made for this shrinkage. ~~Failure~~ The person who fails to make ~~the required~~ this disclosure ~~is~~ commits a simple misdemeanor.

3. A person who adjusts the scale weight of ~~corn or soybeans~~ both grain for moisture content and for handling, processing, or storage losses may combine the two adjustment factors into a single factor and may use this resulting factor to compute the amount of weight adjustment in connection with storage, processing, or sale transactions, provided that the person

shall post on the business premises in a conspicuous place a notice that discloses the moisture shrinkage factor prescribed by [subsection 1](#), the handling shrinkage factor to be imposed, and the single factor that results from combining these factors. ~~Failure~~ The person who fails to make ~~the required~~ this disclosure is commits a simple misdemeanor.

PART B

WAREHOUSE OPERATORS

Sec. 9. Section 203C.5, subsection 2, Code 2023, is amended to read as follows:

2. *a.* The department may adopt rules specifying the form, content, and use of documents issued by a warehouse operator under [this chapter](#) including but not limited to scale weight tickets, warehouse receipts, settlement sheets, and daily position records. The department may adopt rules for both printed and electronic documents, including rules for the transmission, receipt, authentication, and archiving of electronically generated or stored documents.

b. All scale weight ticket forms and warehouse receipt forms in the possession of a warehouse operator shall have been permanently and consecutively numbered at the time of printing. A warehouse operator shall maintain an accurate record of the numbers of these documents. The record shall include the disposition of each form, whether issued, destroyed, or otherwise disposed of. The department may by rule require this use of prenumbered forms and recording for documents other than scale weight tickets and warehouse receipts.

Sec. 10. Section 203C.6, subsection 8, paragraph a, Code 2023, is amended to read as follows:

a. The applicant has caused liability to the ~~Iowa~~ grain depositors and sellers indemnity fund through operations under a license issued under [this chapter](#) or [chapter 203](#), and the liability has not been discharged, settled, or satisfied.

Sec. 11. Section 203C.17, subsections 1, 2, 3, 4, and 5, Code 2023, are amended to read as follows:

1. ~~Any grain which has been received at any~~ Grain deposited with a licensed warehouse operator for which the actual sale price ~~is~~ has not been fixed and either proper documentation made has not been furnished or payment has not been made shall

~~be construed to be grain held for storage within the meaning of this chapter.~~ Grain may be held considered stored grain and may be retained in open storage or placed ~~on~~ under warehouse receipt. A warehouse receipt shall be issued for all grain held in open storage within one year from the date of delivery to the warehouse, unless the depositor has signed a statement that the depositor does not desire a warehouse receipt. ~~A~~ The licensed warehouse operator shall issue a warehouse receipt shall be issued to the depositor upon request by the depositor. The warehouse operator's tariff shall apply ~~for~~ to any grain that is retained in open storage or placed under warehouse receipt as provided in section 203C.18.

2. Bulk grain deposited with a licensed warehouse operator for processing, cleaning, drying, shipping for the account of the depositor, or any other purpose shall be removed within thirty days from the date of deposit or such grain shall be ~~determined as considered stored grain and the.~~ The warehouse operator's tariff charges shall apply to the bulk grain as provided in section 203C.28.

3. Grain ~~received on~~ deposited and subject to a scale weight ticket which that fails to have the price fixed and properly documented on the records of the licensed warehouse operator shall be construed to be retained in open storage.

4. All bulk grain whether retained in open storage and deposited subject to a scale weight ticket or ~~having been~~ placed ~~on~~ under warehouse receipt is covered by the grain depositors and sellers indemnity fund ~~created in~~ as provided in chapter 203D.

5. ~~Any grain which has been received at any~~ An unlicensed warehouse and for which the operator shall not retain deposited bulk grain, if its actual sale price has not been fixed, and payment for the bulk grain has not been made within thirty days from receipt of the grain its date of deposit, unless covered purchased by a credit-sale contract, shall be construed to be unlawful storage within the meaning of this chapter. Bulk grain ~~received at any~~ An unlicensed warehouse for any operator who retains deposited bulk grain under any other purpose circumstance must either be returned return the bulk grain to the depositor, or disposed of dispose of the bulk grain by

order of the depositor, within thirty days from date of actual the deposit of the bulk grain.

Sec. 12. Section 203C.25, Code 2023, is amended to read as follows:

203C.25 Shrinkage adjustments — disclosures — penalties.

1. A person who, in connection with the receipt of ~~corn or soybeans~~ grain for storage, processing, or sale, adjusts the scale weight of the grain to compensate for the moisture content of the grain shall compute the amount of the adjustment by multiplying the scale weight of the grain by that factor which results in a rate of adjustment of one and eighteen hundredths percent of weight per one percent of moisture content. ~~The use of~~ person who uses any rate of weight adjustment for moisture content other than the one prescribed by this subsection ~~is~~ commits a fraudulent practice as defined in section 714.8. The person shall post on the business premises in a conspicuous place notice of the rate of adjustment for moisture content ~~that is~~ as prescribed by this subsection. ~~Failure~~ The person who fails to make this disclosure ~~is~~ commits a simple misdemeanor.

2. A person who, in connection with the receipt of grain for storage, processing, or sale, adjusts the quantity of the grain received to compensate for losses to be incurred during the handling, processing, or storage of the grain shall post on the business premises in a conspicuous place notice of the rate of adjustment to be made for this shrinkage. ~~Failure~~ The person who fails to make ~~the required~~ this disclosure ~~is~~ commits a simple misdemeanor.

3. A person who adjusts the scale weight of ~~corn or soybeans~~ both grain for moisture content and for handling, processing, or storage losses may combine the two adjustment factors into a single factor and may use this resulting factor to compute the amount of weight adjustment in connection with storage, processing, or sale transactions, provided that the person shall post on the business premises in a conspicuous place a notice that discloses the moisture shrinkage factor prescribed by subsection 1, the handling shrinkage factor to be imposed, and the single factor that results from combining these factors. ~~Failure~~ The person who fails to make ~~the required~~

this disclosure ~~is~~ commits a simple misdemeanor.

Sec. 13. Section 203C.36, subsection 2, paragraph a, subparagraph (3), Code 2023, is amended to read as follows:

(3) Uses a scale weight ticket, warehouse receipt, or other document in violation of this chapter or requirements established by the department under this chapter.

PART C

INDEMNITY FUND

Sec. 14. Section 203D.1, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 14A. "*Scale weight ticket*" means the same as defined in section 203C.1.

Sec. 15. Section 203D.3, subsection 3, Code 2023, is amended to read as follows:

3. The ~~fiscal~~ assessment year of the fund begins July September 1 and ends on June 30 August 31. Fiscal Assessment quarters of the fund begin July September 1, October December 1, January March 1, and April June 1. The finances of the fund shall be calculated on an accrual basis in accordance with generally accepted accounting principles.

Sec. 16. Section 203D.3A, subsection 1, paragraph b, unnumbered paragraph 1, Code 2023, is amended to read as follows:

A licensee shall pay a participation fee on four successive installment dates, with each installment date occurring on the last date of the fund's ~~fiscal~~ assessment quarter as provided in section 203D.3. The licensee shall pay twenty-five percent of the total participation fee assessed on each installment date. However, nothing in this subsection prevents a licensee from paying the participation fee on an accelerated basis. A licensee shall pay the first installment on the last date of the fund's ~~fiscal~~ assessment quarter immediately following the licensee's anniversary date.

Sec. 17. Section 203D.5, subsection 1, Code 2023, is amended to read as follows:

1. The board shall annually review the debits of and credits to the grain depositors and sellers indemnity fund created in section 203D.3 and shall determine whether to impose the participation fee and per-bushel fee as provided in section

203D.3A, make adjustments to the fees effective on the previous ~~July~~ September 1, or waive the fees as necessary to comply with this section. The board shall make the determination not later than May 1 of each year. The board shall impose the fees or adjust the fees effective on the previous ~~July~~ September 1 in accordance with [chapter 17A](#). The imposition or adjustment of the fees shall become effective as follows:

a. For the participation fee, on the following ~~July~~ September 1. However, the licensee shall continue to pay the participation fee at the rate in effect on the prior ~~July~~ September 1, until the licensee has paid the amount owing.

b. For a per-bushel fee, on the following ~~July~~ September 1.

Sec. 18. Section 203D.5, subsection 4, Code 2023, is amended to read as follows:

4. If on the last date of the fund's ~~fiscal~~ assessment year as provided in [section 203D.3](#) the assets of the fund exceed eight million dollars, less any encumbered balances or pending or unsettled claims, all of the following apply:

a. The participation fee shall be waived and shall not be assessable or owing for the following ~~fiscal~~ assessment year of the fund. However, the licensee shall continue to pay any owing participation fee that was in effect on the prior ~~July~~ September 1.

b. The per-bushel fee shall be waived and shall not be assessable or owing.

PART D

EFFECTIVE DATE

Sec. 19. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION III

WEIGHTS AND MEASURES

PART A

LICENSING, INSPECTIONS, AND FEES

Sec. 20. Section 214.2, Code 2023, is amended to read as follows:

214.2 License.

1. A person who uses or displays for use any commercial weighing and measuring device, ~~as defined in [section 215.1](#),~~ shall secure must be issued a license ~~from~~ by the department

for that device. The department shall issue the license after inspecting the device.

2. a. Except as provided in paragraph "b", a license issued under subsection 1 shall expire on December 31 of each year.

b. A license issued under subsection 1 for a motor fuel pump shall expire on June 30 of each year.

Sec. 21. Section 214.3, subsection 1, Code 2023, is amended by striking the subsection.

Sec. 22. Section 214.3, subsection 2, Code 2023, is amended to read as follows:

2. The A license inspection fee is imposed on a person who uses or displays for use a commercial weighing and measuring device. The license fee is due the day the device is placed into service department issues the license. A license inspection fee shall be charged to the person owning or operating a commercial weighing and measuring device inspected The amount of the license fee shall be calculated in accordance with the class or section for devices as established by handbook 44 of the United States national institute of standards and technology.

Sec. 23. Section 214.11, subsection 1, Code 2023, is amended to read as follows:

1. The department shall provide for annual biennial inspections of all motor fuel pumps, including but not limited to motor fuel blender pumps, licensed under this chapter. Inspections shall be for the purpose of determining the accuracy and correctness of motor fuel pumps. For that purpose the department's inspectors may enter upon the premises of any a wholesale dealer or a retail dealer motor fuel site.

Sec. 24. Section 215.2, Code 2023, is amended to read as follows:

215.2 Special inspection tests — request — fees.

1. The owner or servicer of a commercial weighing and measuring device may request the department conduct a special inspection test of the device to determine its accuracy and correctness.

2. The fee for special tests, including but not limited to, using state inspection equipment, for the calibration, testing, certification, or repair conducting a special inspection test

of a commercial weighing and measuring device shall be paid by the owner or servicer ~~or person~~ requesting the special inspection test in accordance with the following schedule:

1. a. Class S, scales, seventy-five dollars per hour.
2. b. Class M, meters, fifty-two dollars and fifty cents per hour.

Sec. 25. REPEAL. Section 215.12, Code 2023, is repealed.

PART B

MOTOR FUEL STANDARDS AND CLASSIFICATIONS

Sec. 26. Section 159A.6, subsection 1, paragraph c, Code 2023, is amended to read as follows:

c. Develop standards for decals required pursuant to section ~~214A.16~~ 214A.21A, which shall be designed to promote the advantages of using renewable fuels. The standards may be incorporated within a model decal adopted by the office.

Sec. 27. Section 214A.1, subsection 2, Code 2023, is amended to read as follows:

2. "*ASTM international*" means a nonprofit organization, previously named the American society for testing and materials international.

Sec. 28. Section 214A.1, Code 2023, is amended by adding the following new subsections:

NEW SUBSECTION. 9A. "*Coprocess*" means to simultaneously process a renewable biomass or a biointermediate with a fossil fuel or other nonrenewable feedstock in the same unit or units to produce a fuel that is partially derived from a renewable biomass or biointermediate.

NEW SUBSECTION. 33A. a. "*Renewable diesel*" means a motor fuel for use in an internal combustion engine and ignited by pressure without the presence of an electric spark, which is produced from nonfossil renewable resources, including agricultural plants, animal fats, residue, and waste generated from the production, processing, and marketing of agricultural products, and other renewable resources.

b. "*Renewable diesel*" must meet the standards provided in section 214A.2.

c. "*Renewable diesel*" does not include any of the following:

- (1) Biodiesel.
- (2) A fuel that has been coprocessed.

NEW SUBSECTION. 33B. "*Renewable diesel blended fuel*" means a blend of renewable diesel with petroleum-based diesel fuel, biodiesel, or a combination of petroleum-based diesel fuel and biodiesel, which meets the standards, including separately the standard for its renewable diesel component, provided in section 214A.2.

Sec. 29. Section 214A.2, subsection 4, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* (1) If the motor fuel is advertised for sale or sold as renewable diesel or renewable diesel blended fuel, the motor fuel must meet departmental standards based in part or in whole on specifications adopted by ASTM international for renewable diesel or renewable diesel blended motor fuel, to every extent applicable, as determined by the department subject to subparagraph (2).

(2) Renewable diesel must at least meet departmental standards based in whole or in part on ASTM international specification D975, or a successor ASTM international specification, established by rule. The specification shall apply to renewable diesel before it leaves its place of manufacture.

Sec. 30. Section 214A.2, subsection 5, Code 2023, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* (1) Renewable diesel shall be classified RD-100.

(2) Renewable diesel blended fuel shall be classified RD-xx where "xx" is the volume percent of renewable diesel.

Sec. 31. Section 214A.2B, Code 2023, is amended to read as follows:

214A.2B Laboratory for motor fuel and biofuels fuels, biofuels, and renewable fuels.

~~A laboratory for motor fuel and biofuels is established at a community college which is engaged in biofuels testing on July 1, 2007, and which testing includes but is not limited to The Iowa central fuel testing laboratory at Iowa central community college shall test motor fuels, biofuels, and renewable fuels, including but not limited to B-20 biodiesel fuel testing for use by motor trucks and the ability of biofuels to meet ASTM international standards. The laboratory shall conduct the~~

testing of motor ~~fuel~~ fuels sold in this state and ~~biofuel~~ which is biofuels blended ~~in~~ with motor ~~fuel~~ fuels in this state to ensure that the motor ~~fuel~~ fuels, biofuels, and renewable fuels meet ~~the requirements~~ departmental standards in [section 214A.2](#).

PART C

ELECTRIC MOTOR FUEL

Sec. 32. Section 452A.41, subsection 3, as enacted by 2019 Iowa Acts, chapter 151, section 24, is amended to read as follows:

3. The department shall adopt rules governing the dispensing of electric fuel by licensed dealers and users. The director may require by rule that reports and returns be filed by electronic transmission. ~~The department may require by rule that all charging stations located at dealer and user locations through which electric fuel can be dispensed be tested for accuracy.~~

Sec. 33. Section 452A.41, as enacted by 2019 Iowa Acts, chapter 151, section 24, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. *a.* The department of agriculture and land stewardship shall provide for a biennial inspection of each charging station through which electric fuel can be dispensed, if the charging station is owned by a licensed electric fuel dealer or licensed electric fuel user. The purpose of the inspection is to determine the accuracy and correctness of the charging station when electric fuel is dispensed. For that purpose, the department of agriculture and land stewardship may enter upon the premises where the charging station is located or upon the premises where equipment directly related to the accuracy or correctness of the charging station is located. The department of agriculture and land stewardship shall determine the accuracy and correctness of the charging station by using standards adopted by the national conference on weights and measures and published in the national institute of standards and technology, handbook 44, referred to as "specifications, tolerances, and other technical requirements for weighing and measuring devices".

b. The department of agriculture and land stewardship

shall deliver a notice to the department of revenue of any inspected, noncompliant charging station owned by a licensed electric fuel dealer or licensed electric fuel user, stating that the charging station did not comply with the department of agriculture and land stewardship's inspection requirements.

c. The department of agriculture and land stewardship may adopt rules pursuant to chapter 17A to administer the department of agriculture and land stewardship's duties under this subsection.

PART D

CODE EDITOR DIRECTIVE

Sec. 34. CODE EDITOR DIRECTIVE.

1. The Code editor is directed to make the following transfer:

Section 214A.16 to section 214A.21A.

2. The Code editor shall correct internal references in the Code and in any enacted legislation as necessary due to the enactment of this section.

DIVISION IV

WATER QUALITY

Sec. 35. Section 466B.43, subsection 6, Code 2023, is amended to read as follows:

6. ~~By October 1, 2019, and each October 1 thereafter~~ of each year, the division shall submit a report to the governor and the general assembly itemizing expenditures, by hydrologic unit code 8 watershed, under the programs, if any, during the previous fiscal year, ~~if any~~.

Sec. 36. Section 466B.44, subsection 5, Code 2023, is amended to read as follows:

5. Notwithstanding any other provision in this section to the contrary, ~~beginning on July 1, 2018~~, the division may use any amount available to support the water quality urban infrastructure program to instead ~~extend~~ do any of the following:

a. Extend and support the three-year data collection of in-field agricultural practices project as enacted in 2015 Iowa Acts, ch. 132, §18.

b. Support water quality agriculture infrastructure programs created in section 466B.43, to the extent that moneys are not

obligated or encumbered during a fiscal year to adequately support all urban infrastructure program projects that meet the division's requirements.

Sec. 37. Section 466B.44, subsection 7, Code 2023, is amended to read as follows:

7. By ~~October 1, 2019, and by~~ October 1 of each year thereafter, the division shall submit a report to the governor and the general assembly itemizing expenditures under the program, if any, during the previous fiscal year.

PAT GRASSLEY
Speaker of the House

AMY SINCLAIR
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 666, Ninetieth General Assembly.

MEGHAN NELSON
Chief Clerk of the House

Approved _____, 2023

KIM REYNOLDS
Governor