

Un. Agri 2-2-89 (p. 467)

FEB 8 1989

Place On Calendar

HOUSE FILE 254
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 167)

Passed House, Date 2-16-89 (p. 42) Passed Senate, Date 4-10-89 (p. 129)
Vote: Ayes 98 Nays 0 Vote: Ayes 48 Nays 0
Approved 5-2-89 (p. 2326)

A BILL FOR

1 An Act relating to the regulation of oxygenate octane enhancers.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 254

1 Section 1. Section 214A.1, subsection 4, Code 1989, is
2 amended to read as follows:

3 4. "Oxygenate octane enhancer" means oxygen-containing
4 compounds, including but not limited to alcohols, and ethers,
5 or ethanol.

6 Sec. 2. Section 214A.2, subsection 1, Code 1989, is
7 amended to read as follows:

8 1. The secretary shall adopt rules pursuant to chapter 17A
9 for carrying out ~~the provisions of~~ this chapter. The rules
10 may include, but are not limited to, specifications relating
11 to motor fuel or oxygenate octane enhancers. In the interest
12 of uniformity, the secretary shall adopt by reference or
13 otherwise specifications relating to tests and standards for
14 motor fuel or oxygenate octane enhancers, established by the
15 American society for testing and materials (A.S.T.M.), unless
16 the secretary determines those specifications are inconsistent
17 with this chapter or are not appropriate to the conditions
18 which exist in this state. ~~References to A.S.T.M.~~
19 ~~specifications and standards are to the A.S.T.M.~~
20 ~~specifications and standards in effect on January 1, 1985.~~

21 Sec. 3. Section 214A.3, Code 1989, is amended to read as
22 follows:

23 214A.3 FALSE REPRESENTATIONS.

24 No A person for purposes of selling shall not falsely
25 represent the quality or kind of any motor vehicle fuel or
26 oxygenate octane enhancer or add coloring matter thereto for
27 the purpose of misleading the public as to its quality.

28 Sec. 4. Section 214A.4, Code 1989, is amended to read as
29 follows:

30 214A.4 INTRASTATE SHIPMENTS.

31 No A wholesale dealer or retail dealer shall not receive or
32 sell or hold for sale, within this state, any motor vehicle
33 fuel or oxygenate octane enhancer for which specifications are
34 prescribed in this chapter, unless the dealer first secures
35 from the refiner or producer of such the motor vehicle fuel or

1 oxygenate octane enhancer, a statement, verified by the oath
2 of a competent chemist, employed by or representing ~~such the~~
3 refiner or producer, showing the true standards and tests of
4 ~~such the~~ motor vehicle fuel or oxygenate octane enhancer,
5 obtained by the methods referred to in section 214A.2 hereof.
6 ~~Such The~~ verified tests ~~shall be~~ are required and must
7 accompany the bill of lading or shipping documents
8 representing the shipment of ~~such the~~ motor vehicle fuel or
9 oxygenate octane enhancer into this state before ~~such the~~
10 shipment can be received and unloaded.

11 Sec. 5. Section 214A.5, Code 1989, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. Each wholesale dealer in this
14 state shall, when making a sale of oxygenate octane enhancer,
15 give to each purchaser upon demand a sales slip upon which
16 must be printed the words "This oxygenate octane enhancer
17 conforms to the standard specifications required by the state
18 of Iowa."

19 Sec. 6. Section 214A.6, Code 1989, is amended to read as
20 follows:

21 214A.6 DEPARTMENT TESTS -- FEE.

22 Any A wholesale dealer or retail dealer may, at the
23 dealer's option, forward to the department for testing a
24 sample taken in the manner here prescribed in this section.
25 The dealer shall draw from ~~such the~~ original container, in the
26 presence of ~~some a~~ reputable person, into a clean receptacle,
27 suitable for shipping, a sample of ~~such the~~ motor vehicle fuel
28 or oxygenate octane enhancer, not less than eight fluid
29 ounces, and shall carefully seal ~~such the~~ receptacle and affix
30 ~~thereto~~ to the receptacle a written label showing the car
31 number or other identifying marks upon ~~such the~~ original
32 container from which ~~such the~~ sample was taken, ~~and~~. This
33 procedure shall be performed in the presence of ~~such the~~
34 reputable person, and ~~such the~~ wholesale dealer or retail
35 dealer ~~and such~~. The reputable person shall make a statement,

1 under oath, that such the sample was taken in the manner
2 provided for herein in this section, referring and shall refer
3 to the identifying marks upon such the label. ~~At-the-same~~
4 ~~time-such~~ The sworn statement, together with a fee of two
5 dollars for the making of-~~such the~~ test, shall be forwarded to
6 the department. The department shall test such the sample by
7 the methods provided for in section 214A.2 and shall forward
8 to such the wholesale dealer or retail dealer a certified copy
9 of the results of such the tests.

10 Sec. 7. Section 214A.7, Code 1989, is amended to read as
11 follows:

12 214A.7 DEPARTMENT INSPECTION -- SAMPLES TESTED.

13 The department, its agents or employees, shall, from time
14 to time, make or cause to be made tests of any motor vehicle
15 fuel or oxygenate octane enhancer which is being sold, or held
16 or offered for sale within this state, and for such purposes
17 such the inspectors shall have the right to enter upon the
18 premises of any wholesale dealer or retail dealer in of motor
19 vehicle ~~fuels~~ fuel or oxygenate octane enhancer within this
20 state, and to take from any container a sample of such the
21 motor vehicle fuel or oxygenate octane enhancer, not to exceed
22 eight fluid ounces, ~~which.~~ The sample shall be sealed and
23 appropriately marked or labeled by such the inspector and
24 delivered to the department. The department shall make, or
25 cause to be made, complete analyses or tests of such the motor
26 vehicle fuel or oxygenate octane enhancer by the methods
27 specified in section 214A.2.

28 Sec. 8. Section 214A.8, Code 1989, is amended to read as
29 follows:

30 214A.8 PROHIBITION.

31 No A retail or wholesale dealer defined in this chapter
32 shall not sell any motor vehicle fuel or oxygenate octane
33 enhancer in the state that fails to meet the applicable
34 standards and specifications ~~applicable thereto-as~~ set out in
35 this chapter.

1 Sec. 9. Section 214A.10, Code 1989, is amended to read as
2 follows:

3 214A.10 TRANSFER PIPES.

4 No A wholesale dealer, retail dealer, or other person shall
5 not, within this state, use the same pipeline, for
6 transferring ~~gasoline-and-similar~~ motor vehicle fuel,
7 including gasoline, or oxygenate octane enhancer from one
8 container to another, ~~as-that~~ if the pipeline is used for
9 transferring kerosene or other inflammable product used for
10 open flame illuminating or heating purposes.

11 EXPLANATION

12 This bill provides that ethanol is included within the
13 definition of oxygenate octane enhancer in chapter 214A, and
14 that the department of agriculture and land stewardship may
15 set standards for oxygenate octane enhancers, test oxygenate
16 octane enhancers, and regulate wholesale and retail dealers of
17 oxygenate octane enhancers.

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HSB 167

Agriculture

7.10.01

HOUSE FILE 254

BY (PROPOSED DEPARTMENT OF
AGRICULTURE AND LAND
STEWARDSHIP BILL)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the regulation of oxygenate octane enhancers.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 214A.1, subsection 4, Code 1989, is
2 amended to read as follows:

3 4. "Oxygenate octane enhancer" means oxygen-containing
4 compounds, including but not limited to alcohols, and ethers,
5 or ethanol.

6 Sec. 2. Section 214A.2, subsection 1, Code 1989, is
7 amended to read as follows:

8 1. The secretary shall adopt rules pursuant to chapter 17A
9 for carrying out ~~the provisions of~~ this chapter. The rules
10 may include, but are not limited to, specifications relating
11 to motor fuel or oxygenate octane enhancers. In the interest
12 of uniformity, the secretary shall adopt by reference or
13 otherwise specifications relating to tests and standards for
14 motor fuel or oxygenate octane enhancers, established by the
15 American society for testing and materials (A.S.T.M.), unless
16 the secretary determines those specifications are inconsistent
17 with this chapter or are not appropriate to the conditions
18 which exist in this state. ~~References to A.S.T.M.~~
19 ~~specifications and standards are to the A.S.T.M.~~
20 ~~specifications and standards in effect on January 17, 1985.~~

21 Sec. 3. Section 214A.3, Code 1989, is amended to read as
22 follows:

23 214A.3 FALSE REPRESENTATIONS.

24 ~~No~~ A person for purposes of selling shall not falsely
25 represent the quality or kind of any motor vehicle fuel or
26 oxygenate octane enhancer, or add coloring matter thereto for
27 the purpose of misleading the public as to its quality.

28 Sec. 4. Section 214A.4, Code 1989, is amended to read as
29 follows:

30 214A.4 INTRASTATE SHIPMENTS.

31 ~~No~~ A wholesale dealer or retail dealer shall not receive or
32 sell or hold for sale, within this state, any motor vehicle
33 fuel or oxygenate octane enhancer for which specifications are
34 prescribed in this chapter, unless the dealer first secures
35 from the refiner or producer of such the motor vehicle fuel or

1 oxygenate octane enhancer, a statement, verified by the oath
2 of a competent chemist, employed by or representing such the
3 refiner or producer, showing the true standards and tests of
4 such the motor vehicle fuel or oxygenate octane enhancer,
5 obtained by the methods referred to in section 214A.2 hereof.
6 ~~Such~~ The verified tests ~~shall-be~~ are required and must
7 accompany the bill of lading or shipping documents
8 representing the shipment of such the motor vehicle fuel or
9 oxygenate octane enhancer into this state before such the
10 shipment can be received and unloaded.

11 Sec. 5. Section 214A.5, Code 1989, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. Each wholesale dealer or retail
14 dealer in this state shall, when making a sale of oxygenate
15 octane enhancer, give to each purchaser upon demand a sales
16 slip upon which must be printed the words "This oxygenate
17 octane enhancer conforms to the standard specifications
18 required by the state of Iowa."

19 Sec. 6. Section 214A.6, Code 1989, is amended to read as
20 follows:

21 214A.6 DEPARTMENT TESTS -- FEE.

22 Any A wholesale dealer or retail dealer may, at the
23 dealer's option, forward to the department for testing a
24 sample taken in the manner ~~here~~ prescribed in this section.
25 The dealer shall draw from such the original container, in the
26 presence of ~~some~~ a reputable person, into a clean receptacle,
27 suitable for shipping, a sample of such the motor vehicle fuel
28 or oxygenate octane enhancer, not less than eight fluid
29 ounces, and shall carefully seal such the receptacle and affix
30 ~~thereto~~ to the receptacle a written label showing the car
31 number or other identifying marks upon such the original
32 container from which such the sample was taken~~7-att.~~ This
33 procedure shall be performed in the presence of such the
34 reputable person, and such the wholesale dealer or retail
35 dealer ~~and-such.~~ The reputable person shall make a statement,

1 under oath, that ~~such the~~ sample was taken in the manner
2 provided for ~~herein in this section, referring and shall refer~~
3 to the identifying marks upon ~~such the~~ label. ~~At-the-same~~
4 ~~time-such~~ The sworn statement, together with a fee of two
5 dollars for the making of ~~such the~~ test, shall be forwarded to
6 the department. The department shall test ~~such the~~ sample by
7 the methods provided for in section 214A.2 and shall forward
8 to ~~such the~~ wholesale dealer or retail dealer a certified copy
9 of the results of ~~such the~~ tests.

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14 to time, make or cause to be made tests of any motor vehicle
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16 or offered for sale within this state, and for such purposes
17 ~~such the~~ inspectors ~~shall~~ have the right to enter upon the
18 premises of any wholesale dealer or retail dealer ~~in of~~ motor
19 vehicle ~~fuels~~ fuel or oxygenate octane enhancer within this
20 state, and to take from any container a sample of ~~such the~~
21 motor vehicle fuel or oxygenate octane enhancer, not to exceed
22 eight fluid ounces, ~~which.~~ The sample shall be sealed and
23 appropriately marked or labeled by ~~such the~~ inspector and
24 delivered to the department. The department shall make, or
25 cause to be made, complete analyses or tests of ~~such the~~ motor
26 vehicle fuel or oxygenate octane enhancer by the methods
27 specified in section 214A.2.

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14 that the department of agriculture and land stewardship may
15 set standards for oxygenate octane enhancers, test oxygenate
16 octane enhancers, and regulate wholesale and retail dealers of
17 oxygenate octane enhancers.

18 BACKGROUND STATEMENT

19 SUBMITTED BY THE AGENCY

20 The Department of Agriculture and Land Stewardship is
21 currently empowered to establish specifications for motor
22 vehicle fuel and to conduct testing to ensure compliance with
23 the standards. It is unclear whether the Department has
24 similar authority over oxygenate octane enhancers such as
25 ethanol which are blended to make some motor vehicle fuels.
26 The Department seeks the bill to clarify its authority to set
27 these specifications and conduct testing.

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HOUSE FILE 254

AN ACT

RELATING TO THE REGULATION OF OXYGENATE OCTANE ENHANCERS.

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

Section 1. Section 214A.1, subsection 4, Code 1989, is amended to read as follows:

4. "Oxygenate octane enhancer" means oxygen-containing compounds, including but not limited to alcohols, and ethers, or ethanol.

Sec. 2. Section 214A.2, subsection 1, Code 1989, is amended to read as follows:

1. The secretary shall adopt rules pursuant to chapter 17A for carrying out the provisions of this chapter. The rules may include, but are not limited to, specifications relating to motor fuel or oxygenate octane enhancers. In the interest of uniformity, the secretary shall adopt by reference or otherwise specifications relating to tests and standards for motor fuel or oxygenate octane enhancers, established by the American society for testing and materials (A.S.T.M.), unless the secretary determines those specifications are inconsistent with this chapter or are not appropriate to the conditions which exist in this state. References to A.S.T.M. specifications and standards are to the A.S.T.M. specifications and standards in effect on January 17, 1985.

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NEW UNNUMBERED PARAGRAPH. Each wholesale dealer in this state shall, when making a sale of oxygenate octane enhancer, give to each purchaser upon demand a sales slip upon which must be printed the words "This oxygenate octane enhancer conforms to the standard specifications required by the state of Iowa."

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container from which such the sample was taken-~~all~~. This procedure shall be performed in the presence of such the reputable person, and such the wholesale dealer or retail dealer ~~and such~~. The reputable person shall make a statement, under oath, that such the sample was taken in the manner provided for herein in this section, referring and shall refer to the identifying marks upon such the label. ~~At the same time such~~ The sworn statement, together with a fee of two dollars for the making of ~~such the~~ test, shall be forwarded to the department. The department shall test such the sample by the methods provided for in section 214A.2 and shall forward to such the wholesale dealer or retail dealer a certified copy of the results of ~~such the~~ tests.

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standards and specifications applicable-~~thereto as~~ set out in this chapter.

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214A.10 TRANSFER PIPES.

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DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 254, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved *May 2*, 1989

TERRY E. BRANSTAD
Governor