

FEB 16 2000
Agriculture

HOUSE FILE 2294
BY KUHN, FREVERT, and MAY

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

A BILL FOR

1 An Act prohibiting the use of methyl tertiary butyl ether,
2 eliminating a conflicting provision, providing penalties, and
3 providing an effective date.

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

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HF 2294

1 Section 1. Section 214A.2, subsection 4, Code Supplement
2 1999, is amended to read as follows:

3 4. Gasoline Motor vehicle fuel shall not contain methanol
4 ~~without an equal amount of cosolvent, and shall not contain~~
5 ~~more than five percent methanol~~ methyl tertiary butyl ether,
6 except as provided in section 455B.210.

7 Sec. 2. Section 214A.16, Code 1999, is amended to read as
8 follows:

9 214A.16 NOTICE OF BLENDED FUEL -- DECAL.

10 All motor vehicle fuel kept, offered, or exposed for sale,
11 or sold at retail containing over one percent ethanol,
12 ~~methanol, or any combination of~~ oxygenate octane enhancers,
13 including but not limited to ethanol, shall be identified as
14 ~~"with either "ethanol", "methanol", "ethanol/methanol", or~~
15 ~~similar wording~~ on a decal with the name of the oxygenate
16 octane enhancer. All diesel fuel kept, offered, or exposed
17 for sale, or sold at retail containing over one percent
18 soybean oil by volume shall be identified as ~~"with soydiesel"~~
19 ~~or similar wording~~ containing soybean oil on a decal. The
20 contents, design, and location of the decals shall be
21 prescribed by rules adopted by the department. ~~The department~~
22 ~~shall adopt the rules to be effective by January 17, 1995.~~ A
23 decal identifying a renewable fuel shall be consistent with
24 standards adopted pursuant to section 159A.6. ~~Until the~~
25 ~~department establishes standards for decals, the wording shall~~
26 ~~be on a white adhesive decal with black letters at least one-~~
27 ~~half-inch high and at least one-quarter-inch wide placed~~
28 ~~between thirty and forty inches above the driveway level on~~
29 ~~the front sides of any container or pump from which the motor~~
30 ~~fuel is sold.~~ The department may approve an application to
31 place a decal in a special location on a pump or container or
32 use a decal with special lettering or colors, if the decal
33 appears clear and conspicuous to the consumer. The
34 application shall be made in writing pursuant to procedures
35 adopted by the department. ~~Designs for a decal identifying a~~

1 ~~renewable-fuel-shall-be-consistent-with-standards-adopted~~
2 ~~pursuant-to-section-159A-6-~~

3 Sec. 3. NEW SECTION. 455B.210 METHYL TERTIARY BUTYL
4 ETHER USED IN FUEL PROHIBITION.

5 1. As used in this section:

6 a. "MTBE" means methyl tertiary butyl ether, which is used
7 or intended to be used in fuel.

8 b. "Fuel" means petroleum as defined in section 455B.471,
9 which is used or intended to be used as motor fuel or special
10 fuel as those terms are defined in section 452A.2.

11 c. "Sale" means to sell or offer to sell.

12 d. "Tank" means a storage structure fixed to the land,
13 including but not limited to an underground storage tank
14 subject to regulation under chapter 455G or an aboveground
15 petroleum storage tank as defined in section 101.21.

16 2. A person shall not do any of the following:

17 a. Sell MTBE in this state for use in this state.

18 b. Store MTBE in a tank located in this state.

19 3. The department may provide by rule for the sale or
20 storage of an incidental amount of MTBE or the temporary
21 storage of MTBE to the extent that the department determines
22 that the amount or storage time does not cause a threat to the
23 public health or environment by contaminating soil,
24 groundwater, or surface water in this state.

25 4. The department shall ensure that MTBE does not cause a
26 threat to the public health or environment by contaminating
27 soil, groundwater, or surface water in this state consistent
28 with this section.

29 5. The department shall adopt rules necessary in order to
30 administer this section.

31 Sec. 4. Section 455B.474, subsection 1, Code Supplement
32 1999, is amended by adding the following new paragraph:

33 NEW PARAGRAPH. i. Providing for monitoring, including
34 testing for the presence of methyl tertiary butyl ether from
35 locations at sites where groundwater or soil monitoring is

1 required pursuant to this section, if other sample analyses
2 are required.

3 Sec. 5. DEPARTMENTAL DIRECTIVE. The department of natural
4 resources shall immediately begin to adopt all rules necessary
5 in order to fully implement this Act upon the effective date
6 of its provisions.

7 Sec. 6. 1999 Iowa Acts, chapter 204, section 15,
8 subsection 4, paragraph a, is amended by striking the
9 paragraph.

10 Sec. 7. EFFECTIVE DATES.

11 1. Except as provided in subsection 2, this Act takes
12 effect December 31, 2000.

13 2. Section 5 of this Act, being deemed of immediate
14 importance, takes effect upon enactment.

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EXPLANATION

16 In 1999, the general assembly enacted House File 772 (1999
17 Iowa Acts, chapter 204), which in part provides that on or
18 after February 1, 2000, a retail dealer of motor vehicle fuel
19 is prohibited from offering for sale in this state fuel that
20 contains more than 2 percent of methyl tertiary butyl ether
21 (MTBE) by volume. It directs the department of agriculture
22 and land stewardship to adopt rules necessary to ensure that
23 the substance does not threaten the public health, and directs
24 the department of natural resources to conduct testing and
25 monitoring at underground storage tank sites. The provision
26 is uncodified.

27 This bill eliminates the provision in the Acts and codifies
28 similar requirements in new Code section 455B.210. The bill
29 prohibits a person from selling or storing MTBE for use in
30 fuel in this state. The bill authorizes the department of
31 natural resources to administer the provisions, including by
32 adopting rules. The bill provides that the department of
33 natural resources may provide for the sale or storage of an
34 incidental amount of MTBE or the temporary storage of MTBE to
35 the extent that the department determines that the amount or

1 storage time does not cause a threat to the public health or
2 environment. The bill also requires the department of natural
3 resources to provide for monitoring, including testing for the
4 presence of MTBE from the locations at sites where groundwater
5 or soil monitoring is required, if other sample analyses are
6 required.

7 Code chapter 214A provides that the department of
8 agriculture and land stewardship is authorized to provide
9 standards for the motor vehicle fuel and oxygenate enhancers.
10 The bill amends Code section 214A.2, which specifies the
11 content of methanol which is used to produce MTBE. The bill
12 amends the provision to prohibit its use consistent with other
13 provisions of this bill. The bill also amends Code section
14 214A.16, which provides requirements for decals identifying
15 oxygenate enhancers, including methanol.

16 Generally, a person who violates provisions in the bill
17 would be subject to a civil penalty of not more than \$5,000
18 for each day of a violation. (See Code section 455B.191.)

19 The bill takes effect on December 31, 2000. However, the
20 department of natural resources is directed to immediately
21 begin rulemaking as necessary in order to carry out the bill's
22 provisions.

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