

Senate Study Bill 1057

Bill Text

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1 1 Section 1. Section [214A.1](#), Code 2001, is amended by adding
1 2 the following new subsections:

1 3 NEW SUBSECTION. 1A. "Conventional gasoline" means
1 4 gasoline other than ethanol blended gasoline.

1 5 NEW SUBSECTION. 1B. "Ethanol blended gasoline" means a
1 6 conventional blend ethanol or a high blend ethanol as provided
1 7 in section 214A.2.

1 8 NEW SUBSECTION. 2A. "Motor vehicle fuel pump" means the
1 9 same as defined in section 214.1.

1 10 Sec. 2. Section [214A.2](#), subsection 3, paragraph c, Code
1 11 2001, is amended by striking the paragraph.

1 12 Sec. 3. NEW SECTION. 214A.16A ETHANOL BLENDED GASOLINE
1 13 AVAILABILITY REQUIRED.

1 14 1. Except as otherwise provided in this section, on or
1 15 after January 1, 2002, a retail dealer shall not sell gasoline
1 16 at a site, unless the retail dealer sells ethanol blended
1 17 gasoline from at least one motor vehicle fuel pump at that
1 18 site.

1 19 2. This section shall not apply to the extent any of the
1 20 following applies:

1 21 a. A retail dealer cannot sell ethanol blended gasoline at
1 22 a site because each motor vehicle fuel storage tank located on
1 23 the site is not compatible with storing ethanol blended
1 24 gasoline. In order to claim this exemption, the department
1 25 must issue a letter to the retail dealer stating that the
1 26 retail dealer's motor vehicle fuel storage tank is not
1 27 warranted by its manufacturer for ethanol blended gasoline.
1 28 The department shall issue the letter after the retail dealer
1 29 submits all information and affirmations as required by the
1 30 department. An exemption granted under this paragraph shall
1 31 expire on July 1, 2002.

1 32 b. The site has only one single motor vehicle fuel storage
1 33 tank, the tank is located above ground, and the tank has a
1 34 capacity of one thousand gallons or less.

1 35 3. This section does not require a retail dealer to cease
2 1 selling conventional gasoline during any period when the
2 2 retail dealer cannot sell ethanol blended gasoline due to any
2 3 of the following:

2 4 a. A wholesale dealer fails to supply the retail dealer
2 5 with ethanol blended gasoline on a timely basis. This
2 6 paragraph does not apply if the retail dealer and the
2 7 wholesale dealer are the same person.

2 8 b. A temporary depletion of the retail dealer's ethanol
2 9 blended gasoline inventory. This paragraph does not apply if
2 10 the retail dealer stores conventional gasoline in the depleted
2 11 tank.

2 12 c. A communication, including the issuance of an order or
2 13 letter, by a federal or state agency, including the United
2 14 States environmental protection agency, the department of
2 15 natural resources, or the department of agriculture and land
2 16 stewardship, requiring or requesting that the retail dealer
2 17 cease using a motor vehicle fuel storage tank storing ethanol
2 18 blended gasoline or related motor vehicle fuel storage tank
2 19 equipment, including a connecting motor vehicle fuel pump.
2 20 This paragraph does not apply once the terms of the
2 21 communication have expired.

2 22 d. A motor vehicle fuel storage tank used to store ethanol
2 23 blended gasoline or related motor vehicle fuel storage tank
2 24 equipment, including a connecting motor vehicle fuel pump,
2 25 cannot function because of repair, replacement, or
2 26 maintenance. This paragraph does not apply after the tank or
2 27 related equipment has been repaired, replaced, or maintained
2 28 or should have been repaired, replaced, or maintained within a
2 29 period customary for that type of repair, replacement, or
2 30 maintenance.

2 31 4. The department shall adopt pursuant to chapter 17A all
2 32 rules necessary in order to administer this section.

2 33 Sec. 4. NEW SECTION. 214A.20 GENERAL VIOLATIONS AND
2 34 PENALTIES.

2 35 A person who violates provisions of this chapter other than
3 1 section 214A.16A is guilty of a simple misdemeanor.

3 2 Sec. 5. NEW SECTION. 214A.20A PENALTIES AND LEGAL
3 3 PROCEEDINGS FOR VIOLATIONS OF ETHANOL BLENDED GASOLINE
3 4 AVAILABILITY REQUIREMENTS.

3 5 1. A retail dealer who violates section 214A.16A is
3 6 subject to a civil penalty of not more than one hundred
3 7 dollars. Each day that a violation continues constitutes a
3 8 separate offense.

3 9 2. The department shall issue an order assessing a civil
3 10 penalty against a retail dealer acting in violation of section
3 11 214A.16A. The order shall include the amount of the civil
3 12 penalty. The civil penalty shall be paid in accordance with
3 13 rules adopted by the department pursuant to chapter 17A and as
3 14 provided in the order.

3 15 3. A retail dealer who fails to timely pay a civil penalty
3 16 assessed pursuant to the department's final order shall pay,
3 17 in addition to the amount of the civil penalty, interest at
3 18 the rate of one and one-half percent of the unpaid balance of
3 19 the assessed civil penalty for each month or part of a month
3 20 that the penalty remains unpaid. The interest shall begin to
3 21 accrue not earlier than thirty days after the civil penalty
3 22 amount is required to be paid. When a retail dealer against
3 23 whom a civil penalty is assessed under this section seeks
3 24 timely judicial review, as provided under chapter 17A, of an
3 25 order imposing the civil penalty, the order is not final for
3 26 the purposes of this section until all judicial review
3 27 processes are completed.

3 28 4. The attorney general shall institute, at the request of
3 29 the department, legal proceedings in the county in which the
3 30 violation occurred in order to recover the civil penalty and
3 31 any accrued interest.

3 32 5. The civil penalty assessed by the department and
3 33 interest on the civil penalty shall be deposited in the
3 34 general fund of the state.

3 35 EXPLANATION

4 1 This bill amends Code chapter 214A, which provides for the
4 2 regulation of motor vehicle fuel, including gasoline blended
4 3 with ethanol. The bill provides that on or after January 1,
4 4 2002, a retail dealer is prohibited from selling gasoline from
4 5 a site, unless the retail dealer also sells ethanol blended
4 6 gasoline from at least one motor vehicle fuel pump at the
4 7 site. The bill excuses a retail dealer from complying with
4 8 the bill's requirements, if the retail dealer cannot sell
4 9 ethanol blended gasoline due to a number of reasons, including
4 10 the incompatibility of motor vehicle fuel storage tanks
4 11 located on the site (until July 1, 2002); the site has only
4 12 one small single motor vehicle fuel storage tank; the failure
4 13 of a wholesale dealer to supply the ethanol blended gasoline;
4 14 the temporary depletion of the retail dealer's inventory of
4 15 ethanol blended gasoline; a communication by a federal or
4 16 state agency requiring or requesting that the retail dealer
4 17 cease using a motor vehicle storage tank storing ethanol
4 18 blended gasoline; or the repair, replacement, or maintenance

4 19 of a tank or related equipment.

4 20 Generally, a retail dealer who violates the provisions of
4 21 Code chapter 214A is guilty of a simple misdemeanor. This
4 22 bill provides that a retail dealer who violates the provisions
4 23 of the bill is subject to a civil penalty of not more than
4 24 \$100, and each day that a violation continues constitutes a
4 25 separate offense.

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