HOUSE FILE \_\_\_\_\_\_\_ BY KUHN and WHITEAD

(COMPANION TO LSB 5728SS BY JOHNSON)

 Passed House, Date
 Passed Senate, Date

 Vote: Ayes
 Nays

 Approved
 Vote: Ayes

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## A BILL FOR

1 An Act providing for motor fuel pumps which dispense renewable

2 fuel.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5728YH 82

5 da/nh/5

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Section 1. Section 15G.201, subsection 1, Code 2007, is 1 1 1 2 amended to read as follows: 3 1. "Biodiesel", "biodiesel blended fuel", "E=85 gasoline", 4 "gasoline", "motor fuel", <del>"motor fuel pump",</del> "retail dealer", 1 3 1 1 5 and "retail motor fuel site" mean the same as defined in 1 6 section 214A.1. 1 7 Sec. 2. Section 15G.201, Code 2007, is amended by adding 1 8 the following new subsection: 1 9 <u>NEW SUBSECTION</u>. 4A. "Motor fuel pump" and "motor fuel 1 10 blender pump" or "blender pump" mean the same as defined in 1 11 section 214.1. 1 12 Sec. 3. Section 15G.203, subsection 1, Code Supplement 1 13 2007, is amended to read as follows: 1 14 1. <u>a.</u> The purpose of the program is to improve retail 1 15 motor fuel sites by installing, replacing, or converting motor 1 16 fuel storage <u>and</u>, <u>blending</u>, <u>or</u> dispensing infrastructure. The 1 17 infrastructure must be designed and shall be used exclusively 1 18 to store do any of the following: 1 19 (1) Store and dispense renewable fuel which is E=85 1 20 gasoline, biodiesel, or biodiesel blended fuel. (2) Blend and dispense renewable fuel from a motor fuel 1 21 <u>22 blender pump.</u> 23 <u>b. The improvement must occur</u> on the premises of retail 23 <u>b. The improvement by retail dealers</u>. 1 23 1 24 motor fuel sites operated by retail dealers. 1 25 Sec. 4. Section 15G.203, subsection 4, paragraph b, 1 26 subparagraphs (3) and (4), Code Supplement 2007, are amended 1 27 to read as follows: 1 28 28 (3) A statement describing how the retail motor fuel site 29 is to be improved, the total estimated cost of the planned 1 1 30 improvement, and the date when the infrastructure will be 1 31 first used to store and dispense the renewable fuel. 1 32 (4) A statement certifying that the infrastructure shall 1 33 not be used to store or dispense motor fuel other than E=85 34 gasoline, biodiesel, or biodiesel blended fuel in violation of <u>35 this section</u>, unless granted a waiver by the infrastructure 1 board pursuant to this section. 2 Sec. 5. Section 15G.203, subsection 8, unnumbered 2 2 3 paragraph 1, Code Supplement 2007, is amended to read as 2 4 follows: 2 5 A person shall not use financial incentives to install 6 replace, or convert infrastructure, unless the infrastructure 7 is used to store, blend, or dispense renewable fuel. A 8 participating person shall not use the infrastructure to store 2 2 9 and dispense motor fuel other than the type of renewable fuel 2 10 approved by the board in the cost=share agreement, unless one 2 11 of the following applies: 2 12 Sec. 6. Section 15G.203, subsection 8, paragraph a, Code 2 13 Supplement 2007, is amended to read as follows: 2 14 a. The participating person is granted a waiver by the 2 15 infrastructure board. The participating person shall store. 16 blend, or dispense the motor fuel according to the terms and 2 17 conditions of the waiver.

2 18 Sec. 7. Section 214.1, Code 2007, is amended to read as 2 19 follows: 214.1 2 20 DEFINITIONS. 2 21 For the purpose of As used in this chapter, unless the 22 context otherwise requires: 1. "Biofuel", "biodiesel", "ethanol", "motor fuel", "retail dealer", "retail motor fuel site", and "wholesale 2 23 24 "retail dealer", "retail motor fuel site", and "who] 25 dealer" mean the same as defined in section 214A.1. 2 "Commercial weighing and measuring device" or "device" 2 26 2. 2 27 means the same as defined in section 215.26. 2 28 2. "Motor fuel" means the same as defined in section 214A.1. 2 29 2 30 3. <u>"Motor fuel blender pump" or "blender pump" means a</u> motor fuel pump that allows a retail customer of motor fuel to select a volume percentage of biofuel in motor fuel to be 31 32 2 33 dispensed from the motor fuel pump at a retail motor fuel 2 34 2 35 34 site. "Motor fuel pump" means a pump, meter, or similar 4. commercial weighing and measuring device used to measure and 3 3 2 dispense motor fuel on a retail basis. 3 3 4. "Retail dealer" means the same as defined in section 4 3 214A.1. 5. "Wholesale dealer" means the same as defined in section 3 5 <del>214A.1.</del> 3 6 3 7 Sec. 8. Section 214.9, Code 2007, is amended to read as 3 8 follows: 214.9 3 9 SELF=SERVICE REGULATION OF MOTOR FUEL PUMPS. 3 10 1. Self-service A self-service motor fuel pumps pump at a retail motor vehicle fuel stations site may be equipped with 11 3 3 12 an automatic latch=open devices device on the fuel dispensing 3 13 hose nozzle only if the nozzle valve is the automatic closing 3 14 type. 3 15 2. The department shall ensure that a motor fuel blender 3 16 pump accurately distributes the volume percent of biofuel 3 17 selected by the consumer at the price offered by the retail <u>3 18 dealer.</u> 3 19 Sec. 9. Section 214A.1, subsection 14, Code 2007, is 3 20 amended to read as follows: 3 21 14. "Motor fuel pump" <del>means</del> <u>and "motor fuel blender pump"</u> or "blender pump" means the same as defined in section 214.1. 3 22 3 23 Sec. 10. Section 214A.3, subsection 2, paragraph b, Code 3 24 2007, is amended to read as follows: 3 25 b. (1) Ethanol blended gasoline sold by a dealer shall be 3 26 designated E=xx where "xx" is the volume percent of ethanol in 3 27 the ethanol blended gasoline. However, a person advertising 3 28 E=10 gasoline may only designate it as ethanol blended 3 29 gasoline. The motor fuel blender pump must accurately inform 30 the customer of the volume percent of ethanol being dispensed 31 at the blender pump. A person shall not knowingly falsely 3 3 3 32 advertise ethanol blended gasoline by using an inaccurate 3 33 designation in violation of this subparagraph. 3 34 (2) Biodiesel blended fuel shall be designated B=xx where 3 35 "xx" is the volume percent of biodiesel in the biodiesel 4 1 blended fuel. The motor fuel blender pump must accurately inform the customer of the volume percent of biodiesel being 4 3 dispensed at the blender pump. A person shall not knowingly 4 4 4 falsely advertise biodiesel blended fuel by using an 4 5 inaccurate designation in violation of this subparagraph. EXPLANATION 4 6 This bill provides for a new type of motor fuel pump 4 7 8 referred to as a motor fuel blender pump (blender pump) which 4 4 9 allows a retail customer to select the percent of biofuel, 4 10 either ethanol (ethyl alcohol) which is blended into gasoline, 11 or biodiesel (derived from vegetable oils or animal fats) 4 4 12 which is blended into diesel fuel. The bill expands the renewable fuel infrastructure program 4 13 4 14 to provide cost share financing to support the installation of 4 15 or conversion of blender pumps and related infrastructure at 4 16 service stations (referred to as retail motor fuel sites). 4 17 Financing is awarded by a renewable fuel infrastructure board 4 18 established within the department of economic development. The bill authorizes the department of agriculture and land 4 19 4 20 stewardship to regulate blender pumps and requires a retail 4 21 dealer to accurately inform the customer of the volume percent 4 22 of biofuel being dispensed at the blender pump. 4 23 LSB 5728YH 82 4 24 da/nh/5