

# Senate Study Bill 1254

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
ENVIRONMENT AND ENERGY  
INDEPENDENCE BILL BY  
CHAIRPERSON BLACK)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act providing for the dispensing of ethanol blended gasoline  
2 by authorizing the use of secondary containment, and providing  
3 an effective date.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 2220XC 83  
6 da/rj/5

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1 1 Section 1. Section 455G.31, subsection 2, Code 2009, is  
1 2 amended to read as follows:

1 3 2. A retail dealer may use gasoline storage and dispensing  
1 4 infrastructure ~~other than a dispenser~~ to store and dispense  
1 5 ethanol blended gasoline classified as E=9 or higher if ~~all of~~  
1 6 ~~the following apply:~~

1 7 ~~a. For gasoline storage and dispensing infrastructure~~  
1 8 ~~other than the dispenser~~, the department of natural resources  
1 9 under this chapter or the state fire marshal under chapter 101  
1 10 ~~must determine~~ determines that it is compatible with the  
1 11 ethanol blended gasoline being used.

1 12 ~~b. (1) For a 3. A retail dealer may use a dispenser, all~~  
1 13 ~~of the following shall apply to dispense ethanol blended~~  
1 14 ~~gasoline classified as E=9 or higher if any of the following~~  
1 15 ~~applies:~~

1 16 ~~(a) a. (1) The dispenser must be is listed by an~~  
1 17 ~~independent testing laboratory as compatible with ethanol~~  
1 18 ~~blended gasoline classified as E=9 or higher. In addition,~~

1 19 ~~(b) The owner or operator or a person authorized by the~~  
1 20 ~~owner or operator must the retail dealer must visually inspect~~  
1 21 ~~the dispenser and the dispenser sump daily for leaks and~~  
1 22 ~~equipment failure and maintain a record of such inspection for~~  
1 23 ~~at least one year after the inspection. The record shall be~~  
1 24 ~~located on the premises of the retail dealer and shall be made~~  
1 25 ~~available to the department of natural resources or the state~~  
1 26 ~~fire marshal upon request. If a leak is detected, the~~  
1 27 ~~department of natural resources shall be notified pursuant to~~  
1 28 ~~section 455B.386.~~

1 29 (2) The state fire marshal shall issue an order as soon as  
1 30 practicable after determining that a commercially available  
1 31 dispenser is listed as compatible for use with E=85 gasoline  
1 32 by an independent testing laboratory. The state fire marshal  
1 33 shall publish the order in the Iowa administrative bulletin.  
1 34 A person shall not install a dispenser which would otherwise  
1 35 be permitted under subparagraph (1) after sixty days following  
2 1 the date that the order is published. A person who installed  
2 2 such dispenser before the sixty-day period expired may use the  
2 3 dispenser as provided in subparagraph (1) until four years  
2 4 after the date that the order is published.

2 5 ~~b. The retail dealer installs a secondary containment~~  
2 6 ~~system designed to prevent the release of the type of ethanol~~  
2 7 ~~blended gasoline being dispensed. The secondary containment~~  
2 8 ~~system shall comply with applicable rules adopted by the~~  
2 9 ~~department of natural resources and the state fire marshal.~~

2 10 Sec. 2. EFFECTIVE DATE. This Act, being deemed of  
2 11 immediate importance, takes effect upon enactment.

2 12 EXPLANATION

2 13 Under current law, a retail dealer engaged in the business  
2 14 of storing and dispensing motor fuel may dispense ethanol  
2 15 blended gasoline containing a high content of ethanol, and  
2 16 including E=85, using special infrastructure, including a

2 17 motor fuel pump (dispenser) that is listed by an independent  
2 18 testing laboratory.  
2 19 This bill provides an alternative that would allow the  
2 20 retail dealer to use a dispenser installed with a secondary  
2 21 containment system designed to prevent the release of that  
2 22 type of ethanol blended gasoline.  
2 23 The bill takes effect upon enactment.  
2 24 LSB 2220XC 83  
2 25 da/rj/4