

House File 2439 - Introduced

HOUSE FILE 2439

BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 673)

A BILL FOR

1 An Act providing for programs and regulations administered
2 and enforced by the department of agriculture and land
3 stewardship, providing fees, providing penalties, and making
4 penalties applicable.

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

DIVISION I

CHOOSE IOWA PROMOTIONAL PROGRAM

Section 1. Section 159.20, Code 2022, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The department shall establish and administer a choose Iowa promotional program as provided in part 2 of this subchapter, in order to provide consumers a choice in purchasing food items that originate as an agricultural commodity produced on Iowa farms.

Sec. 2. NEW SECTION. 159.26 **Definitions.**

As used in this part:

1. "*Food item*" means any of the following:

a. A perishable item derived from an agricultural commodity, or processed from an agricultural commodity, that is fit for human consumption.

b. Honey produced from bees in a managed beehive.

2. "*Iowa farm*" means land in this state used to produce an agricultural commodity.

3. "*Process*" means to prepare a food item in a manner that allows it to be fit for human consumption.

4. "*Program*" means the choose Iowa promotional program established in section 159.29.

Sec. 3. NEW SECTION. 159.28 **Administration.**

The department shall administer the provisions of this part, including by adopting rules pursuant to chapter 17A as it determines are necessary or desirable.

Sec. 4. NEW SECTION. 159.29 **Choose Iowa promotional program.**

1. The department shall establish and administer a choose Iowa promotional program to advertise for sale on a retail basis a food item that originates as an agricultural commodity produced on an Iowa farm, and that may include any of the following:

a. An agricultural commodity, except that it may be prepared for sale by washing or packaging in this state.

1 *b.* A product, if it is processed in this state and any of
2 its ingredients originate as an agricultural commodity produced
3 on an Iowa farm.

4 2. *a.* The department may adopt rules further defining
5 an Iowa farm and describing how an agricultural commodity
6 originates on an Iowa farm.

7 *b.* The department may adopt rules providing for the
8 acceptable use of ingredients originating from agricultural
9 commodities not produced on Iowa farms. In adopting the
10 rules, the department may consider whether the ingredient is
11 an incidental additive or other component that the department
12 determines is insignificant.

13 Sec. 5. NEW SECTION. 159.30 Choose Iowa logo.

14 1. As part of the program, the department may establish
15 a choose Iowa logo to identify a food item originating as an
16 agricultural commodity produced on an Iowa farm.

17 2. The department may register the choose Iowa logo as a
18 mark with the secretary of state under chapter 548. If allowed
19 under federal law, the department may also register the logo as
20 a trademark with the United States patent and trademark office
21 or as a copyright with the United States copyright office.

22 3. This section does not require the department to
23 incorporate the name "choose Iowa" as part of a mark,
24 trademark, or copyright, if such name is already protected by
25 state or federal law.

26 4. If the department registers a mark with the secretary
27 of state, registers a trademark with the United States patent
28 and trademark office, or registers a copyright with the United
29 States copyright office under this section, the state of
30 Iowa shall be named as the owner of the mark, trademark, or
31 copyright.

32 5. The use of a choose Iowa logo does not do any of the
33 following:

34 *a.* Provide an express or implied guarantee or warranty
35 concerning the safety, fitness, merchantability, or use of a

1 food item.

2 *b.* Supersede, revise, or replace a state or federal labeling
3 requirement, including but not limited to a provision in the
4 federal Fair Packaging and Labeling Act, 15 U.S.C. §1451 et
5 seq.

6 *c.* Indicate the grade, specification, standard, or value of
7 any food item.

8 Sec. 6. NEW SECTION. 159.31 Choose Iowa licensing agreement
9 — fees.

10 1. A person may apply to the department to participate in
11 the choose Iowa promotional program according to procedures
12 established by rules adopted by the department. The department
13 shall evaluate and approve or disapprove applications based
14 on criteria established by rules adopted by the department.
15 The department may disapprove an application if the department
16 determines the applicant's use of the choose Iowa logo would be
17 associated with the consumption of an adulterated or illegal
18 food item.

19 2. The department may enter into a licensing agreement
20 with a person participating in the program. The participating
21 person may use the choose Iowa logo to advertise a food item
22 originating as an agricultural commodity produced on an Iowa
23 farm, subject to terms and conditions required by rules adopted
24 by the department. A licensing agreement shall not be for more
25 than one year.

26 3. The department shall establish application and license
27 fees by rules adopted by the department.

28 Sec. 7. NEW SECTION. 159.31A Choose Iowa fund.

29 1. A choose Iowa fund is established in the state treasury
30 under the management and control of the department.

31 2. The fund shall include moneys collected as fees by the
32 department as provided in section 159.31, moneys appropriated
33 by the general assembly, and other moneys available to and
34 obtained or accepted by the department, including moneys from
35 public or private sources.

1 3. Moneys in the fund are appropriated to the department
2 and shall be used exclusively to carry out the provisions of
3 this part as determined and directed by the department, and
4 shall not require further special authorization by the general
5 assembly.

6 4. *a.* Notwithstanding section 12C.7, interest or earnings
7 on moneys in the fund shall be credited to the fund.

8 *b.* Notwithstanding section 8.33, moneys in the fund that
9 remain unencumbered or unobligated at the end of a fiscal year
10 shall not revert.

11 Sec. 8. DIRECTIONS TO CODE EDITOR — TRANSFER.

12 1. The Code editor is directed to make the following
13 transfer:

14 Section 159.27 to section 159.25.

15 2. The Code editor shall correct internal references in the
16 Code and in any enacted legislation as necessary due to the
17 enactment of this section.

18 Sec. 9. DIRECTIONS TO CODE EDITOR — PARTS. The Code editor
19 is directed to divide the provisions in chapter 159, subchapter
20 II, as amended, enacted, or transferred in this division of
21 this Act, into parts as follows:

22 1. Part 1, including sections 159.20 through 159.25.

23 2. Part 2, including sections 159.26 through 159.31A.

24 DIVISION II

25 REGULATION OF PESTICIDES

26 Sec. 10. Section 206.12, subsection 3, Code 2022, is amended
27 to read as follows:

28 3. The registrant, before selling or offering for sale any
29 pesticide for use in this state, shall register each brand and
30 grade of such pesticide with the secretary upon forms furnished
31 by the secretary, and the secretary shall set the registration
32 fee annually at ~~one-fifth of one percent of gross sales within~~
33 ~~this state with a minimum fee of two hundred fifty dollars and~~
34 ~~a maximum fee of three thousand~~ hundred dollars for each and
35 every brand and grade to be offered for sale in this state

1 ~~except as otherwise provided. The annual registration fee for~~
2 ~~products with gross annual sales in this state of less than~~
3 ~~one million five hundred thousand dollars shall be the greater~~
4 ~~of two hundred fifty dollars or one-fifth of one percent of~~
5 ~~the gross annual sales as established by affidavit of the~~
6 ~~registrant. The secretary shall adopt by rule exemptions to~~
7 ~~the minimum fee. Fifty dollars of each fee collected shall be~~
8 ~~deposited in the general fund of the state, shall be subject~~
9 ~~to the requirements of section 8.60, and shall be used only~~
10 ~~for the purpose of enforcing the provisions of this chapter~~
11 ~~and the remainder of each fee collected shall be placed in the~~
12 ~~agriculture management account of the groundwater protection~~
13 ~~fund.~~

14 Sec. 11. Section 206.19, subsection 5, paragraph b, Code
15 2022, is amended to read as follows:

16 b. The amount of the civil penalty ~~that may be assessed~~
17 ~~for each violation committed by a commercial applicator or~~
18 ~~private applicator shall not exceed five hundred dollars for~~
19 each offense.

20 DIVISION III

21 REGULATION OF MOTOR FUELS

22 Sec. 12. Section 214A.1, subsections 2, 5, and 13, Code
23 2022, are amended to read as follows:

24 2. "~~A.S.T.M.~~ ASTM international" means the American society
25 for testing and materials international.

26 5. "Biodiesel" means a renewable fuel comprised of
27 mono-alkyl esters of long-chain fatty acids derived from
28 vegetable oils or animal fats, which is manufactured by the
29 use of a transesterification reaction, and which meets the
30 standards provided in [section 214A.2](#).

31 13. "E-85 gasoline" or "E-85" means ethanol blended gasoline
32 formulated with a percentage of between ~~seventy~~ sixty-eight
33 ~~and eighty-five~~ eighty-three percent by volume of ethanol, if
34 the formulation excludes a denaturant, and which meets the
35 standards provided in [section 214A.2](#).

1 Sec. 13. NEW SECTION. 214A.1A Administration and
2 enforcement.

3 This chapter shall be administered and enforced by the
4 department which may adopt rules under chapter 17A to carry out
5 the provisions of this chapter.

6 Sec. 14. Section 214A.2, Code 2022, is amended to read as
7 follows:

8 214A.2 ~~Tests and standards~~ Standards and classifications.

9 1. a. The department shall adopt rules pursuant to chapter
10 17A for carrying out ~~this chapter~~. The rules may include but
11 are not limited to specifications establishing departmental
12 standards relating to motor fuel, including but not limited to
13 ~~renewable fuel such as ethanol blended gasoline, biobutanol~~
14 ~~blended gasoline, biodiesel, biodiesel blended fuel,~~ fuels and
15 motor fuel components such as an oxygenate.

16 b. In the interest of uniformity, the department shall
17 adopt by reference ~~other~~ in part or in whole, as some of its
18 departmental standards described in paragraph "a", applicable
19 ~~specifications relating to tests and standards for motor fuel,~~
20 ~~including renewable fuel and motor fuel components,~~ adopted by
21 ASTM international and applicable requirements established by
22 the United States environmental protection agency and ~~A.S.T.M.~~
23 ~~international~~.

24 2. Octane number shall conform to the average of values
25 obtained from the ~~A.S.T.M.~~ ASTM international D2699 research
26 method and the ~~A.S.T.M.~~ ASTM international D2700 motor method.

27 a. Octane number for regular grade unleaded gasoline shall
28 follow the specifications of ~~A.S.T.M.~~ ASTM international but
29 shall not be less than eighty-seven.

30 b. Octane number for premium grade unleaded gasoline shall
31 follow the specifications of ~~A.S.T.M.~~ ASTM international but
32 shall not be less than ~~ninety~~ ninety-one.

33 3. a. For motor fuel advertised for sale or sold as
34 gasoline by a dealer, the motor fuel must meet requirements
35 for that type of motor fuel and its additives established by

1 the United States environmental protection agency including as
2 provided under 42 U.S.C. §7545.

3 **b.** If the motor fuel is advertised for sale or sold as
4 ethanol blended gasoline, the motor fuel must ~~comply with~~ meet
5 departmental standards ~~which shall meet all of the following~~
6 requirements including as follows:

7 (1) Ethanol must be an agriculturally derived ethyl alcohol
8 that meets ~~A.S.T.M.~~ departmental standards based in part or in
9 whole on ASTM international specification D4806 for denatured
10 fuel ethanol for blending with gasoline for use as automotive
11 spark-ignition engine fuel, or a successor A.S.T.M. ASTM
12 international specification, as established by rules adopted
13 by the department rule.

14 (2) Gasoline blended with ethanol must meet ~~requirements~~
15 ~~established by rules adopted~~ departmental standards based
16 in part or in whole based on A.S.T.M. ASTM international
17 specification D4814, or a successor ASTM international
18 specification, established by rule.

19 (3) (a) For ethanol blended gasoline, at least ~~nine~~ ten
20 percent by volume must be fuel grade ethanol. ~~In addition, the~~
21 ~~following applies:~~

22 ~~(a)~~ (b) For the period beginning on September 16 and
23 ending on May 31 of each year, the state grants a waiver of
24 one pound per square inch from the ~~A.S.T.M.~~ ASTM international
25 D4814 specification for Reid vapor pressure requirement, or
26 a successor ASTM international specification, established by
27 rule.

28 ~~(b) For the period beginning on June 1 and ending on~~
29 ~~September 15 of each year the United States environmental~~
30 ~~protection agency must grant a one pound per square inch waiver~~
31 ~~for ethanol blended conventional gasoline with at least nine~~
32 ~~but not more than ten percent by volume of ethanol pursuant to~~
33 ~~40 C.F.R. §80.27.~~

34 (4) For standard ethanol blended gasoline, it must be
35 ethanol blended gasoline classified as any of the following:

1 (a) From ~~E-9~~ E-10 up to but not higher than E-15, if the
2 ethanol blended gasoline meets the departmental standards for
3 that classification as otherwise provided in this paragraph
4 "b".

5 (b) Higher than E-15 but not E-85 gasoline, if the
6 classification is authorized by the department pursuant to
7 approval for the use of that classification of ethanol blended
8 gasoline in this state by the United States environmental
9 protection agency, by granting a waiver or the adoption of
10 regulations.

11 (5) E-85 gasoline must be an agriculturally derived ethyl
12 alcohol that meets ~~A.S.T.M.~~ departmental standards based in
13 part or in whole on ASTM international specification D5798,
14 described as a fuel blend for use in ground vehicles with
15 automotive spark-ignition engines, or a successor ~~A.S.T.M.~~ ASTM
16 international specification, ~~as established by rules adopted~~
17 by the department rule.

18 c. If the motor fuel is advertised for sale or sold as
19 biobutanol blended gasoline, the motor fuel must ~~comply~~
20 with meet departmental standards ~~which shall meet all of the~~
21 following requirements as follows:

22 (1) Biobutanol must be an agriculturally derived isobutyl
23 or n-butyl alcohol that meets ~~A.S.T.M.~~ ASTM international
24 specification D7862 for butanol for blending with gasoline for
25 use as automotive spark-ignition engine fuel, or a successor
26 ~~A.S.T.M.~~ ASTM international specification, ~~as established by~~
27 rules adopted by the department rule.

28 (2) Gasoline blended with biobutanol must meet ~~requirements~~
29 established by rules adopted departmental standards based
30 in part or in whole ~~based on A.S.T.M.~~ ASTM international
31 specification D4814, or a successor ASTM international
32 specification, established by rule.

33 4. a. For motor fuel advertised for sale or sold as diesel
34 fuel by a dealer, the motor fuel must meet requirements for
35 that type of motor fuel and its additives established by the

1 United States environmental protection agency including as
2 provided under 42 U.S.C. §7545.

3 *b.* If the motor fuel is advertised for sale or sold as
4 biodiesel or biodiesel blended fuel, the motor fuel must ~~comply~~
5 with meet departmental standards ~~which shall comply with~~ based
6 in part or in whole on specifications adopted by ~~A.S.T.M. ASTM~~
7 international for biodiesel or biodiesel blended fuel, to
8 every extent applicable, as determined by ~~rules adopted by the~~
9 department. the department, subject to the following:

10 (1) Biodiesel must ~~conform to A.S.T.M.~~ meet departmental
11 standards based in whole or in part on ASTM international
12 specification D6751, or a successor ~~A.S.T.M. ASTM~~ international
13 specification, as established by ~~rules adopted by the~~
14 department rule. The specification shall apply to biodiesel
15 before it leaves its place of manufacture.

16 (2) At least ~~one~~ five percent of biodiesel blended fuel by
17 volume must be biodiesel.

18 (3) The biodiesel may be blended with diesel fuel whose
19 sulfur, aromatic, lubricity, and cetane levels do not comply
20 with ~~A.S.T.M. ASTM~~ international specification D975 grades
21 1-D or 2-D, low sulfur 1-D or 2-D, or ultra-low sulfur grades
22 1-D or 2-D, provided that the finished biodiesel blended fuel
23 meets ~~A.S.T.M. international specification D975 or a successor~~
24 ~~A.S.T.M. international specification as established by rules~~
25 adopted by the department departmental standards as required in
26 subparagraph (1).

27 (4) Biodiesel blended fuel classified as B-6 or higher
28 but not higher than B-20 must ~~conform to A.S.T.M.~~ meet
29 departmental standards based in whole or in part on ASTM
30 international specification D7467, or a successor ~~A.S.T.M. ASTM~~
31 international specification, as established by ~~rules adopted~~
32 by the department rule.

33 5. Motor fuel shall be classified as follows:

34 *a.* (1) Ethanol shall be classified as E-100.

35 (2) Ethanol blended gasoline formulated with a percentage

1 of between sixty-eight and eighty-three percent by volume of
2 ethanol shall be classified as E-85.

3 (3) Ethanol blended gasoline, other than ethanol blended
4 gasoline classified as E-85, shall be ~~designated~~ classified as
5 E-xx where "xx" is the volume percent of ethanol in the ethanol
6 blended gasoline.

7 b. (1) Biobutanol shall be classified as Bu-100.

8 (2) Biobutanol blended gasoline shall be ~~designated~~
9 classified as Bu-xx where "xx" is the volume percent of
10 biobutanol in the biobutanol blended gasoline.

11 c. (1) Biodiesel shall be classified as B-100.

12 (2) Biodiesel blended fuel shall be ~~designated~~ classified
13 as B-xx where "xx" is the volume percent of biodiesel.

14 6. Motor fuel shall not contain more than trace amounts of
15 MTBE, as provided in [section 214A.18](#).

16 Sec. 15. Section 214A.2A, subsection 1, Code 2022, is
17 amended to read as follows:

18 1. Fuel which is sold or is kept, offered, or exposed for
19 sale as kerosene shall be labeled as kerosene. The label shall
20 include the word "kerosene" or the designation "K1 kerosene",
21 and shall indicate that the kerosene is in compliance with the
22 standard specification adopted by ~~A.S.T.M.~~ ASTM international
23 specification D3699 ~~(1982)~~, or a successor ASTM international
24 specification, established by rules adopted by the department.

25 Sec. 16. Section 214A.2B, Code 2022, is amended to read as
26 follows:

27 **214A.2B Laboratory for motor fuel and biofuels.**

28 A laboratory for motor fuel and biofuels is established at
29 a community college which is engaged in biofuels testing on
30 July 1, 2007, and which testing includes but is not limited to
31 B-20 biodiesel fuel testing for motor trucks and the ability of
32 biofuels to meet ~~A.S.T.M.~~ ASTM international standards. The
33 laboratory shall conduct testing of motor fuel sold in this
34 state and biofuel which is blended in motor fuel in this state
35 to ensure that the motor fuel or biofuels meet the requirements

1 in [section 214A.2](#).

2 Sec. 17. Section 214A.3, Code 2022, is amended to read as
3 follows:

4 **214A.3 Advertising.**

5 ~~1. For all motor fuel, a~~ A person shall not knowingly do any
6 of the following:

7 ~~a. 1. Advertise the~~ for sale of any motor fuel ~~which that~~
8 does not meet the standards provided in [section 214A.2](#).

9 ~~b. 2. Falsely advertise for sale the quality, type, or kind~~
10 of any motor fuel or a component of motor fuel.

11 ~~c. 3. Add a coloring matter to the motor fuel which~~
12 misleads a person who is purchasing the motor fuel about the
13 quality of the motor fuel.

14 4. Falsely advertise for sale the classification of a motor
15 fuel as provided in section 214A.2.

16 ~~2. For a renewable fuel, all of the following apply:~~

17 ~~a. A person shall not knowingly falsely advertise that a~~
18 ~~motor fuel is a renewable fuel or is not a renewable fuel.~~

19 ~~b. (1) Ethanol blended gasoline sold by a dealer shall~~
20 ~~be designated according to its classification as provided in~~
21 ~~[section 214A.2](#). However, a person advertising E-9 or E-10~~
22 ~~gasoline may only designate it as ethanol blended gasoline. A~~
23 ~~person advertising ethanol blended gasoline formulated with a~~
24 ~~percentage of between seventy and eighty-five percent by volume~~
25 ~~of ethanol shall designate it as E-85. A person shall not~~
26 ~~knowingly falsely advertise ethanol blended gasoline by using~~
27 ~~an inaccurate designation in violation of this subparagraph.~~

28 ~~(2) A person shall not knowingly falsely advertise~~
29 ~~biobutanol blended gasoline by using an inaccurate designation~~
30 ~~as provided in [section 214A.2](#).~~

31 ~~(3) A person shall not knowingly falsely advertise~~
32 ~~biodiesel fuel by using an inaccurate designation as provided~~
33 ~~in [section 214A.2](#).~~

34 Sec. 18. Section 214A.5, subsection 2, Code 2022, is amended
35 to read as follows:

1 2. A wholesale dealer selling ethanol blended gasoline,
2 biobutanol blended gasoline, or biodiesel blended fuel to
3 a purchaser shall provide the purchaser with a statement
4 indicating its ~~designation~~ classification as provided in
5 section 214A.2. The statement may be on the sales slip
6 provided in [this section](#) or a similar document, including but
7 not limited to a bill of lading or invoice.

8 Sec. 19. Section 214A.16, Code 2022, is amended to read as
9 follows:

10 **214A.16 Notice of renewable fuel — decal.**

11 ~~1. a. If ethanol blended gasoline is sold from a motor
12 fuel pump, the motor fuel pump shall have affixed a decal
13 identifying the ethanol blended gasoline.~~

14 ~~b. If the motor fuel pump dispenses ethanol blended gasoline
15 classified as E-11 to E-15 for use in gasoline-powered vehicles
16 not required to be flexible fuel vehicles, the motor fuel pump
17 shall have affixed a decal as prescribed by the United States
18 environmental protection agency.~~

19 ~~e. 1. a. If the motor fuel pump dispenses ethanol blended
20 gasoline classified as higher than standard ethanol blended
21 gasoline pursuant to [section 214A.2](#) is advertised for sale or
22 sold at a retail motor fuel site, the motor fuel dispenser
23 dispensing the ethanol blended gasoline shall be affixed with a
24 decal shall contain language stating that the classification
25 of the ethanol blended gasoline is for use in flexible fuel
26 vehicles.~~

27 ~~d. b. If biobutanol blended gasoline is advertised for sale
28 or sold from at a retail motor fuel site, the motor fuel pump,
29 the motor fuel pump dispenser dispensing the biobutanol blended
30 gasoline shall have be affixed with a decal identifying the
31 classification of biobutanol blended gasoline.~~

32 ~~e. If biodiesel fuel is sold from a motor fuel pump, the
33 motor fuel pump shall have affixed a decal identifying the
34 biodiesel fuel as provided in [16 C.F.R. pt. 306](#).~~

35 2. The design and location of the decal shall be prescribed

1 by rules adopted by the department. A decal identifying a
2 renewable fuel shall be consistent with standards adopted
3 pursuant to [section 159A.6](#). The department may approve an
4 application to place a decal in a special location on a ~~pump~~
5 dispenser or container or use a decal with special lettering
6 or colors, if the decal appears clear and conspicuous to the
7 consumer. The application shall be made in writing pursuant to
8 procedures adopted by the department.

9 Sec. 20. Section 452A.12, subsection 2, Code 2022, is
10 amended to read as follows:

11 2. A person while transporting motor fuel or undyed special
12 fuel from a refinery or marine or pipeline terminal in this
13 state or from a point outside this state over the highways
14 of this state in service other than that under subsection
15 1 shall carry in the vehicle a loading invoice showing the
16 name and address of the seller or consignor, the date and
17 place of loading, and the kind and quantity of motor fuel or
18 special fuel loaded, together with invoices showing the kind
19 and quantity of each delivery and the name and address of each
20 purchaser or consignee. An invoice carried pursuant to this
21 subsection for ethanol blended gasoline or biodiesel blended
22 fuel shall state its ~~designation~~ classification as provided in
23 section 214A.2.

24 Sec. 21. Section 455G.31, subsection 1, paragraph b, Code
25 2022, is amended to read as follows:

26 *b.* Ethanol blended gasoline shall be ~~designated~~ classified
27 in the same manner as provided in [section 214A.2](#).

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 GENERAL. This bill provides for programs and regulations
32 administered and enforced by the department of agriculture and
33 land stewardship (DALs).

34 CHOOSE IOWA PROMOTIONAL PROGRAM. The bill requires DALs
35 to establish and administer a choose Iowa promotional program

1 (program) in order to provide consumers a choice in purchasing
2 a food item originating as an agricultural commodity produced
3 on an Iowa farm (amended Code section 159.20). This includes
4 either (1) an agricultural commodity produced on an Iowa farm
5 or (2) a product processed in this state, if the product is
6 an agricultural commodity that has been prepared in Iowa, or
7 any of the product's ingredients are agricultural commodities
8 produced on an Iowa farm (new Code section 159.29). DALS is
9 provided discretion to further define what constitutes an Iowa
10 farm and describe how an agricultural commodity originates on
11 an Iowa farm.

12 CHOOSE IOWA LOGO. As part of the program, DALS may establish
13 a choose Iowa logo (logo) to identify a food item originating
14 as an agricultural commodity produced on an Iowa farm. DALS
15 may register the logo as a mark with the secretary of state.
16 DALS may also register the logo as a trademark with the United
17 States patent and trademark office or as a copyright with the
18 United States copyright office. The use of the logo does not
19 create an express or implied warranty; involve state or federal
20 labeling requirements; or indicate the grade, specification,
21 standard, or value of a food item (new Code section 159.30).

22 CHOOSE IOWA PROMOTIONAL PROGRAM — LICENSING AGREEMENTS AND
23 FEES. DALS may enter into a licensing agreement (agreement)
24 with a person who applies to use the logo. An agreement cannot
25 be for more than five years. DALS must evaluate and approve or
26 disapprove applications based on criteria established by rule.
27 DALS may also establish application and license fees by rule.

28 CHOOSE IOWA FUND. A choose Iowa fund (fund) is established
29 in the state treasury under DALS' management and control. The
30 fund includes moneys that DALS collects in fees or otherwise
31 receives, including by appropriation or gift. DALS must use
32 the moneys exclusively to carry out the provisions of the bill.

33 PESTICIDE REGULATION. The bill amends Code chapter 206,
34 "the Pesticide Act of Iowa" (Code section 206.1) which in part
35 regulates commercial and private applicators. Before selling

1 or offering for sale any pesticide for use in this state, a
2 person must register each brand and grade of that pesticide
3 with DALS. Registration fees are based on a percentage
4 of gross sales of that brand or grade in this state with a
5 minimum fee of \$250 and a maximum fee of \$3,000 (Code section
6 206.12(3)). The bill replaces that method of calculating the
7 registration fee with a flat fee of \$300. Generally, a person
8 in business as a commercial applicator (applying pesticides to
9 another person's land) must be certified and licensed (Code
10 sections 206.5 and 206.6). A private applicator (e.g., a
11 farmer) applying a restricted use pesticide must be certified
12 (Code section 206.5). During the last regular session, the
13 general assembly enacted SF 482 (2021 Acts, chapter 28) which
14 in part provides that a private applicator is subject to the
15 same civil penalty as a commercial applicator for violating a
16 provision of the Code chapter (amended Code section 206.19).
17 The Act provided that the amount for each violation committed
18 by a commercial applicator or private applicator cannot exceed
19 \$500 for each violation. The bill amends the provision by
20 changing the term from "violation" back to "offense".

21 MOTOR FUEL REGULATION — BACKGROUND. DALS regulates persons
22 advertising for sale or selling motor fuel on a wholesale
23 or retail basis (Code chapter 214A) as well as motor fuel
24 infrastructure used to store and dispense motor fuel at a
25 retail motor fuel site owned or operated by a retail dealer
26 and, in particular, metered motor fuel pumps located at a
27 retail motor fuel site (Code chapter 214). Three types of
28 motor fuel are regulated by DALS, including gasoline and diesel
29 fuel (Code section 214A.2), and kerosene (Code sections 214A.2
30 and 214A.2A) as well as their respective components. A biofuel
31 is a component used to formulate a motor fuel and is closely
32 associated with formulations of both gasoline and diesel fuel.
33 A renewable fuel is a term which refers to either a biofuel
34 or a motor fuel blended with a biofuel. A biofuel includes
35 ethanol which is grain alcohol (e.g., derived from corn) used

1 to produce ethanol blended gasoline, biobutanol which is
2 isobutyl or n-butyl alcohol (derived from the same feedstocks
3 as ethanol but includes corn stover) used to produce biobutanol
4 blended gasoline, and biodiesel which is often a vegetable oil
5 (e.g., derived from soybeans) used to produce biodiesel blended
6 fuel. DALS establishes standards for these motor fuels and
7 their components based on two outside sources of authority:
8 (1) specifications recommended by ASTM international, a
9 private globally recognized organization, and (2) requirements
10 adopted by the United States environmental protection agency
11 (EPA). The EPA and the United States federal trade commission
12 (FTC) also regulate the labeling of motor fuel dispensers by
13 requiring information about the motor fuel to be dispensed,
14 such as the octane level of gasoline and the percentage content
15 of any biofuel component (42 U.S.C. §7545 and 40 C.F.R. pt.
16 1090, 15 U.S.C. §2801 et seq., 42 U.S.C. §17021, 16 C.F.R.
17 pt. 306, and 40 C.F.R. §80.1501(a)). DALS' regulation of a
18 renewable fuel depends upon its classification expressed as an
19 abbreviation identifying the renewable fuel according to type
20 followed by a number representing the biofuel percentage by
21 volume usually measured by gallon. The designation "xx" is
22 used as a stand-in designation for the actual percentage of a
23 biofuel percentage threshold (amended Code section 214A.2(5))
24 depending upon the Code provision (e.g., the E-15 plus gasoline
25 promotion tax credit in Code section 422.11Y). One special
26 exception is E-85 gasoline which is based on a percentage range
27 of between 70 and 85 percent by volume of ethanol.

28 MOTOR FUEL REGULATION — REVISION OF TERMS. The bill revises
29 certain terms, including by changing "A.S.T.M. international"
30 to "ASTM international" and defining "biodiesel" by referring
31 to its production method (amended Code section 214A.1).
32 The bill provides for the consistent use of certain terms,
33 including "specifications" which refers to recommendations
34 adopted by ASTM international, "requirements" which refers to
35 EPA regulations, and "standards" which refers to departmental

1 rules (amended Code section 214A.2). The bill also provides
2 for the consistent use of the term "standard" which is
3 occasionally referred to as "designation" (amended Code
4 sections 214A.2A, 214A.3, 214A.5, 452A.12, and 455G.31). The
5 bill provides that a label is to be placed on a "motor fuel
6 dispenser" rather than a "motor fuel pump" (amended Code
7 section 214A.16).

8 MOTOR FUEL REGULATION — DEPARTMENTAL STANDARDS. The
9 bill provides that the minimum octane rating for premium
10 grade gasoline is changed from 90 to 91 (amended Code
11 section 214A.2(2)). For all three types of motor fuel,
12 departmental standards may be based in part or in whole on
13 ASTM international specifications, and may include successor
14 specifications. The bill eliminates a requirement recognizing
15 that EPA must grant a seasonal waiver from its requirements
16 before a retail dealer may advertise for sale or sell ethanol
17 blended gasoline (amended Code section 214A.2(3)). The
18 threshold for ethanol blended gasoline is increased from E-9 to
19 E-10 (amended Code section 214A.2(3)) and from B-1 to B-5 for
20 biodiesel blended motor fuel (amended Code section 214A.2(4)).

21 MOTOR FUEL REGULATION — CLASSIFICATIONS. The bill
22 adds subclassifications for biofuels including for ethanol
23 classified as E-100, biobutanol classified as Bu-100, and
24 biodiesel classified as B-100. The bill also recognizes E-85
25 according to its revised percentage range, which is 68 to 83
26 percent.

27 MOTOR FUEL REGULATION — ADVERTISING. The bill revises
28 a provision which prohibits a person from knowingly falsely
29 advertising for sale motor fuel (amended Code section 214A.3).
30 The bill replaces a provision that prohibits a person from
31 falsely advertising that a motor fuel is or is not a renewable
32 fuel with a provision that prohibits a person from falsely
33 advertising the classification of a renewable fuel. The bill
34 also eliminates a requirement that a motor fuel pump (motor
35 fuel dispenser) be affixed with a label that identifies the

1 dispensed gasoline as ethanol blended gasoline (e.g., E-10),
2 that identifies ethanol blended gasoline classified from E-11
3 to E-15, or that identifies dispensed diesel fuel as biodiesel
4 blended fuel. The bill retains a state requirement that a
5 motor fuel dispenser identify gasoline classified as higher
6 than E-15 (e.g., E-85) or any classification of biobutanol
7 blended gasoline. The bill does not affect federal labeling
8 requirements.

9 APPLICABLE PENALTIES. A person who violates a provision
10 of Code chapter 214A is guilty of a serious misdemeanor. A
11 serious misdemeanor is punishable by confinement for no more
12 than one year and a fine of at least \$430 but not more than
13 \$2,560. However, the state may initiate a substitute civil
14 enforcement action as an administrative action by DALs or as
15 a judicial proceeding by the attorney general upon referral
16 by DALs. The civil penalty must be for at least \$100 but
17 not more than \$1,000 for each violation and each day of a
18 continuing violation constitutes a separate offense (Code
19 section 214A.11).