

House File 666 - Introduced

HOUSE FILE 666

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 277)

(SUCCESSOR TO HSB 113)

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 for the allocation of
4 moneys, making penalties applicable, and including effective
5 date provisions.

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

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DIVISION I

REGULATION OF COMMERCIAL ESTABLISHMENTS

Section 1. Section 162.2, subsection 19, Code 2023, is amended by striking the subsection and inserting in lieu thereof the following:

19. "Pet shop" means a facility where vertebrate animals, excluding fish, not born and reared on the facility's premises are bought, sold, exchanged, or offered for sale or exchange to the public, at retail. "Pet shop" does not include a facility if one of the following applies:

a. The facility receives less than one thousand dollars from the sale or exchange of vertebrate animals, excluding fish, during a twelve-month period.

b. The facility sells or exchanges less than twelve vertebrate animals, excluding fish, during a twelve-month period.

DIVISION II

GRAIN REGULATION

PART A

GRAIN DEALERS

Sec. 2. Section 203.1, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. "Scale weight ticket" means the same as defined in section 203C.1.

Sec. 3. Section 203.5, subsection 8, paragraph a, Code 2023, is amended to read as follows:

a. The applicant has caused liability to the Iowa grain depositors and sellers indemnity fund in regard to a license issued under [this chapter](#) or [chapter 203C](#), and the liability has not been discharged, settled, or satisfied.

Sec. 4. Section 203.11, subsection 2, paragraph a, subparagraph (3), Code 2023, is amended to read as follows:

(3) Uses a scale weight ticket or credit-sale contract in violation of [this chapter](#) or a requirement established by the department under [this chapter](#).

1 Sec. 5. Section 203.15, subsection 2, paragraph f, Code
2 2023, is amended to read as follows:

3 *f.* The duration of the credit-sale contract, which shall
4 not exceed ~~twelve~~ fifteen months from the date the contract is
5 executed.

6 Sec. 6. Section 203.17, Code 2023, is amended to read as
7 follows:

8 **203.17 Documents and records.**

9 1. The department may adopt rules specifying the form,
10 content, use, and maintenance of documents issued by a grain
11 dealer under this chapter including but not limited to scale
12 weight tickets, settlement sheets, daily position records, and
13 credit-sale contracts. The department may adopt rules for
14 both printed and electronic documents, including rules for
15 the transmission, receipt, authentication, and archiving of
16 electronically generated or stored documents.

17 2. All scale weight ticket forms in the possession of a
18 grain dealer shall have been permanently and consecutively
19 numbered at the time of printing. A grain dealer shall
20 maintain an accurate record of all scale weight ticket numbers.
21 The record shall include the disposition of each numbered form,
22 whether issued, destroyed, or otherwise disposed of.

23 Sec. 7. Section 203.20, Code 2023, is amended to read as
24 follows:

25 **203.20 Shrinkage adjustments — disclosures — penalties.**

26 1. A person who, in connection with the receipt of
27 ~~corn or soybeans~~ grain for storage, processing, or sale,
28 adjusts the scale weight of the grain to compensate for the
29 moisture content of the grain shall compute the amount of
30 the adjustment by multiplying the scale weight of the grain
31 by that factor which results in a rate of adjustment of one
32 and eighteen hundredths percent of weight per one percent of
33 moisture content. ~~The use of~~ person who uses any rate of
34 weight adjustment for moisture content other than the one
35 prescribed by this subsection ~~is~~ commits a fraudulent practice

1 as defined in section 714.8. The person shall post on the
2 business premises in a conspicuous place notice of the rate
3 of adjustment for moisture content ~~that is~~ as prescribed by
4 this subsection. ~~Failure~~ The person who fails to make this
5 disclosure ~~is~~ commits a simple misdemeanor.

6 2. A person who, in connection with the receipt of grain for
7 storage, processing, or sale, adjusts the quantity of the grain
8 received to compensate for losses to be incurred during the
9 handling, processing, or storage of the grain shall post on the
10 business premises in a conspicuous place notice of the rate of
11 adjustment to be made for this shrinkage. ~~Failure~~ The person
12 who fails to make ~~the required~~ this disclosure ~~is~~ commits a
13 simple misdemeanor.

14 3. A person who adjusts the scale weight of ~~corn or soybeans~~
15 ~~both~~ grain for moisture content and for handling, processing,
16 or storage losses may combine the two adjustment factors into
17 a single factor and may use this resulting factor to compute
18 the amount of weight adjustment in connection with storage,
19 processing, or sale transactions, provided that the person
20 shall post on the business premises in a conspicuous place a
21 notice that discloses the moisture shrinkage factor prescribed
22 by [subsection 1](#), the handling shrinkage factor to be imposed,
23 and the single factor that results from combining these
24 factors. ~~Failure~~ The person who fails to make ~~the required~~
25 this disclosure ~~is~~ commits a simple misdemeanor.

26 PART B

27 WAREHOUSE OPERATORS

28 Sec. 8. Section 203C.5, subsection 2, Code 2023, is amended
29 to read as follows:

30 2. a. The department may adopt rules specifying the
31 form, content, and use of documents issued by a warehouse
32 operator under [this chapter](#) including but not limited to scale
33 weight tickets, warehouse receipts, settlement sheets, and
34 daily position records. The department may adopt rules for
35 both printed and electronic documents, including rules for

1 the transmission, receipt, authentication, and archiving of
2 electronically generated or stored documents.

3 **b.** All scale weight ticket forms and warehouse receipt
4 forms in the possession of a warehouse operator shall have been
5 permanently and consecutively numbered at the time of printing.
6 A warehouse operator shall maintain an accurate record of
7 the numbers of these documents. The record shall include
8 the disposition of each form, whether issued, destroyed, or
9 otherwise disposed of. The department may by rule require this
10 use of prenumbered forms and recording for documents other than
11 scale weight tickets and warehouse receipts.

12 Sec. 9. Section 203C.6, subsection 8, paragraph a, Code
13 2023, is amended to read as follows:

14 **a.** The applicant has caused liability to the Iowa grain
15 depositors and sellers indemnity fund through operations under
16 a license issued under this chapter or chapter 203, and the
17 liability has not been discharged, settled, or satisfied.

18 Sec. 10. Section 203C.17, subsections 1, 2, 3, 4, and 5,
19 Code 2023, are amended to read as follows:

20 1. ~~Any grain which has been received at any Grain deposited~~
21 ~~with a licensed warehouse operator for which the actual sale~~
22 ~~price is has not been fixed and either proper documentation~~
23 ~~made has not been furnished or payment has not been made shall~~
24 ~~be construed to be grain held for storage within the meaning of~~
25 ~~this chapter.~~ Grain may be held considered stored grain and
26 may be retained in open storage or placed ~~on~~ under warehouse
27 receipt. A warehouse receipt shall be issued for all grain
28 held in open storage within one year from the date of delivery
29 to the warehouse, unless the depositor has signed a statement
30 that the depositor does not desire a warehouse receipt. ~~A~~ The
31 licensed warehouse operator shall issue a warehouse receipt
32 shall be issued to the depositor upon request by the depositor.
33 The warehouse operator's tariff shall apply ~~for~~ to any grain
34 that is retained in open storage or placed under warehouse
35 receipt as provided in section 203C.18.

1 2. Bulk grain deposited with a licensed warehouse operator
2 for processing, cleaning, drying, shipping for the account of
3 the depositor, or any other purpose shall be removed within
4 thirty days from the date of deposit or such grain shall be
5 ~~determined as considered~~ stored grain ~~and the~~. The warehouse
6 operator's tariff charges shall apply to the bulk grain as
7 provided in section 203C.28.

8 3. Grain ~~received on~~ deposited and subject to a scale weight
9 ticket ~~which that~~ fails to have the price fixed and properly
10 documented on the records of the licensed warehouse operator
11 shall be ~~construed to be~~ retained in open storage.

12 4. All bulk grain whether retained in open storage and
13 deposited subject to a scale weight ticket or ~~having been~~
14 placed ~~on~~ under warehouse receipt is covered by the grain
15 depositors and sellers indemnity fund ~~created in~~ as provided in
16 chapter 203D.

17 5. ~~Any grain which has been received at any~~ An unlicensed
18 warehouse ~~and for which the~~ operator shall not retain deposited
19 bulk grain, if its actual sale price has not been fixed, and
20 payment for the bulk grain has not been made within thirty days
21 ~~from receipt of the grain~~ its date of deposit, unless covered
22 purchased by a credit-sale contract, ~~shall be construed to be~~
23 ~~unlawful storage within the meaning of~~ this chapter. Bulk
24 ~~grain received at any~~ An unlicensed warehouse for any operator
25 who retains deposited bulk gain under any other purpose
26 circumstance must either ~~be returned~~ return the bulk grain to
27 the depositor, or ~~disposed of~~ dispose of the bulk grain by
28 order of the depositor, within thirty days from date of ~~actual~~
29 the deposit of the bulk grain.

30 Sec. 11. Section 203C.25, Code 2023, is amended to read as
31 follows:

32 **203C.25 Shrinkage adjustments — disclosures — penalties.**

33 1. A person who, in connection with the receipt of
34 ~~corn or soybeans~~ grain for storage, processing, or sale,
35 adjusts the scale weight of the grain to compensate for the

1 moisture content of the grain shall compute the amount of
 2 the adjustment by multiplying the scale weight of the grain
 3 by that factor which results in a rate of adjustment of one
 4 and eighteen hundredths percent of weight per one percent of
 5 moisture content. ~~The use of person who uses~~ any rate of
 6 weight adjustment for moisture content other than the one
 7 prescribed by this subsection ~~is commits~~ a fraudulent practice
 8 as defined in section 714.8. The person shall post on the
 9 business premises in a conspicuous place notice of the rate
 10 of adjustment for moisture content ~~that is as~~ as prescribed by
 11 this subsection. ~~Failure~~ The person who fails to make this
 12 disclosure ~~is~~ commits a simple misdemeanor.

13 2. A person who, in connection with the receipt of grain for
 14 storage, processing, or sale, adjusts the quantity of the grain
 15 received to compensate for losses to be incurred during the
 16 handling, processing, or storage of the grain shall post on the
 17 business premises in a conspicuous place notice of the rate of
 18 adjustment to be made for this shrinkage. ~~Failure~~ The person
 19 who fails to make ~~the required~~ this disclosure ~~is~~ commits a
 20 simple misdemeanor.

21 3. A person who adjusts the scale weight of ~~corn or soybeans~~
 22 both grain for moisture content and for handling, processing,
 23 or storage losses may combine the two adjustment factors into
 24 a single factor and may use this resulting factor to compute
 25 the amount of weight adjustment in connection with storage,
 26 processing, or sale transactions, provided that the person
 27 shall post on the business premises in a conspicuous place a
 28 notice that discloses the moisture shrinkage factor prescribed
 29 by subsection 1, the handling shrinkage factor to be imposed,
 30 and the single factor that results from combining these
 31 factors. ~~Failure~~ The person who fails to make ~~the required~~
 32 this disclosure ~~is~~ commits a simple misdemeanor.

33 Sec. 12. Section 203C.36, subsection 2, paragraph a,
 34 subparagraph (3), Code 2023, is amended to read as follows:

35 (3) Uses a scale weight ticket, warehouse receipt, or

1 other document in violation of [this chapter](#) or requirements
2 established by the department under [this chapter](#).

3 PART C

4 INDEMNITY FUND

5 Sec. 13. Section 203D.1, Code 2023, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 14A. *"Scale weight ticket"* means the same
8 as defined in section 203C.1.

9 Sec. 14. Section 203D.3, subsection 3, Code 2023, is amended
10 to read as follows:

11 3. The ~~fiscal~~ assessment year of the fund begins ~~July~~
12 September 1 and ends on ~~June 30~~ August 31. ~~Fiscal~~ Assessment
13 quarters of the fund begin ~~July~~ September 1, ~~October~~ December
14 1, ~~January~~ March 1, and ~~April~~ June 1. The finances of the fund
15 shall be calculated on an accrual basis in accordance with
16 generally accepted accounting principles.

17 Sec. 15. Section 203D.3A, subsection 1, paragraph b,
18 unnumbered paragraph 1, Code 2023, is amended to read as
19 follows:

20 A licensee shall pay a participation fee on four successive
21 installment dates, with each installment date occurring on the
22 last date of the fund's ~~fiscal~~ assessment quarter as provided
23 in [section 203D.3](#). The licensee shall pay twenty-five percent
24 of the total participation fee assessed on each installment
25 date. However, nothing in [this subsection](#) prevents a licensee
26 from paying the participation fee on an accelerated basis. A
27 licensee shall pay the first installment on the last date of
28 the fund's ~~fiscal~~ assessment quarter immediately following the
29 licensee's anniversary date.

30 Sec. 16. Section 203D.5, subsection 1, Code 2023, is amended
31 to read as follows:

32 1. The board shall annually review the debits of and credits
33 to the grain depositors and sellers indemnity fund created
34 in [section 203D.3](#) and shall determine whether to impose the
35 participation fee and per-bushel fee as provided in section

1 **214.2 License.**

2 1. A person who uses or displays for use any commercial
3 weighing and measuring device, as defined in ~~section 215.1,~~
4 ~~shall secure~~ must be issued a license from by the department
5 for that device. The department shall issue the license after
6 inspecting the device.

7 2. a. Except as provided in paragraph "b", a license issued
8 under subsection 1 shall expire on December 31 of each year.

9 b. A license issued under subsection 1 for a motor fuel pump
10 shall expire on June 30 of each year.

11 Sec. 20. Section 214.3, subsection 1, Code 2023, is amended
12 by striking the subsection.

13 Sec. 21. Section 214.3, subsection 2, Code 2023, is amended
14 to read as follows:

15 2. The A license inspection fee is imposed on a person
16 who uses or displays for use a commercial weighing and
17 measuring device. The license fee is due the day the device
18 is placed into service department issues the license. A
19 license inspection fee shall be charged to the person owning
20 or operating a commercial weighing and measuring device
21 inspected The amount of the license fee shall be calculated in
22 accordance with the class or section for devices as established
23 by handbook 44 of the United States national institute of
24 standards and technology.

25 Sec. 22. Section 214.11, subsection 1, Code 2023, is amended
26 to read as follows:

27 1. The department shall provide for ~~annual~~ biennial
28 inspections of all motor fuel pumps, including but not limited
29 to motor fuel blender pumps, licensed under [this chapter](#).
30 Inspections shall be for the purpose of determining the
31 accuracy and correctness of motor fuel pumps. For that purpose
32 the department's inspectors may enter upon the premises of any
33 a wholesale dealer or a retail dealer motor fuel site.

34 Sec. 23. Section 215.2, Code 2023, is amended to read as
35 follows:

1 from the production, processing, and marketing of agricultural
2 products, and other renewable resources.

3 *b. "Renewable diesel" must meet the standards provided in*
4 *section 214A.2.*

5 *c. "Renewable diesel" does not include any of the following:*

6 (1) Biodiesel.

7 (2) A fuel that has been coprocessed.

8 NEW SUBSECTION. 33B. *"Renewable diesel blended fuel" means*
9 *a blend of renewable diesel with petroleum-based diesel fuel,*
10 *biodiesel, or a combination of petroleum-based diesel fuel and*
11 *biodiesel, which meets the standards, including separately*
12 *the standard for its renewable diesel component, provided in*
13 *section 214A.2.*

14 Sec. 28. Section 214A.2, subsection 4, Code 2023, is amended
15 by adding the following new paragraph:

16 NEW PARAGRAPH. *c. (1) If the motor fuel is advertised*
17 *for sale or sold as renewable diesel or renewable diesel*
18 *blended fuel, the motor fuel must meet departmental standards*
19 *based in part or in whole on specifications adopted by ASTM*
20 *international for renewable diesel or renewable diesel blended*
21 *motor fuel, to every extent applicable, as determined by the*
22 *department subject to subparagraph (2).*

23 (2) Renewable diesel must at least meet departmental
24 standards based in whole or in part on ASTM international
25 specification D975, or a successor ASTM international
26 specification, established by rule. The specification shall
27 apply to renewable diesel before it leaves its place of
28 manufacture.

29 Sec. 29. Section 214A.2, subsection 5, Code 2023, is amended
30 by adding the following new paragraph:

31 NEW PARAGRAPH. *d. (1) Renewable diesel shall be classified*
32 *RD-100.*

33 (2) Renewable diesel blended fuel shall be classified RD-xx
34 where "xx" is the volume percent of renewable diesel.

35 Sec. 30. Section 214A.2B, Code 2023, is amended to read as

1 follows:

2 **214A.2B Laboratory for motor ~~fuel and biofuels~~ fuels,**
3 **biofuels, and renewable fuels.**

4 ~~A laboratory for motor fuel and biofuels is established at a~~
5 ~~community college which is engaged in biofuels testing on July~~
6 ~~1, 2007, and which testing includes but is not limited to The~~
7 ~~Iowa central fuel testing laboratory at Iowa central community~~
8 ~~college shall test motor fuels, biofuels, and renewable fuels,~~
9 ~~including but not limited to B-20 biodiesel fuel testing for~~
10 ~~use by motor trucks and the ability of biofuels to meet ASTM~~
11 ~~international standards. The laboratory shall conduct the~~
12 ~~testing of motor ~~fuel~~ fuels sold in this state and ~~biofuel~~~~
13 ~~which is biofuels blended in with motor ~~fuel~~ fuels in this~~
14 ~~state to ensure that the motor ~~fuel or~~ fuels, biofuels, and~~
15 ~~renewable fuels meet the requirements departmental standards~~
16 in [section 214A.2](#).

17 PART C

18 CODE EDITOR DIRECTIVE

19 Sec. 31. CODE EDITOR DIRECTIVE.

20 1. The Code editor is directed to make the following
21 transfer:

22 Section 214A.16 to section 214A.21A.

23 2. The Code editor shall correct internal references in the
24 Code and in any enacted legislation as necessary due to the
25 enactment of this section.

26 DIVISION IV

27 WATER QUALITY

28 Sec. 32. Section 466B.43, subsection 6, Code 2023, is
29 amended to read as follows:

30 ~~6. By October 1, 2019, and each October 1 thereafter of~~
31 ~~each year, the division shall submit a report to the governor~~
32 ~~and the general assembly itemizing expenditures, by hydrologic~~
33 ~~unit code 8 watershed, under the programs, if any, during the~~
34 ~~previous fiscal year, if any.~~

35 Sec. 33. Section 466B.44, subsection 5, Code 2023, is

1 amended to read as follows:

2 5. Notwithstanding any other provision in this section
3 to the contrary, ~~beginning on July 1, 2018,~~ the division
4 may use any amount available to support the water quality
5 urban infrastructure program to instead ~~extend~~ do any of the
6 following:

7 a. Extend and support the three-year data collection of
8 in-field agricultural practices project as enacted in 2015 Iowa
9 Acts, ch. 132, §18.

10 b. Support water quality agriculture infrastructure programs
11 created in section 466B.43, to the extent that moneys are not
12 obligated or encumbered during a fiscal year to adequately
13 support all urban infrastructure program projects that meet the
14 division's requirements.

15 Sec. 34. Section 466B.44, subsection 7, Code 2023, is
16 amended to read as follows:

17 7. ~~By October 1, 2019, and by~~ October 1 of each year
18 thereafter, the division shall submit a report to the governor
19 and the general assembly itemizing expenditures under the
20 program, if any, during the previous fiscal year.

21 EXPLANATION

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

24 GENERAL. This bill relates to a number of regulations
25 and programs administered and enforced by the department of
26 agriculture and land stewardship (DALs). Specifically, the
27 bill amends provisions regulating commercial establishments
28 including pet shops engaged in the business of purchasing and
29 transferring (by sale or exchange) vertebrate animals (animals)
30 other than agricultural animals (Code chapter 162). The
31 bill regulates grain transactions including by grain dealers
32 (dealers) and warehouse operators (operators) (Code chapters
33 203 and 203C) and the indemnification of losses by sellers or
34 depositors from the grain depositors and sellers indemnity fund
35 (Code chapter 203D). The bill also regulates the commercial

1 use of weights and measures, including motor fuel pumps (fuel
2 pumps) that are part of motor fuel dispensers (dispensers),
3 and types of motor fuel advertised for sale (Code chapters
4 214, 214A, and 215), including diesel fuel for use in certain
5 internal combustion engines. Finally, the bill provides for
6 the expenditure of moneys for surface water quality initiatives
7 (initiatives) in order to assess and reduce nutrients in this
8 state's watersheds (Code chapter 466B) in conformance with the
9 Iowa nutrient reduction strategy (Code section 455B.171).

10 COMMERCIAL ESTABLISHMENTS — PET SHOPS. Under current law,
11 a business classified as a pet shop is a type of establishment
12 required to be annually licensed (Code section 162.5) and pay
13 an associated fee (Code section 162.2B). A business is not
14 regulated as a pet shop if, during the prior 12-month period,
15 the business either receives less than \$500 or transfers
16 less than six animals. The bill doubles the exemption
17 qualifications to less than \$1,000 or less than 12 animals
18 (amended Code section 162.2).

19 COMMERCIAL ESTABLISHMENTS — PENALTY. A person who operates
20 as a pet shop in violation of licensing requirements is guilty
21 of a simple misdemeanor (Code section 162.13).

22 GRAIN REGULATION — BACKGROUND. As part of a grain
23 transaction, an operator issues a prenumbered scale
24 weight ticket to a depositor as evidence of stored grain.
25 Alternatively, the operator may issue a warehouse receipt as a
26 form which may be a document of title and therefore negotiable
27 (Code chapter 554, Art. 7). In order for a seller or depositor
28 to be indemnified for a loss by the fund, the dollar value of
29 a claim for transferred grain is based on either a warehouse
30 receipt or scale weight ticket (Code section 203D.6).

31 GRAIN REGULATION — TERMS. Currently, several different
32 terms are used to describe the same item. The bill changes
33 the terms to be uniform, including "scale ticket" to "scale
34 weight ticket" and "Iowa grain depositors and sellers indemnity
35 fund" to "grain depositors and sellers indemnity fund", which

1 are both defined (amended Code sections 203.1, 203.5, 203.11,
2 203.17, 203C.5, 203C.6, 203C.17, 203C.36, and 203D.1).

3 GRAIN REGULATION — GRAIN MOISTURE CONTENT. A person
4 receiving corn or soybeans as part of a transaction involving
5 storage, processing, or sale may adjust the scale weight to
6 account for moisture content (i.e., reducing the scale weight
7 by a special factor calculated for each 1 percent of moisture
8 content). The bill provides that the adjustment applies to all
9 grain in which there are standards established by the United
10 States department of agriculture (Code sections 203.1 and
11 203C.1 and amended Code sections 203.20 and 203C.25).

12 GRAIN REGULATION — CREDIT-SALE CONTRACT. A buyer and
13 seller of grain may execute a credit-sale contract, also known
14 as a price-later contract, for transfer of title, in which the
15 seller delivers the grain to the buyer who pays the seller
16 a price more than 30 days later (Code section 203.1). In
17 order to engage in these transactions, a buyer who is a grain
18 dealer must maintain a class 1 license requiring a net worth
19 of at least \$75,000 (Code section 203.3(4)), the parties must
20 execute a contract form meeting statutory requirements (amended
21 Code section 203.15(2)), and the grain is not considered as
22 purchased grain covered by the grain depositors and sellers
23 indemnity fund (Code section 203D.6(4)). The bill extends the
24 maximum period of a credit-sale contract's duration, requiring
25 later payment for the delivered grain, from 12 to 15 months
26 (amended Code section 203.15(2)).

27 GRAIN REGULATION — OPEN STORAGE. An operator may retain
28 delivered grain in open storage (meaning without issuing a
29 warehouse receipt or making a purchase) subject to certain
30 limitations. Grain subject to a scale weight ticket without
31 having the price fixed and documented by the operator is
32 considered to be retained in open storage. Currently, if
33 grain is retained in open storage, the operator must issue the
34 depositor a warehouse receipt within one year of the grain's
35 delivery date, unless the depositor signs a statement refusing

1 it. The bill eliminates this requirement. Upon request, the
2 operator must still issue the depositor a warehouse receipt
3 (amended Code section 203C.17).

4 GRAIN REGULATION — PENALTIES. A person who violates Code
5 chapter 203 or 203C is guilty of a simple misdemeanor (Code
6 sections 203.11 and 203C.36).

7 GRAIN DEPOSITORS AND SELLERS INDEMNITY FUND. The fund
8 compensates a "depositor" storing grain with a licensed
9 operator who fails to return possession of the grain to
10 the depositor, or a "seller" selling grain to a licensed
11 dealer incurred when the dealer fails to make payment for the
12 purchased grain (Code section 203D.6). The fund is supported
13 by fees paid by operators and dealers. A dealer is assessed a
14 participation fee and per-bushel fee based on purchased grain.
15 An operator is assessed a participation fee based on warehouse
16 storage capacity (Code sections 203D.3A and 203D.5). The Iowa
17 grain indemnity fund board (board) acts on behalf of the fund,
18 including by establishing the rate of fees to be assessed and
19 owing each 12-month period beginning July 1 and ending June 30
20 which are divided into 3-month quarters (subject to a floor
21 of \$3 million when fees must be assessed and a ceiling of \$8
22 million when fees can no longer be assessed). The bill changes
23 the 12-month periods to begin September 1 and end August 31,
24 and makes coordinating changes to when the quarterly periods
25 begin and end.

26 WEIGHTS AND MEASURES. A person who uses or displays a
27 commercial weighing or measuring device (device) must be
28 licensed. The term of the license is 12 months. Generally,
29 the term is on a calendar year basis (January 1 to December
30 31) but for motor fuel pumps the term is on a fiscal year
31 basis (July 1 to June 30). A fee is required for the issuance
32 of the license and an inspection (license inspection fee)
33 first due when the device is placed into service. DALS is
34 expressly required to inspect motor fuel pumps each year. The
35 bill provides that the fee is for the issuance of the license

1 rather than the inspection, the license fee is due when the
2 license is issued, and that DALs must inspect motor fuel pumps
3 on a biennial basis (amended Code sections 214.2, 214.3, and
4 214.11). The bill also eliminates a requirement that persons
5 engaged in repairing scales must file a bond with the state
6 (repealed Code section 215.12).

7 WEIGHTS AND MEASURES — MOTOR FUEL STANDARDS AND
8 CLASSIFICATIONS. Motor fuels include fossil (petroleum) based
9 gasoline and diesel fuel as well as certain biofuel components
10 derived from renewable (nonpetroleum) resources such as ethanol
11 classified as E-100 and biodiesel comprised of monoalkyl esters
12 of long-chain fatty acids and classified as B-100. Both types
13 of substances are used to produce renewable fuels (e.g., E-15
14 or B-5) subject to separate departmental standards based on
15 ASTM international (ASTM) specifications. The bill regulates
16 another liquid fuel referred to renewable diesel classified as
17 RD-100 that may be used as a motor fuel or a blending component
18 and classified as RD-xx. RD-100 is produced from nonfossil
19 renewable resources but is not biodiesel due to manufacturing
20 processes. Petroleum-based diesel fuel and RD-100 are subject
21 to the same ASTM specification D975 while B-100 is subject to
22 ASTM specification D6751 (amended Code sections 214A.1 and
23 214A.2).

24 WEIGHTS AND MEASURES — TESTING LABORATORY. The bill
25 expressly recognizes the Iowa central fuel testing laboratory
26 at Iowa central community college as the official laboratory
27 for testing motor fuels, biofuels, and renewable fuels (amended
28 Code section 214A.2B).

29 WEIGHTS AND MEASURES — CODE EDITOR DIRECTIVE. The bill
30 transfers Code section 214A.16 from subchapter I to subchapter
31 II of Code chapter 214A. The Code section regulates a notice
32 required to be posted for consumers purchasing renewable fuels.
33 In 2022, the general assembly enacted 2022 Iowa Acts, chapter
34 1152, which reorganized Code chapter 214A. Subchapter I
35 regulates general matters such as standards and classifications

1 and subchapter II regulates the advertisement, sale, and use
2 of motor fuel.

3 WEIGHTS AND MEASURES — PENALTY. A person who fails to allow
4 for an inspection of a motor fuel pump is guilty of a simple
5 misdemeanor.

6 WATER QUALITY. DALS regulates two water quality
7 initiatives, including water quality agriculture infrastructure
8 programs (amended Code section 466B.43) and the water quality
9 urban infrastructure program (amended Code section 466B.44).
10 The initiative is supported by the water quality initiative
11 fund (Code section 466B.45), the water quality infrastructure
12 fund (Code section 8.57B), and the water quality financial
13 assistance fund (Code section 16.134A). Moneys in the last
14 fund (15 percent) are appropriated to support the water quality
15 urban infrastructure program. The bill provides that if moneys
16 remain after adequately supporting all water quality urban
17 infrastructure program projects for the fiscal year, DALS may
18 use those moneys to instead support water quality agriculture
19 infrastructure programs. The bill also eliminates dates in
20 several Code sections that are now extraneous.

21 APPLICABLE PENALTIES. A simple misdemeanor is punishable by
22 confinement for no more than 30 days and a fine of at least \$105
23 but not more than \$855.