

**Senate Study Bill 3122 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR BILL)

**A BILL FOR**

1 An Act relating to the compatibility of passenger vehicles rented  
2 or leased by the state with biodiesel blended fuel classified  
3 as B-20 or higher, and including applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 8A.367, subsection 2, Code 2026, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. d. For rental or leasing of passenger  
4 vehicles operating using an internal combustion engine powered by  
5 diesel fuel, that the passenger vehicle's manufacturer expressly  
6 states that the engine is capable of being powered by biodiesel  
7 blended fuel classified as B-20 or higher.

8 Sec. 2. APPLICABILITY. This Act applies to contracts issued  
9 or renewed under section 8A.367 on or after July 1, 2026.

10 EXPLANATION

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

13 Under current law, as part of the department of administrative  
14 services' (DAS) competitive bidding procedure for the purchase  
15 of a motor vehicle operating using an internal combustion engine  
16 powered by diesel fuel, a bidder must certify that the motor  
17 vehicle's manufacturer expressly states that the engine is  
18 capable of being powered by biodiesel blended fuel classified  
19 as B-20 or higher (Code section 8A.368(4)). This bill requires  
20 a private entity to make the same demonstration prior to being  
21 awarded a contract under DAS' request for proposal process for  
22 state passenger vehicle rental or leasing.

23 The bill applies to such contracts issued or renewed on or  
24 after July 1, 2026.