

**House File 2128 - Reprinted**

HOUSE FILE 2128

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 594)

(As Amended and Passed by the House February 2, 2022)

**A BILL FOR**

1 An Act relating to renewable fuels, including ethanol  
2 blended gasoline and biodiesel blended fuel used to power  
3 internal combustion engines, by providing for compliance  
4 requirements and promotional initiatives that relate to  
5 establishing classifications and standards for renewable  
6 fuels, advertising and selling renewable fuels, storing  
7 and dispensing renewable fuels, using state motor vehicles  
8 powered by renewable fuels, and taxes, tax credits, and tax  
9 refunds relating to renewable fuels; providing penalties and  
10 making penalties applicable; and including effective date  
11 and retroactive applicability provisions.  
12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I  
2 COMPLIANCE REQUIREMENTS — STANDARDS  
3 AND CLASSIFICATIONS FOR GASOLINE — MOTOR FUEL STORAGE  
4 AND DISPENSING INFRASTRUCTURE  
5 PART A  
6 E-15 ACCESS STANDARD

7 Section 1. NEW SECTION. 214A.31 E-15 access standard —  
8 establishment.

9 In order to ensure consumer access to gasoline containing  
10 fifteen percent ethanol by volume, an E-15 access standard is  
11 established in accordance with 2013 Iowa Acts, ch. 127, §1,  
12 section 159A.1, and this subchapter.

13 Sec. 2. NEW SECTION. 214A.32 E-15 access standard — retail  
14 dealer compliance.

15 1. Except as provided in sections 214A.33 through 214A.35,  
16 a retail dealer owning or operating a retail motor fuel site  
17 shall comply with the E-15 access standard as provided in this  
18 section.

19 2. In order to comply with the E-15 access standard, a  
20 retail dealer must advertise for sale and sell E-15 gasoline  
21 from a minimum number of qualifying motor fuel dispensers  
22 located at the retail dealer's retail motor fuel site. A  
23 qualifying motor fuel dispenser must be capable of dispensing  
24 gasoline at all times that it is in operation.

25 a. Except as provided in paragraph "b", a retail dealer  
26 shall comply with a general E-15 access standard by dispensing  
27 E-15 gasoline from the following:

28 (1) One qualified motor fuel dispenser, if there is only one  
29 qualified motor fuel dispenser.

30 (2) At least fifty percent of all qualified motor fuel  
31 dispensers, if there are more than one qualified motor fuel  
32 dispenser.

33 b. (1) A retail dealer complies with an alternative E-15  
34 access standard if all of the following apply:

35 (a) On and after January 1, 2023, the retail dealer does not

1 install, replace, or convert a motor fuel storage tank.

2 (b) On and after January 1, 2026, the retail dealer  
3 advertises for sale and sells E-15 gasoline from at least one  
4 qualifying motor fuel dispenser.

5 (2) A retail dealer who no longer complies with the  
6 alternative E-15 access standard as provided in subparagraph  
7 (1) shall immediately comply with the general E-15 access  
8 standard as provided in paragraph "a".

9 c. The E-15 access standard does not prohibit a retail  
10 dealer owning or operating a retail motor fuel site from  
11 advertising for sale and selling motor fuel from any number of  
12 nonqualifying motor fuel dispensers. A nonqualifying motor  
13 fuel dispenser is limited to any of the following:

14 (1) A dispenser that exclusively dispenses any of the  
15 following:

16 (a) Aviation fuel.

17 (b) Diesel fuel.

18 (c) Kerosene.

19 (2) A dispenser that is part of a tank vehicle as defined  
20 in section 321.1 that is not used to dispense gasoline on the  
21 premises of the retail motor fuel site.

22 (3) A dispenser that is part of a commercial marina.

23 3. a. A retail dealer is not in violation of this section  
24 during any period of noncompliance with the E-15 access  
25 standard caused by an excusable event. An excusable event is  
26 limited to any of the following:

27 (1) The maintenance, repair, or reconditioning of motor  
28 fuel storage and dispensing infrastructure.

29 (2) The installation, expansion, replacement, or conversion  
30 of motor fuel storage and dispensing infrastructure.

31 b. The department may require that a retail dealer  
32 notify the department that an excusable event as described  
33 in paragraph "a" is planned to occur, is occurring, or has  
34 occurred. The department may inspect the applicable retail  
35 motor fuel site to determine whether the noncompliance is

1 caused by an excusable event.

2 4. *a.* This section shall be implemented on January 1, 2023.

3 *b.* This subsection is repealed January 2, 2023.

4 Sec. 3. NEW SECTION. 214A.33 **Suspension of E-15 access**  
5 **standard by order issued by governor.**

6 1. The governor may issue or renew an executive order that  
7 temporarily suspends the requirement in section 214A.32 that a  
8 retail dealer comply with the E-15 access standard at a retail  
9 motor fuel site owned or operated by the retail dealer.

10 2. The E-15 access standard suspension order as described in  
11 subsection 1 must be supported by the governor's determination  
12 that any of the following apply:

13 *a.* There is an inadequate supply of E-15 gasoline.

14 *b.* The market price of E-15 gasoline may cause consumers to  
15 suffer economic hardship.

16 *c.* Existing motor fuel storage and dispensing infrastructure  
17 is not capable of storing and dispensing E-15 gasoline.

18 3. The governor may issue or renew an executive order under  
19 this section on a statewide or regional basis.

20 4. The E-15 access standard suspension order shall take  
21 effect on its date of publication in the Iowa administrative  
22 bulletin, unless the order specifies a later date. The order  
23 shall expire one year from its effective date unless a shorter  
24 period is stated in the order. The early expiration of the  
25 order may also occur based on circumstances described in the  
26 order.

27 5. *a.* This section shall be implemented on January 1, 2023.

28 *b.* This subsection is repealed January 2, 2023.

29 Sec. 4. NEW SECTION. 214A.34 **Waiver of E-15 access**  
30 **standard by order issued by secretary of agriculture — E-15**  
31 **unavailability.**

32 1. The secretary of agriculture may issue an administrative  
33 order that temporarily waives the requirement in section  
34 214A.32 that a retail dealer comply with the E-15 access  
35 standard at a retail motor fuel site owned or operated by the

1 retail dealer based on E-15 gasoline availability.

2 2. A retail dealer may apply for an E-15 unavailability  
3 waiver order as described in subsection 1 by submitting an  
4 application to the department in a manner and according to  
5 procedures required by the department.

6 a. The application must be supported by credible evidence  
7 that the retail dealer has not been able to reasonably obtain  
8 E-15 gasoline to be advertised for sale and sold at the retail  
9 dealer's retail motor fuel site.

10 b. The retail dealer must sign the application which shall  
11 include a statement that the retail dealer swears and affirms  
12 that all information in the application completed by the retail  
13 dealer is true and correct.

14 3. The department shall publish a copy of the E-15  
15 unavailability waiver order on the department's internet site  
16 within ten days after the order's issuance.

17 4. The E-15 unavailability waiver order shall take effect  
18 on its date of publication on the department's internet site,  
19 unless the order specifies a later date. The order shall  
20 expire six months from its effective date unless a shorter  
21 period is stated in the order. The early expiration of the  
22 order may also occur based on circumstances described in the  
23 order.

24 5. a. This section shall be implemented on January 1, 2023.

25 b. This subsection is repealed January 2, 2023.

26 **Sec. 5. NEW SECTION. 214A.35 Waiver of E-15 access standard**  
27 **by order issued by secretary of agriculture — E-15 incompatible**  
28 **infrastructure.**

29 1. The secretary of agriculture shall issue an  
30 administrative order that temporarily waives the requirement  
31 in section 214A.32 that a retail dealer comply with the E-15  
32 access standard at a retail motor fuel site owned or operated  
33 by the retail dealer, if the retail motor fuel site qualifies  
34 under this section based on the incompatibility of the motor  
35 fuel storage and dispensing infrastructure to store and

1 dispense E-15 gasoline.

2 2. A retail dealer may apply for an E-15 incompatible  
3 infrastructure waiver order as described in subsection 1 by  
4 submitting an application to the department in a manner and  
5 according to procedures required by the department.

6 a. The application must be supported by credible evidence  
7 that the retail dealer is unable to comply with the E-15  
8 access standard because the motor fuel storage and dispensing  
9 infrastructure located at the retail motor fuel site is not  
10 compatible with the use of E-15 gasoline and that the retail  
11 dealer is eligible for a class 1 or class 2 waiver as provided  
12 in this section.

13 b. The application must provide information required to  
14 be completed by the retail dealer, which must include an  
15 inventory and description of motor fuel storage and dispensing  
16 infrastructure located at the retail motor fuel site.

17 c. The department may require a retail dealer to attach any  
18 supporting documentation to the application, which may include  
19 an inspection report completed by a person certified by the  
20 department as a professional retail motor fuel site installer.  
21 The certified professional retail motor fuel site installer  
22 may be a licensed engineer or other person who the department  
23 determines is qualified by education, testing, or experience to  
24 oversee a project involving the installation, replacement, or  
25 conversion of motor fuel storage and dispensing infrastructure,  
26 and who is able to provide a reliable estimate of the project's  
27 costs.

28 d. The department shall review and evaluate an application  
29 to determine whether it is supported by credible evidence  
30 sufficient for the secretary to issue an order granting a  
31 waiver under this section. The department shall approve or  
32 disapprove a completed application within one hundred twenty  
33 days following the date that the application was delivered to  
34 the department for filing.

35 e. The retail dealer must sign the application which shall

1 include a statement that the retail dealer swears and affirms  
2 that all information in the application completed by the retail  
3 dealer is true and correct. If a certified professional retail  
4 motor fuel site installer completes an inspection report to  
5 support an application, the installer shall sign a statement  
6 that the installer swears and affirms that all information in  
7 the inspection report completed by the installer is true and  
8 correct.

9 *f.* The department may inspect the premises of a retail  
10 motor fuel site during normal business hours to administer and  
11 enforce the provisions of this section.

12 *g.* The department of agriculture and land stewardship  
13 may cooperate with the department of natural resources and  
14 the state fire marshal in administering and enforcing the  
15 provisions of this section.

16 3. The department shall publish a copy of the E-15  
17 incompatible infrastructure waiver order on the department's  
18 internet site within ten days after the order's issuance. The  
19 order shall take effect on its date of publication, unless the  
20 order specifies a later date.

21 4. *a.* The secretary of agriculture shall terminate the  
22 E-15 incompatible infrastructure waiver order if a terminable  
23 event has occurred. A terminable event is limited to any of  
24 the following:

25 (1) The failure of a retail dealer to be licensed as  
26 required under section 214.2 to use a commercial weighing and  
27 measuring device when dispensing gasoline.

28 (2) The cessation of the retail dealer's business of  
29 advertising for sale or selling gasoline at the retail motor  
30 fuel site.

31 (3) The installation, replacement, or conversion of a motor  
32 fuel storage tank located at the retail motor fuel site.

33 *b.* The department may require that a retail dealer  
34 notify the department that a terminable event as described  
35 in paragraph "a" is planned to occur, is occurring, or has

1 occurred.

2 5. *a.* The secretary of agriculture shall issue an E-15  
3 incompatible infrastructure class 1 waiver order as provided in  
4 this subsection. If the department determines an inspection of  
5 the retail motor fuel site is necessary, it may either conduct  
6 the inspection or accept an inspection report completed by a  
7 certified professional retail motor fuel site installer.

8 *b.* The order must be supported by credible evidence that  
9 all motor fuel storage tanks used to store gasoline that are  
10 located at the retail motor fuel site fall within any of the  
11 following categories:

12 (1) Each motor fuel storage tank not constructed of  
13 fiberglass was installed during or prior to 1985.

14 (2) Each motor fuel storage tank constructed of fiberglass  
15 was installed during or prior to the following years:

16 (a) For a double-wall fiberglass underground motor fuel  
17 storage tank, 1991.

18 (b) For a single-wall fiberglass underground motor fuel  
19 storage tank, 1996.

20 6. The secretary of agriculture shall issue an E-15  
21 incompatible infrastructure class 2 waiver order as provided  
22 in this subsection. The order shall be based on an inspection  
23 of the retail motor fuel site. The department may file and  
24 review a completed inspection report submitted by a certified  
25 professional retail motor fuel site installer.

26 *a.* The inspection report must be supported by credible  
27 evidence and include all of the following:

28 (1) A completed checklist of items adopted as part of a form  
29 used by the department to confirm that the motor fuel storage  
30 and dispensing infrastructure located at the retail motor fuel  
31 site is not compatible with E-15 gasoline.

32 (2) The total estimated cost of improving the retail  
33 motor fuel site to comply with the E-15 access standard by  
34 installing, replacing, or converting the motor fuel storage  
35 and dispensing infrastructure located at the retail motor fuel



1 site.

2     *b.* (1) The department shall determine whether to issue an  
3 E-15 incompatible infrastructure class 2 waiver order based  
4 on an eligibility assessment which shall calculate all of the  
5 following:

6     (a) The total estimated cost of improvement which equals the  
7 total estimated cost of improving the retail motor fuel site to  
8 comply with the E-15 access standard based on the department's  
9 analysis of the inspection report described in paragraph "a".  
10 The total estimated cost of improvement shall only include  
11 costs used to calculate the amount of financial incentives  
12 that may be awarded by the renewable fuel infrastructure  
13 board to a retail dealer participating in the renewable fuel  
14 infrastructure program for retail motor fuel sites as provided  
15 in section 159A.14.

16     (b) The E-15 infrastructure base amount which equals the  
17 maximum cost necessary to be incurred by the retail dealer  
18 in order to receive the total amount of standard financial  
19 incentives that could be awarded to the retail dealer under the  
20 renewable fuel infrastructure program for retail motor fuel  
21 sites as provided in section 159A.14 in order to comply with  
22 the E-15 access standard. The department's calculation shall  
23 not include any of the following:

24     (i) The amount of any prior financial incentives awarded  
25 to the retail dealer under the renewable fuel infrastructure  
26 program for retail motor fuel sites.

27     (ii) Whether the retail dealer is applying for or may be  
28 awarded any future financial incentives under the renewable  
29 fuel infrastructure program for retail motor fuel sites.

30     (2) A retail dealer is only eligible to be issued an  
31 E-15 incompatible infrastructure class 2 waiver order if  
32 the department determines that the total estimated cost of  
33 improvement as described in subparagraph (1), subparagraph  
34 division (a), exceeds the E-15 infrastructure base amount as  
35 described in subparagraph (1), subparagraph division (b).

1 7. *a.* This section shall be implemented on January 1, 2023.

2 *b.* This subsection is repealed January 2, 2023.

3 8. This section is repealed January 1, 2041.

4 Sec. 6. NEW SECTION. 214A.36 **Disciplinary action.**

5 1. The department may refuse to issue or renew and may  
6 suspend or revoke a license issued to a retail dealer pursuant  
7 to section 214.2 for not complying with the E-15 access  
8 standard as provided in section 214A.32, including rules  
9 adopted by the department pursuant to section 214A.1A to  
10 administer or enforce that section.

11 2. *a.* This section shall be implemented on January 1, 2023.

12 *b.* This subsection is repealed January 2, 2023.

13 Sec. 7. **ISSUANCE OF ORDERS SUSPENDING OR WAIVING E-15 ACCESS**  
14 **STANDARD.**

15 1. The governor may issue an E-15 access standard suspension  
16 order as provided in section 214A.33, as enacted in this part  
17 of this division of this Act, prior to January 1, 2023, if the  
18 governor determines it is necessary to issue the order prior  
19 to that date.

20 2. The secretary of agriculture may issue an E-15  
21 unavailability waiver order as provided in section 214A.34, as  
22 enacted in this part of this division of this Act, prior to  
23 January 1, 2023, if the secretary determines it is necessary to  
24 issue the order prior to that date.

25 3. The secretary of agriculture may issue an E-15  
26 incompatible infrastructure waiver order as provided in section  
27 214A.35, as enacted in this part of this division of this Act,  
28 prior to January 1, 2023, if the secretary determines it is  
29 necessary to issue the order prior to that date.

30 Sec. 8. **ADOPTION OF RULES IMPLEMENTING E-15 ACCESS STANDARD**  
31 **AND E-15 INCOMPATIBLE INFRASTRUCTURE WAIVER ORDER.**

32 1. The department of agriculture and land stewardship  
33 shall adopt rules pursuant to chapter 17A prior to January 1,  
34 2023, as necessary to administer and enforce the E-15 access  
35 standard, as provided in section 214A.32, as enacted in this

1 part of this division of this Act.

2 2. The department of agriculture and land stewardship shall  
3 adopt rules pursuant to chapter 17A prior to January 1, 2023,  
4 as necessary to administer and enforce an E-15 incompatible  
5 infrastructure waiver order, as provided in section 214A.35, as  
6 enacted in this part of this division of this Act.

7 PART B

8 RELATED RENEWABLE FUELS AND INFRASTRUCTURE PROVISIONS

9 Sec. 9. Section 159A.6, subsection 1, paragraph c, Code  
10 2022, is amended by striking the paragraph.

11 Sec. 10. Section 214.1, Code 2022, is amended by adding the  
12 following new subsections:

13 NEW SUBSECTION. 1A. *“Department”* means the department of  
14 agriculture and land stewardship.

15 NEW SUBSECTION. 1B. *“E-15 gasoline”* or *“E-15”* means the  
16 same as defined in section 214A.1.

17 NEW SUBSECTION. 3A. *“Motor fuel dispenser”* or *“dispenser”*  
18 means equipment that is the part of motor fuel storage  
19 and dispensing infrastructure that includes mechanical or  
20 electrical systems that operate a motor fuel pump dispensing  
21 motor fuel from a motor fuel storage tank to the end point of  
22 the equipment’s nozzle.

23 NEW SUBSECTION. 4A. a. *“Motor fuel storage and dispensing*  
24 *infrastructure”* or *“infrastructure”* means equipment used to do  
25 any of the following:

26 (1) Store and dispense motor fuel.

27 (2) Store, blend, and dispense motor fuel.

28 b. *“Motor fuel storage and dispensing infrastructure”* or  
29 *“infrastructure”* includes but is not limited to a motor fuel  
30 storage tank, motor fuel pump or motor fuel blender pump, motor  
31 fuel dispenser, and associated pipes, hoses, nozzles, tubes,  
32 lines, fittings, valves, filters, seals, and covers.

33 Sec. 11. Section 214.1, subsections 3, 4, and 5, Code 2022,  
34 are amended to read as follows:

35 3. *“Motor fuel blender pump”* or *“blender pump”* means a motor

1 fuel ~~meter pump~~ that measures and dispenses a type of motor  
2 fuel that is blended ~~from~~ to formulate two or more different  
3 ~~types classifications~~ of that motor fuels and ~~which may~~  
4 ~~dispense more than one type of blended motor fuel.~~

5 4. "*Motor fuel pump*" means the part of motor fuel storage  
6 and dispensing infrastructure that is a meter or similar  
7 commercial weighing and measuring device used to measure and  
8 dispense motor fuel originating from a motor fuel storage tank,  
9 on a retail basis.

10 5. "*Motor fuel storage tank*" or "*storage tank*" means the part  
11 of motor fuel storage and dispensing infrastructure that is an  
12 aboveground or belowground container ~~that is~~ constituting a  
13 fixture used to store an accumulation of motor fuel.

14 Sec. 12. Section 214.9, Code 2022, is amended to read as  
15 follows:

16 **214.9 Self-service motor fuel ~~pumps~~ dispensers.**

17 A self-service motor fuel dispenser operating a motor fuel  
18 pump located at a retail motor fuel site may be equipped with  
19 an automatic latch-open device on the fuel dispensing hose  
20 nozzle only if the nozzle valve is the automatic closing type.

21 Sec. 13. **NEW SECTION. 214.12 Inspections of motor fuel**  
22 **dispensers — E-15 access standard.**

23 1. In conducting an inspection under section 214.11, an  
24 inspector for the department shall determine if a retail dealer  
25 is advertising for sale and selling E-15 gasoline at a retail  
26 motor fuel site in compliance with the E-15 access standard as  
27 provided in section 214A.32.

28 2. *a.* This section shall be implemented on January 1, 2023.

29 *b.* This subsection is repealed January 2, 2023.

30 Sec. 14. Section 214A.1, Code 2022, is amended by adding the  
31 following new subsections:

32 **NEW SUBSECTION. 2A. "*B-20 biodiesel fuel*" or "*B-20*" means**  
33 a classification of biodiesel blended fuel formulated with a  
34 percentage of twenty percent by volume of biodiesel, if the  
35 formulation meets the standards provided in section 214A.2.

1     NEW SUBSECTION. 12A. "*E-15 gasoline*" or "*E-15*" means a  
2 classification of ethanol blended gasoline formulated with a  
3 percentage of fifteen percent by volume of ethanol, if the  
4 formulation meets the standards provided in section 214A.2.

5     NEW SUBSECTION. 18A. "*Motor fuel dispenser*" or "*dispenser*"  
6 means the same as defined in section 214.1.

7     NEW SUBSECTION. 19A. "*Motor fuel storage and dispensing*  
8 *infrastructure*" or "*infrastructure*" means the same as defined  
9 in section 214.1.

10    Sec. 15. NEW SECTION. 214A.1A Rules.

11    The department shall adopt rules necessary to administer and  
12 enforce this chapter in conjunction with chapter 214.

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

15    1. The department shall adopt rules pursuant to ~~chapter~~  
16 ~~17A for carrying out this chapter.~~ The rules may include but  
17 ~~are not limited to specifications~~ section 214A.1A relating  
18 to standards and classifications for types of motor fuel,  
19 including but not limited to gasoline and diesel fuel. The  
20 rules shall provide standards and classifications for a  
21 renewable fuel such as ethanol blended gasoline, biobutanol  
22 blended gasoline, biodiesel, biodiesel blended fuel, and  
23 motor renewable fuel components such as an a biofuel or other  
24 oxygenate. In the interest of uniformity, the department shall  
25 adopt by reference other ~~specifications~~ standards relating to  
26 tests and ~~standards~~ specifications for types of motor fuel,  
27 including renewable fuel and motor fuel components, established  
28 by the United States environmental protection agency and  
29 A.S.T.M. international.

30    Sec. 17. Section 214A.2, subsection 4, paragraph b, Code  
31 2022, is amended by adding the following new subparagraph:

32     NEW SUBPARAGRAPH. (5) (a) Biodiesel blended fuel  
33 classified as higher than B-20 must conform to standards  
34 adopted by the department.

35     (b) The rules adopted by the department of agriculture

1 and land stewardship establishing standards for biodiesel  
2 blended fuel classified as higher than B-20 shall take effect  
3 not earlier than sixty days after the date of filing in  
4 accordance with section 17A.5, subsection 2, paragraph "a". The  
5 department of agriculture and land stewardship shall notify  
6 the legislative services agency, the governor, the department  
7 of natural resources, and the department of revenue of the  
8 effective date of the rules at least thirty days prior to the  
9 effective date of the rules.

10 Sec. 18. Section 214A.3, subsection 2, paragraph b,  
11 subparagraph (1), Code 2022, is amended by striking the  
12 subparagraph and inserting in lieu thereof the following:

13 (1) A person shall not knowingly falsely advertise ethanol  
14 blended gasoline by using an inaccurate classification as  
15 provided in section 214A.2.

16 Sec. 19. Section 214A.3, subsection 2, paragraph b,  
17 subparagraphs (2) and (3), Code 2022, are amended to read as  
18 follows:

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

22 (3) A person shall not knowingly falsely advertise  
23 biodiesel blended fuel by using an inaccurate ~~designation~~  
24 classification as provided in [section 214A.2](#).

25 Sec. 20. Section 214A.8, Code 2022, is amended to read as  
26 follows:

27 **214A.8 Prohibition.**

28 A dealer shall not knowingly sell motor fuel or biofuel  
29 in the state that fails to meet applicable standards and  
30 classifications as provided in [section 214A.2](#).

31 Sec. 21. Section 214A.11, subsection 2, Code 2022, is  
32 amended by adding the following new paragraphs:

33 NEW PARAGRAPH. c. (1) A retail dealer who submits  
34 an application for an E-15 unavailability waiver order  
35 under section 214A.34 that the retail dealer knows includes

1 information that is not true and correct commits perjury as  
2 provided in section 720.2.

3 (2) (a) This paragraph "c" shall be implemented on January  
4 1, 2023.

5 (b) This subparagraph is repealed January 2, 2023.

6 NEW PARAGRAPH. d. (1) A retail dealer who submits an  
7 application for an E-15 incompatible infrastructure waiver  
8 order under section 214A.35 that the retail dealer knows is not  
9 true and correct commits perjury as provided in section 720.2.

10 (2) A certified professional retail motor fuel site  
11 installer who submits an inspection report as part of an  
12 application for an E-15 incompatible infrastructure waiver  
13 order under section 214A.35 that the installer knows is not  
14 true and correct commits perjury under section 720.2.

15 (3) (a) This paragraph "d" shall be implemented on January  
16 1, 2023.

17 (b) This subparagraph is repealed on January 2, 2023.

18 Sec. 22. Section 214A.20, Code 2022, is amended to read as  
19 follows:

20 **214A.20 Limitation on liability.**

21 1. A retail dealer or other marketer, pipeline company,  
22 refiner, terminal operator, or terminal owner is not liable for  
23 damages caused by the use of incompatible motor fuel dispensed  
24 from a motor fuel dispenser located at the retail dealer's  
25 retail motor fuel site, if all of the following apply:

26 a. The incompatible motor fuel complies with the  
27 specifications standards for a that type and classification of  
28 motor fuel as provided in section 214A.2.

29 b. The incompatible motor fuel is selected by the end use  
30 consumer of the motor fuel.

31 c. The incompatible motor fuel is dispensed from a motor  
32 fuel pump dispenser that correctly labels the type and  
33 classification of fuel dispensed from a motor fuel storage  
34 tank.

35 2. For purposes of this section subsection 1, a motor fuel

1 is incompatible with a motor according to the manufacturer of  
2 the motor.

3 Sec. 23. REPEAL. Section 214A.16, Code 2022, is repealed.

4 PART C

5 CODE ORGANIZATION

6 Sec. 24. DIRECTIONS TO THE CODE EDITOR — TRANSFERS.

7 1. The Code editor is directed to make the following  
8 transfers:

9 a. Section 214A.3, as amended in this division of this Act,  
10 to section 214A.21.

11 b. Section 214A.7 to section 214A.22.

12 c. Section 214A.8, as amended in this division of this Act,  
13 to section 214A.23.

14 d. Section 214A.19 to section 214A.24.

15 e. Section 214A.20, as amended in this division of this Act,  
16 to section 214A.25.

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

20 Sec. 25. DIRECTIONS TO THE CODE EDITOR — SUBCHAPTERS. The  
21 Code editor is directed to divide the provisions of chapter  
22 214A, as amended, enacted, or transferred in this division of  
23 this Act, into subchapters as follows:

24 1. Subchapter I, including sections 214A.1 through 214A.20.

25 2. Subchapter II, including sections 214A.21 through  
26 214A.30.

27 3. Subchapter III, including sections 214A.31 through  
28 214A.36.

29 DIVISION II

30 COMPLIANCE REQUIREMENTS — RENEWABLE FUEL INFRASTRUCTURE

31 PART A

32 PRINCIPAL PROVISIONS

33 Sec. 26. NEW SECTION. 455G.2A Standards and classifications  
34 of motor fuel.

35 For purposes of this chapter, motor fuel must meet the



1 standards and classifications as provided in section 214A.2.

2 Sec. 27. NEW SECTION. 455G.30 Definitions.

3 As used in this subchapter, unless the context otherwise  
4 requires:

5 1. "*Biodiesel blended fuel*" means the same as defined in  
6 section 214A.1.

7 2. "*Department*" means the department of natural resources.

8 3. "*Diesel fuel*" means the same as defined in section  
9 214A.1.

10 4. "*Diesel fuel storage and dispensing infrastructure*" or  
11 "*diesel infrastructure*" means motor fuel storage and dispensing  
12 infrastructure as defined in section 214.1 used to store and  
13 dispense diesel fuel, including biodiesel blended diesel fuel,  
14 at a retail motor fuel site as defined in section 214A.1.

15 5. "*Ethanol blended gasoline*" means the same as defined in  
16 section 214A.1.

17 6. "*Gasoline storage and dispensing infrastructure*"  
18 or "*gasoline infrastructure*" means motor fuel storage and  
19 dispensing infrastructure as defined in section 214.1 used  
20 to store and dispense gasoline, including ethanol blended  
21 gasoline, at a retail motor fuel site as defined in section  
22 214A.1.

23 7. "*Retail dealer*" means the same as defined in section  
24 214A.1.

25 Sec. 28. Section 455G.31, subsections 1 and 3, Code 2022,  
26 are amended by striking the subsections.

27 Sec. 29. Section 455G.31, subsection 2, Code 2022, is  
28 amended to read as follows:

29 2.—A Subject to section 455G.32, a retail dealer may  
30 use gasoline storage and dispensing infrastructure to store  
31 and dispense ethanol blended gasoline classified as ~~E-9~~  
32 E-10 or higher if the department ~~of natural resources~~ under  
33 this subchapter or the state fire marshal under [chapter 101](#)  
34 determines that ~~it~~ the gasoline infrastructure is compatible  
35 with the classification of ethanol blended gasoline being used.

1     Sec. 30. NEW SECTION.   **455G.32 E-85 gasoline compatible**  
2 **infrastructure — compliance requirement.**

3     1. A retail dealer shall not install, replace, or convert  
4 gasoline storage and dispensing infrastructure used to store  
5 and dispense ethanol blended gasoline classified as E-15 or  
6 higher, unless the installed, replaced, or converted gasoline  
7 infrastructure is capable of storing and dispensing ethanol  
8 blended gasoline classified as E-85.

9     2. The infrastructure must be all of the following:

10    *a.* Listed as compatible for use with ethanol blended  
11 gasoline classified as E-85 by an independent testing  
12 laboratory or as approved by the manufacturer.

13    *b.* Approved by the department or state fire marshal subject  
14 to conditions determined necessary by the department or state  
15 fire marshal. The department or state fire marshal may waive  
16 the requirement in paragraph “a” upon satisfaction that a  
17 substitute requirement serves the same purpose.

18     Sec. 31. NEW SECTION.   **455G.33 B-20 diesel fuel compatible**  
19 **infrastructure — compliance requirement.**

20     1. A retail dealer shall not install, replace, or convert  
21 diesel fuel storage and dispensing infrastructure unless the  
22 installed, replaced, or converted diesel fuel infrastructure  
23 is capable of storing and dispensing biodiesel blended fuel  
24 classified as B-20 or higher.

25     2. The infrastructure must be all of the following:

26    *a.* Listed as compatible for use with biodiesel blended  
27 fuel classified as B-20 or higher by an independent testing  
28 laboratory or as approved by the manufacturer.

29    *b.* Approved by the department or state fire marshal subject  
30 to conditions determined necessary by the department or state  
31 fire marshal. The department or state fire marshal may waive  
32 the requirement in paragraph “a” upon satisfaction that a  
33 substitute requirement serves the same purpose.

34     Sec. 32. EFFECTIVE DATE. This part of this division of this  
35 Act takes effect January 1, 2023.

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PART B  
IMPLEMENTATION

Sec. 33. ADMINISTRATIVE RULES. The department of natural resources and the state fire marshal may adopt rules under chapter 17A prior to the effective date of part A of this division of this Act, which rules shall take effect January 1, 2023.

DIVISION III  
COMPLIANCE REQUIREMENTS — QUALIFIED RENEWABLE FUEL USE BY  
STATE MOTOR VEHICLES

Sec. 34. NEW SECTION. 8A.360 **Special definitions.**

As used in this part, unless the context otherwise requires:

1. "*Biodiesel blended fuel*" means the same as defined in section 214A.1.

2. "*Biofuel*" means the same as defined in section 214A.1.

3. "*Determination period*" means any twelve-month period beginning January 1 and ending December 31.

4. "*Ethanol blended gasoline*" means the same as defined in section 214A.1.

5. "*Qualified renewable fuel*" means ethanol blended gasoline or biodiesel blended fuel that meets the standards and classifications for that type of motor fuel as provided in section 214A.2.

Sec. 35. NEW SECTION. 8A.360A **Classification of qualified renewable fuels.**

For purposes of this part, a qualified renewable fuel must meet the same standards and classifications as provided in section 214A.2.

Sec. 36. Section 8A.362, subsection 3, paragraph b, Code 2022, is amended by striking the paragraph and inserting in lieu thereof the following:

b. The director shall provide for the purchase and operation of motor vehicles using qualified renewable fuels and for the purchase of qualified renewable fuels used to operate those motor vehicles as provided in section 8A.368.

1     Sec. 37. NEW SECTION.   **8A.368 Motor vehicle purchases —**  
2 **qualified renewable fuels.**

3     1. A motor vehicle operating using an internal combustion  
4 engine powered by gasoline or diesel fuel as described in  
5 section 8A.362 shall use the highest possible classification of  
6 a qualified renewable fuel if all of the following apply:

7     *a.* The manufacturer of the motor vehicle or the United  
8 States environmental protection agency expressly states that  
9 the classification of a qualified renewable fuel is compatible  
10 with the motor vehicle's normal operation.

11    *b.* That classification of a qualified renewable fuel is  
12 commercially available in the region where the motor vehicle  
13 is being operated.

14    *c.* No emergency situation exists that requires the immediate  
15 use of a motor fuel regardless of whether it has been blended  
16 with a biofuel.

17    2. If the highest possible classification of a qualified  
18 renewable fuel is available to power an engine used to operate  
19 a motor vehicle as provided in subsection 1, a state-issued  
20 credit card shall not be used to purchase motor fuel other than  
21 that classification of a qualified renewable fuel.

22    3. A motor vehicle subject to this section shall be affixed  
23 with a brightly colored, highly visible renewable fuel sticker.  
24 The qualified renewable fuel sticker shall be designed by  
25 the department of agriculture and land stewardship to notify  
26 the traveling public that the motor vehicle is operating  
27 using an internal combustion engine powered by the highest  
28 possible classification of that qualified renewable fuel. The  
29 department of administrative services shall distribute the  
30 stickers to state agencies maintaining a state motor pool.  
31 However, a qualified renewable fuel sticker is not required to  
32 be affixed to an unmarked motor vehicle used for purposes of  
33 providing law enforcement or security.

34    4. As part of the department's competitive bidding  
35 procedure for the purchase of a motor vehicle operating using

1 an internal combustion engine powered by diesel fuel, the  
2 director shall require a bidder to certify that the motor  
3 vehicle's manufacturer expressly states that the engine is  
4 capable of being powered by biodiesel blended fuel classified  
5 as B-20 or higher.

6 Sec. 38. NEW SECTION. **8A.369 Motor vehicle purchases —**  
7 **qualified renewable fuels — reports.**

8 1. The department shall compile information regarding the  
9 department's compliance with section 8A.368 during the previous  
10 determination period. The information shall include all of the  
11 following:

12 a. Of the motor vehicles used to routinely travel on the  
13 state's highways that operate using internal combustion engines  
14 powered by gasoline, all of the following:

15 (1) The total number of such motor vehicles according to  
16 model year.

17 (2) The total number of such motor vehicles according  
18 to model year that are capable of operating using internal  
19 combustion engines powered by ethanol blended gasoline  
20 classified as E-15 and E-85 according to the express warranty  
21 of the motor vehicle's manufacturer.

22 (3) The total number of gallons of ethanol blended gasoline  
23 classified as E-15, and the total number of gallons of ethanol  
24 blended gasoline classified as E-85, purchased during the  
25 preceding determination period, to the extent such information  
26 may be practically obtained.

27 b. Of the motor vehicles used to routinely travel on the  
28 state's highways that operate using internal combustion engines  
29 powered by diesel fuel, all of the following:

30 (1) The total number of such motor vehicles according to  
31 model year.

32 (2) The total number of such motor vehicles according  
33 to model year that are capable of operating using internal  
34 combustion engines powered by biodiesel blended fuel classified  
35 as B-20 or higher according to the express warranty of the

1 motor vehicle's manufacturer.

2 (3) The total number of gallons of biodiesel blended fuel  
3 classified as B-20 or higher purchased during the preceding  
4 determination period, to the extent such information may be  
5 practically obtained.

6 2. The department of administrative services shall  
7 prepare a state fleet qualified renewable fuels compliance  
8 report which shall consolidate information compiled by the  
9 department under subsection 1 together with information  
10 compiled by the commission for the blind pursuant to section  
11 216B.3, institutions governed by the state board of regents  
12 pursuant to section 262.25A, the department of transportation  
13 pursuant to section 307.21, and the department of corrections  
14 pursuant to section 904.312A. The department of administrative  
15 services shall submit the state fleet qualified renewable fuels  
16 compliance report to the governor and general assembly not  
17 later than March 1 of each year.

18 Sec. 39. Section 216B.3, subsection 16, paragraph a, Code  
19 2022, is amended by striking the paragraph and inserting in  
20 lieu thereof the following:

21 a. Provide for the purchase of qualified renewable fuels  
22 to power internal combustion engines that are used to operate  
23 motor vehicles and for the purchase of motor vehicles operating  
24 using engines powered by qualified renewable fuels in the  
25 same manner required for the director of the department of  
26 administrative services pursuant to section 8A.368. The  
27 commission shall compile information regarding compliance  
28 with the provisions of this paragraph in the same manner as  
29 the department of administrative services pursuant to section  
30 8A.369. The commission shall cooperate with the department  
31 of administrative services in preparing the annual state  
32 fleet qualified renewable fuels compliance report regarding  
33 compliance with this paragraph as provided in section 8A.369.

34 Sec. 40. Section 262.25A, subsection 2, Code 2022, is  
35 amended by striking the subsection and inserting in lieu

1 thereof the following:

2 2. An institution shall provide for the purchase of  
3 qualified renewable fuels to power internal combustion engines  
4 that are used to operate motor vehicles and for the purchase  
5 of motor vehicles operating using engines powered by qualified  
6 renewable fuels in the same manner required for the director of  
7 the department of administrative services pursuant to section  
8 8A.368. An institution shall compile information regarding  
9 compliance with the provisions of this subsection in the same  
10 manner as the department of administrative services pursuant  
11 to section 8A.369. The state board of regents shall cooperate  
12 with the department of administrative services in preparing  
13 the annual state fleet qualified renewable fuels compliance  
14 report regarding compliance with this subsection as provided  
15 in section 8A.369.

16 Sec. 41. Section 307.21, subsection 4, Code 2022, is amended  
17 by striking the subsection and inserting in lieu thereof the  
18 following:

19 4. The administrator shall provide for the purchase  
20 of qualified renewable fuels to power internal combustion  
21 engines that are used to operate motor vehicles and for the  
22 purchase of motor vehicles operating using engines powered  
23 by qualified renewable fuels in the same manner required for  
24 the director of the department of administrative services  
25 pursuant to section 8A.368. The department of transportation  
26 shall compile information regarding compliance with the  
27 provisions of this subsection in the same manner as the  
28 department of administrative services pursuant to section  
29 8A.369. The department of transportation shall cooperate  
30 with the department of administrative services in preparing  
31 the annual state fleet qualified renewable fuels compliance  
32 report regarding compliance with this subsection as provided  
33 in section 8A.369.

34 Sec. 42. Section 904.312A, subsection 1, Code 2022, is  
35 amended by striking the subsection and inserting in lieu

1 thereof the following:

2 1. The department of corrections shall provide for the  
3 purchase of qualified renewable fuels to power internal  
4 combustion engines that are used to operate motor vehicles and  
5 for the purchase of motor vehicles operating using engines  
6 powered by qualified renewable fuels in the same manner  
7 required for the director of the department of administrative  
8 services pursuant to section 8A.368. The department of  
9 corrections shall compile information regarding compliance  
10 with the provisions of this subsection in the same manner as  
11 the department of administrative services pursuant to section  
12 8A.369. The department of corrections shall cooperate with  
13 the department of administrative services in preparing the  
14 annual state fleet qualified renewable fuels compliance report  
15 regarding compliance with this subsection as provided in  
16 section 8A.369.

17 Sec. 43. STATE FLEET QUALIFIED RENEWABLE FUELS COMPLIANCE  
18 REPORT. The department of administrative services shall submit  
19 its first state fleet qualified renewable fuels compliance  
20 report as required pursuant to section 8A.369, as enacted in  
21 this division of this Act, not later than July 1, 2023.

22 DIVISION IV

23 RENEWABLE FUEL STANDARDS AND

24 CLASSIFICATIONS — PROMOTIONAL INITIATIVES APPLIED

25 TO INCOME TAXES

26 PART A

27 E-85 GASOLINE PROMOTION TAX CREDIT

28 Sec. 44. Section 422.110, subsection 2, paragraph b, Code  
29 2022, is amended to read as follows:

30 b. The tax credit shall apply to E-85 gasoline that meets  
31 the standards for that classification as provided in section  
32 214A.2.

33 Sec. 45. Section 422.110, subsection 5, Code 2022, is  
34 amended to read as follows:

35 5. a. A retail dealer is eligible to claim an E-85 gasoline



1 promotion tax credit as provided in [this section](#) even though  
2 the retail dealer claims an E-15 plus gasoline promotion tax  
3 credit pursuant to [section 422.11Y](#) for the same tax year.

4 *b.* This subsection is repealed January 1, 2026.

5 Sec. 46. Section 422.11O, subsection 8, Code 2022, is  
6 amended to read as follows:

7 8. [This section](#) is repealed ~~on~~ January 1, ~~2025~~ 2028.

8 Sec. 47. Section 422.33, subsection 11B, paragraph c, Code  
9 2022, is amended to read as follows:

10 *c.* This subsection is repealed ~~on~~ January 1, ~~2025~~ 2028.

11 Sec. 48. 2006 Iowa Acts, chapter 1142, section 49,  
12 subsection 3, as amended by 2011 Iowa Acts, chapter 113,  
13 section 20, and 2016 Iowa Acts, chapter 1106, section 6, is  
14 amended to read as follows:

15 3. For a retail dealer who may claim an E-85 gasoline  
16 promotion tax credit under [section 422.11O](#) or 422.33,  
17 subsection 11B, as enacted in this Act and amended in  
18 subsequent Acts, in calendar year ~~2024~~ 2027 and whose tax  
19 year ends prior to December 31, ~~2024~~ 2027, the retail dealer  
20 may continue to claim the tax credit in the retail dealer's  
21 following tax year. In that case, the tax credit shall be  
22 calculated in the same manner as provided in [section 422.11O](#)  
23 or [422.33, subsection 11B](#), as enacted in this Act and amended  
24 in subsequent Acts, for the remaining period beginning on the  
25 first day of the retail dealer's new tax year until December  
26 31, ~~2024~~ 2027. For that remaining period, the tax credit shall  
27 be calculated in the same manner as a retail dealer whose tax  
28 year began on the previous January 1 and who is calculating the  
29 tax credit on December 31, ~~2024~~ 2027.

30 PART B

31 BIODIESEL BLENDED FUEL TAX CREDIT

32 Sec. 49. Section 422.11P, subsection 3, paragraph b, Code  
33 2022, is amended to read as follows:

34 *b.* The tax credit shall apply to biodiesel blended fuel  
35 classified as provided in [this section](#), if the classification

1 meets the standards provided in [section 214A.2](#). In ensuring  
2 that biodiesel blended fuel meets the classification  
3 requirements of [this section](#), the department shall take  
4 into account reasonable variances due to testing and other  
5 limitations. The department shall adopt rules to provide that  
6 where a blending error occurs and an insufficient amount of  
7 biodiesel has inadvertently been blended with petroleum-based  
8 diesel fuel ~~so that the mixture fails to qualify as B-11 or~~  
9 ~~higher~~ a one percent tolerance applies when classifying the  
10 biodiesel blended fuel. If the biodiesel blended fuel does not  
11 meet the required classification after applying a one percent  
12 tolerance, the department shall adopt rules to determine the  
13 classification based on the retail dealer's records of the  
14 volume of biodiesel blended with diesel fuel.

15 Sec. 50. Section 422.11P, subsection 4, Code 2022, is  
16 amended by striking the subsection and inserting in lieu  
17 thereof the following:

18 4. A retail dealer whose tax year is on a calendar  
19 year basis shall calculate the amount of the tax credit by  
20 multiplying a designated rate by the retail dealer's total  
21 biodiesel blended fuel gallonage as provided in section 452A.31  
22 which qualifies under this subsection.

23 a. In order to qualify for the tax credit, the biodiesel  
24 blended fuel must be classified as B-11 or higher as provided  
25 in paragraph "b".

26 b. The designated rate is determined as follows:

27 (1) For biodiesel blended fuel classified as B-11 or higher  
28 but not as high as B-20, the designated rate is five cents.

29 (2) For biodiesel blended fuel classified as B-20 or higher  
30 but not as high as B-30, the designated rate is seven cents.

31 However, a classification higher than B-20 does not qualify  
32 for a tax credit under this subparagraph unless standards for  
33 that classification have been established by the department of  
34 agriculture and land stewardship pursuant to section 214A.2.

35 (3) For biodiesel blended fuel classified as B-30 or

1 higher, the designated rate is ten cents. A classification of  
2 B-30 or higher does not qualify for a tax credit under this  
3 subparagraph unless standards for that classification have  
4 been established by the department of agriculture and land  
5 stewardship pursuant to section 214A.2.

6 Sec. 51. Section 422.11P, subsection 8, Code 2022, is  
7 amended to read as follows:

8 8. ~~This section~~ is repealed January 1, ~~2025~~ 2028.

9 Sec. 52. Section 422.33, subsection 11C, paragraph c, Code  
10 2022, is amended to read as follows:

11 c. ~~This subsection~~ is repealed ~~on~~ January 1, ~~2025~~ 2028.

12 Sec. 53. 2011 Iowa Acts, chapter 113, section 31, as amended  
13 by 2016 Iowa Acts, chapter 1106, section 10, is amended to read  
14 as follows:

15 SEC. 31. TAX CREDIT AVAILABILITY. For a retail dealer  
16 who may claim a biodiesel blended fuel promotion tax credit  
17 under ~~section 422.11P~~ or ~~422.33, subsection 11C~~, as amended  
18 in this Act and amended in subsequent Acts, in calendar year  
19 ~~2024~~ 2027, and whose tax year ends prior to December 31, ~~2024~~  
20 2027, the retail dealer may continue to claim the tax credit in  
21 the retail dealer's following tax year. In that case, the tax  
22 credit shall be calculated in the same manner as provided in  
23 section 422.11P or ~~422.33, subsection 11C~~, as amended in this  
24 Act and amended in subsequent Acts, for the remaining period  
25 beginning on the first day of the retail dealer's new tax year  
26 until December 31, ~~2024~~ 2027. For that remaining period, the  
27 tax credit shall be calculated in the same manner as a retail  
28 dealer whose tax year began on the previous January 1 and who  
29 is calculating the tax credit on December 31, ~~2024~~ 2027.

30 Sec. 54. EFFECTIVE DATE. This part of this division of this  
31 Act takes effect January 1, 2023.

32 PART C

33 E-15 PLUS GASOLINE PROMOTION TAX CREDIT

34 Sec. 55. Section 422.11Y, subsection 4, Code 2022, is  
35 amended by striking the subsection and inserting in lieu

1 thereof the following:

2 4. A retail dealer whose tax year is on a calendar  
3 year basis shall calculate the amount of the tax credit by  
4 multiplying a designated rate by the retail dealer's total  
5 ethanol blended gasoline gallonage as provided in section  
6 452A.31 which qualifies under this subsection.

7 a. In order to qualify for the tax credit, the ethanol  
8 blended gasoline must be classified as E-15 or higher but must  
9 not be E-85 gasoline.

10 b. The designated rate of the tax credit is nine cents.

11 Sec. 56. Section 422.11Y, subsection 9, Code 2022, is  
12 amended to read as follows:

13 9. **This section** is repealed ~~on~~ January 1, ~~2025~~ 2026.

14 Sec. 57. Section 422.33, subsection 11D, paragraph c, Code  
15 2022, is amended to read as follows:

16 c. **This subsection** is repealed ~~on~~ January 1, ~~2025~~ 2026.

17 Sec. 58. 2011 Iowa Acts, chapter 113, section 37, as amended  
18 by 2016 Iowa Acts, chapter 1106, section 3, is amended to read  
19 as follows:

20 SEC. 37. TAX CREDIT AVAILABILITY. For a retail dealer who  
21 may claim an E-15 plus gasoline promotion tax credit under  
22 section 422.11Y or **422.33, subsection 11D**, as enacted in this  
23 Act and amended in subsequent Acts, in calendar year ~~2024~~  
24 2025, and whose tax year ends prior to December 31, ~~2024~~ 2025,  
25 the retail dealer may continue to claim the tax credit in the  
26 retail dealer's following tax year. In that case, the tax  
27 credit shall be calculated in the same manner as provided in  
28 section 422.11Y or **422.33, subsection 11D**, as enacted in this  
29 Act and amended in subsequent Acts, for the remaining period  
30 beginning on the first day of the retail dealer's new tax year  
31 until December 31, ~~2024~~ 2025. For that remaining period, the  
32 tax credit shall be calculated in the same manner as a retail  
33 dealer whose tax year began on the previous January 1 and who  
34 is calculating the tax credit on December 31, ~~2024~~ 2025.

35 Sec. 59. EFFECTIVE DATE. This part of this division of this

1 Act takes effect January 1, 2023.

2 PART D  
3 ADMINISTRATION

4 Sec. 60. ADMINISTRATIVE RULES. The department of revenue  
5 may adopt rules under chapter 17A prior to the effective date  
6 of parts B and C of this division of this Act, which rules shall  
7 take effect January 1, 2023.

8 DIVISION V  
9 RENEWABLE FUEL STANDARDS  
10 AND CLASSIFICATIONS — PROMOTIONAL INITIATIVES APPLIED  
11 TO EXCISE TAX ON ETHANOL BLENDED GASOLINE AND BIODIESEL BLENDED  
12 FUEL  
13 PART A  
14 REPORTING REQUIREMENTS

15 Sec. 61. Section 452A.2, Code 2022, is amended by adding the  
16 following new subsection:

17 NEW SUBSECTION. 37A. *“Renewable fuel”* means the same as  
18 defined in section 214A.1.

19 Sec. 62. NEW SECTION. **452A.2A Standards and classifications**  
20 **of fuel.**

21 For purposes of this chapter, motor fuel, including  
22 a renewable fuel, must meet the same standards and  
23 classifications as provided in section 214A.2.

24 Sec. 63. Section 452A.31, subsection 2, paragraph a,  
25 subparagraph (1), subparagraph division (c), Code 2022, is  
26 amended to read as follows:

27 (c) The total E-15 plus gasoline gallonage which is the  
28 total number of gallons of ethanol blended gasoline classified  
29 as E-15 or higher, including E-85 gasoline.

30 Sec. 64. Section 452A.31, subsection 2, paragraph a,  
31 subparagraph (1), Code 2022, is amended by adding the following  
32 new subparagraph division:

33 NEW SUBPARAGRAPH DIVISION. (d) The total E-15 gasoline  
34 gallonage which is the total number of gallons of ethanol  
35 blended gasoline classified as E-15.

1     Sec. 65. Section 452A.31, subsection 3, paragraph a, Code  
2 2022, is amended to read as follows:

3     a. A retail dealer's total diesel fuel gallonage is the  
4 total number of gallons of diesel fuel which the retail dealer  
5 sells and dispenses from all motor fuel pumps operated by  
6 the retail dealer in this state during a twelve-month period  
7 beginning January 1 and ending December 31. The retail  
8 dealer's total diesel fuel gallonage is divided into the  
9 following classifications:

10     (1) The total biodiesel blended fuel gallonage which is  
11 the retail dealer's total number of gallons of biodiesel  
12 blended fuel, and which includes all of the following  
13 subclassifications:

14     (a) The total B-5 plus gallonage which is the total number  
15 of gallons of biodiesel blended fuel classified as B-5 or  
16 higher up to but not including B-11.

17     ~~(2)~~ (b) The total B-11 plus gallonage which is the total  
18 number of gallons of biodiesel blended fuel classified as B-11  
19 or higher up to but not including B-20.

20     (c) The total B-20 plus gallonage which is the total number  
21 of gallons of biodiesel blended fuel classified as B-20 or  
22 higher up to but not including B-30.

23     (d) The total B-30 plus gallonage which is the total number  
24 of gallons of biodiesel blended fuel classified as B-30 or  
25 higher.

26     ~~(3)~~ (2) The total nonblended diesel fuel gallonage which  
27 is the total number of gallons of diesel fuel which is not  
28 biodiesel or biodiesel blended fuel.

29     Sec. 66. Section 452A.31, subsection 4, paragraph a,  
30 subparagraph (1), subparagraph division (c), Code 2022, is  
31 amended to read as follows:

32     (c) The aggregate E-15 plus gasoline gallonage which is the  
33 aggregate total number of gallons of ethanol blended gasoline  
34 classified as E-15 or higher, including E-85 gasoline.

35     Sec. 67. Section 452A.31, subsection 4, paragraph a,

1 subparagraph (1), Code 2022, is amended by adding the following  
2 new subparagraph division:

3 NEW SUBPARAGRAPH DIVISION. (d) The aggregate E-15 gasoline  
4 gallonage which is the aggregate total number of gallons of  
5 ethanol blended gasoline classified as E-15.

6 Sec. 68. Section 452A.31, subsection 5, paragraph a, Code  
7 2022, is amended to read as follows:

8 a. The aggregate diesel fuel gallonage is the total number  
9 of gallons of diesel fuel which all retail dealers sell and  
10 dispense from all motor fuel pumps operated by the retail  
11 dealers in this state during a twelve-month period beginning  
12 January 1 and ending December 31. The aggregate diesel fuel  
13 gallonage is divided into the following classifications:

14 (1) The aggregate biodiesel blended fuel gallonage  
15 which is the aggregate total number of gallons of biodiesel  
16 blended fuel, and which includes all of the following  
17 subclassifications:

18 ~~(2)~~ (a) The aggregate B-11 B-5 plus gallonage which is the  
19 aggregate total number of gallons of biodiesel blended fuel  
20 classified as B-5 or higher up to but not including B-11 or  
21 higher.

22 (b) The aggregate B-11 plus gallonage which is the aggregate  
23 total number of gallons of biodiesel blended fuel classified as  
24 B-11 or higher up to but not including B-20.

25 (c) The aggregate B-20 plus gallonage which is the aggregate  
26 total number of gallons of biodiesel blended fuel classified as  
27 B-20 or higher up to but not including B-30.

28 (d) The aggregate B-30 plus gallonage which is the aggregate  
29 total number of gallons of biodiesel blended fuel classified  
30 as B-30 or higher.

31 ~~(3)~~ (2) The aggregate nonblended diesel fuel gallonage  
32 which is the aggregate total number of gallons of diesel fuel  
33 which is not biodiesel or biodiesel blended fuel.

34 Sec. 69. Section 452A.33, subsection 1, paragraph a,  
35 unnumbered paragraph 1, Code 2022, is amended to read as

1 follows:

2 Each retail dealer shall report its total ~~motor fuel~~  
3 gasoline and diesel fuel gallonage for a determination period  
4 as follows:

5 Sec. 70. Section 452A.33, subsection 1, paragraph b,  
6 subparagraphs (1) and (2), Code 2022, are amended to read as  
7 follows:

8 (1) The information submitted on a company-wide basis shall  
9 include the total ~~motor~~ gasoline and diesel fuel gallonage,  
10 including for each classification and subclassification, sold  
11 and dispensed by the retail dealer as provided in paragraph "a"  
12 for all retail motor fuel sites from which the retail dealer  
13 sells and dispenses ~~motor fuel~~ gasoline or diesel fuel.

14 (2) The information submitted on a site-by-site basis shall  
15 include the total ~~motor~~ gasoline and diesel fuel gallonage,  
16 including for each classification and subclassification, sold  
17 and dispensed by the retail dealer as provided in paragraph  
18 "a" separately for each retail motor fuel site from which the  
19 retail dealer sells and dispenses ~~motor~~ gasoline or diesel  
20 fuel.

21 Sec. 71. Section 452A.33, subsection 1, paragraph c, Code  
22 2022, is amended to read as follows:

23 c. The retail dealer shall prepare and ~~submit~~ file the  
24 report with the department in a manner and according to  
25 procedures required by the department in compliance with  
26 section 452A.61. However, the department may require that the  
27 retail dealer file the report with the department by electronic  
28 transmission. The department may require that a retail  
29 ~~dealers report to~~ dealer file the report with the department  
30 on an annual, quarterly, or monthly basis. The department,  
31 upon application by a retail dealer, may grant a reasonable  
32 extension of time to file the report. A retail dealer who  
33 fails to file the report as required in this section or who  
34 fails to maintain records required to file the report shall be  
35 subject to a civil penalty of not more than one hundred dollars



1 per occurrence which shall be deposited in the general fund of  
2 the state.

3 Sec. 72. Section 452A.33, subsection 2, paragraph c, Code  
4 2022, is amended to read as follows:

5 c. The report shall not provide information regarding ~~motor~~  
6 ~~fuel or~~ gasoline, diesel fuel, or a biofuel which is sold and  
7 dispensed by an individual retail dealer or at a particular  
8 retail motor fuel site. The report shall not include a trade  
9 secret protected as a confidential record pursuant to section  
10 22.7.

11 Sec. 73. EMERGENCY RULES. The department of revenue may  
12 adopt emergency rules under section 17A.4, subsection 3, and  
13 section 17A.5, subsection 2, paragraph "b", to implement the  
14 provisions of sections 452A.31 and 452A.33 as amended by  
15 this part of this division of this Act. Any rules adopted  
16 in accordance with this section shall also be published as a  
17 notice of intended action as provided in section 17A.4.

18 Sec. 74. EFFECTIVE DATE. This part of this division of this  
19 Act, being deemed of immediate importance, takes effect upon  
20 enactment.

21 Sec. 75. RETROACTIVE APPLICABILITY. This part of this  
22 division of this Act applies retroactively to January 1, 2022.

23 PART B

24 EXCISE TAX IMPOSED ON GASOLINE AND DIESEL FUEL

25 Sec. 76. Section 452A.3, subsection 1, paragraph b,  
26 unnumbered paragraph 1, Code 2022, is amended to read as  
27 follows:

28 On and after July 1, ~~2026~~ 2030, an excise tax of thirty  
29 cents is imposed on each gallon of ethanol blended gasoline  
30 classified as E-15 or higher. Before July 1, ~~2026~~ 2030, the  
31 rate of the excise tax on ethanol blended gasoline classified  
32 as E-15 or higher shall be based on the number of gallons of  
33 ethanol blended gasoline classified as E-15 or higher that are  
34 distributed in this state as expressed as a percentage of the  
35 number of gallons of motor fuel distributed in this state,

1 which is referred to as the distribution percentage. For  
 2 purposes of this paragraph "b", only ethanol blended gasoline  
 3 and nonblended gasoline, not including aviation gasoline, shall  
 4 be used in determining the percentage basis for the excise  
 5 tax. The department shall determine the percentage basis  
 6 for each determination period beginning January 1 and ending  
 7 December 31 based on data information from the reports filed  
 8 submitted to the department for filing pursuant to section  
 9 452A.33. The rate for the excise tax shall apply for the  
 10 period beginning July 1 and ending June 30 following the end of  
 11 the determination period. Before July 1, ~~2026~~ 2030, the rate  
 12 of the excise tax on each gallon of ethanol blended gasoline  
 13 classified as E-15 or higher shall be as follows:

14 Sec. 77. Section 452A.3, subsection 3, paragraph a,  
 15 subparagraph (1), Code 2022, is amended to read as follows:

16 (1) Except as otherwise provided in this section and in  
 17 this subchapter, the rate of the excise tax on each gallon of  
 18 special fuel for diesel engines of motor vehicles used for any  
 19 purpose for the privilege of operating motor vehicles in this  
 20 state, other than biodiesel blended fuel classified as ~~B-11~~  
 21 B-20 or higher, is thirty-two and five-tenths cents per gallon.

22 Sec. 78. Section 452A.3, subsection 3, paragraph a,  
 23 subparagraph (2), unnumbered paragraph 1, Code 2022, is amended  
 24 to read as follows:

25 Except as otherwise provided in this section and in this  
 26 subchapter, this subparagraph shall apply to the excise tax  
 27 imposed on each gallon of biodiesel blended fuel classified  
 28 as ~~B-11~~ B-20 or higher used for any purpose for the privilege  
 29 of operating motor vehicles in this state. On and after July  
 30 1, ~~2026~~ 2030, the rate of the excise tax on each gallon of  
 31 biodiesel blended fuel classified as ~~B-11~~ B-20 or higher is  
 32 thirty-two and five-tenths cents. Before July 1, ~~2026~~ 2030,  
 33 the rate of the excise tax on each gallon of biodiesel blended  
 34 fuel classified as B-20 or higher shall be based on the number  
 35 of gallons of biodiesel blended fuel classified as ~~B-11~~ B-20

1 or higher that are distributed in this state as expressed as a  
2 percentage of the number of gallons of special fuel for diesel  
3 engines of motor vehicles distributed in this state, which is  
4 referred to as the distribution percentage. The department  
5 shall determine the percentage basis for each determination  
6 period beginning January 1 and ending December 31 based on ~~data~~  
7 information from the reports filed submitted to the department  
8 for filing pursuant to [section 452A.33](#). The rate of the excise  
9 tax shall apply for the period beginning July 1 and ending June  
10 30 following the end of the determination period. Before July  
11 1, ~~2026~~ 2030, the rate of the excise tax on each gallon of  
12 biodiesel blended fuel classified as ~~B-11~~ B-20 or higher shall  
13 be as follows:

14 Sec. 79. EFFECTIVE DATE. This part of this division of this  
15 Act takes effect July 1, 2024.

16 PART C

17 DEDUCTION OF EXCISE TAX IMPOSED ON BIOFUEL  
18 USED IN BLENDING WITH GASOLINE AND DIESEL FUEL

19 Sec. 80. Section 452A.8, subsection 2, paragraph a, Code  
20 2022, is amended by adding the following new subparagraph:

21 NEW SUBPARAGRAPH. (3) (a) The gallonage of gasoline or  
22 diesel fuel withdrawn from a terminal by a licensee to be  
23 blended with a biofuel after it is withdrawn from the terminal  
24 to the extent the tax rate on the gasoline or diesel fuel  
25 exceeds the tax rate which would be due on the ethanol blended  
26 gasoline or biodiesel blended fuel pursuant to section 452A.3.

27 (b) This subparagraph is repealed July 1, 2030.

28 DIVISION VI

29 RENEWABLE FUEL STANDARDS AND CLASSIFICATIONS — PROMOTIONAL  
30 INITIATIVES APPLIED TO SALES AND USE TAX — REFUND PAID TO  
31 BIODIESEL PRODUCERS

32 PART A

33 PRINCIPAL PROVISIONS

34 Sec. 81. Section 423.4, subsection 9, Code 2022, is amended  
35 to read as follows:

1 9. A person who qualifies as a biodiesel producer as  
2 provided in [this subsection](#) may apply to the director for a  
3 refund of the amount of the sales or use tax imposed and paid  
4 upon purchases made by the person.

5 a. The person must be engaged in the manufacturing  
6 of biodiesel who has registered with the United States  
7 environmental protection agency as a manufacturer according to  
8 the requirements in [40 C.F.R. §79.4](#). The biodiesel must be for  
9 use in biodiesel blended fuel in conformance with the standards  
10 and classifications in [section 214A.2](#). The person must comply  
11 with the requirements of [this subsection](#) and rules adopted by  
12 the department pursuant to [this subsection](#).

13 b. The amount of the refund shall be calculated by  
14 multiplying a designated rate by the total number of gallons  
15 of biodiesel produced by the biodiesel producer in this state  
16 during each quarter of a calendar year. The designated rate  
17 shall be ~~two~~ four cents.

18 c. A biodiesel producer shall not be eligible to receive  
19 a refund under [this subsection](#) on more than twenty-five  
20 million gallons of biodiesel produced each calendar year by  
21 the biodiesel producer at each facility where the biodiesel  
22 producer manufactures biodiesel.

23 d. A person shall obtain a refund by completing forms  
24 furnished by the department and filed by the person on a  
25 quarterly basis as required by the department. The department  
26 shall refund the amount claimed by the person after subtracting  
27 any amount owing from the sales or use taxes imposed and paid  
28 upon purchases made by the person.

29 e. [This subsection](#) is repealed on January 1, ~~2025~~ 2028.

30 Sec. 82. EFFECTIVE DATE. This part of this division of this  
31 Act takes effect January 1, 2023.

32 PART B

33 IMPLEMENTATION

34 Sec. 83. ADMINISTRATIVE RULES. The department of revenue  
35 may adopt rules under chapter 17A prior to the effective date

1 of part A of this division of this Act, which rules shall take  
2 effect January 1, 2023.

3

DIVISION VII

4 PROMOTIONAL INITIATIVES — RENEWABLE FUEL INFRASTRUCTURE

5 Sec. 84. Section 159A.11, subsection 6, Code 2022, is  
6 amended by striking the subsection and inserting in lieu  
7 thereof the following:

8 6. *“Motor fuel storage and dispensing infrastructure”* or  
9 *“infrastructure”* means the same as defined in section 214.1.

10 Sec. 85. Section 159A.11, Code 2022, is amended by adding  
11 the following new subsection:

12 NEW SUBSECTION. 6A. *“Motor fuel storage tank”* means the  
13 same as defined in section 214.1.

14 Sec. 86. Section 159A.11, subsection 10, Code 2022, is  
15 amended by striking the subsection.

16 Sec. 87. Section 159A.12, Code 2022, is amended to read as  
17 follows:

18 **159A.12 Classification Standards and classifications of motor**  
19 **fuel and renewable fuel.**

20 For purposes of ~~this subchapter~~, ~~ethanol blended fuel and~~  
21 ~~biodiesel motor fuel shall be classified in the same manner,~~  
22 including a renewable fuel, must meet the same standards and  
23 classifications as provided in ~~section 214A.2~~.

24 Sec. 88. Section 159A.13, subsection 6, Code 2022, is  
25 amended by striking the subsection.

26 Sec. 89. Section 159A.14, subsections 1 and 2, Code 2022,  
27 are amended to read as follows:

28 1. The purpose of the program is to improve retail  
29 motor fuel sites by installing, replacing, or converting  
30 infrastructure to be used to store, blend, or dispense  
31 renewable fuel. The infrastructure shall be ethanol  
32 infrastructure or biodiesel infrastructure.

33 a. (1) ~~Ethanol infrastructure shall be designed and used~~  
34 exclusively have the capacity to do any of the following:

35 (a) ~~Store and dispense E-15 gasoline. At least for the~~

1 ~~period beginning on September 16 and ending on May 31 of each~~  
2 ~~year, the ethanol infrastructure must be used to store and~~  
3 ~~dispense E-15 gasoline as a registered fuel recognized by the~~  
4 ~~United States environmental protection agency.~~

5 (b) Store and dispense E-85 gasoline.

6 (c) (b) Store, blend, and dispense ~~motor fuel~~ ethanol or  
7 ethanol blended gasoline from a motor fuel blender pump. The  
8 ~~ethanol infrastructure must be used for the storage of ethanol~~  
9 ~~or ethanol blended gasoline, or for blending ethanol with~~  
10 ~~gasoline.~~ The ethanol infrastructure must at least include  
11 a motor fuel blender pump ~~which~~ that dispenses different  
12 classifications of ethanol blended gasoline and allows E-15  
13 gasoline and E-85 gasoline to be dispensed at all times that  
14 the blender pump is operating.

15 (2) Biodiesel infrastructure shall ~~be designed and used~~  
16 exclusively have the capacity to do any of the following:

17 (a) Store and dispense biodiesel or biodiesel blended fuel  
18 classified as B-20 or higher.

19 (b) ~~Blend or~~ Store, blend, and dispense biodiesel fuel  
20 from a motor fuel blender pump. The biodiesel infrastructure  
21 must at least include a motor fuel blender pump that dispenses  
22 different classifications of biodiesel blended fuel and allows  
23 biodiesel blended fuel classified as B-5 or higher to be  
24 dispensed at all times that the blender pump is operating.

25 *b.* The infrastructure must be part of the premises of  
26 a retail motor fuel site operated by a retail dealer. The  
27 infrastructure shall not include a tank vehicle.

28 2. *a.* A person may apply to the department to receive  
29 financial incentives ~~on a cost-share basis~~ according to  
30 procedures required by the department. The department shall  
31 accept a timely received application to improve a retail  
32 motor fuel site as provided in this section and forward the  
33 applications that application to the ~~underground storage tank~~  
34 ~~fund~~ infrastructure board, as required by ~~that the board~~, for  
35 ~~evaluation and recommendation.~~ The ~~underground storage tank~~

~~1 fund board may rank the applications with comments and shall~~  
~~2 forward them to the infrastructure board for its approval or~~  
~~3 disapproval.~~

4 b. The application shall allow the department to determine  
5 whether the person is a retail dealer assigned special status.  
6 The department shall assign the person special status if  
7 the person does not comply with the E-15 access standard  
8 as provided in section 214A.32 only because the person is  
9 ineligible to be issued an E-15 incompatible infrastructure  
10 class 2 waiver order for that retail motor fuel site as  
11 provided in section 214A.35, subsection 6.

12 c. The infrastructure board may establish a system to  
13 rank applications for approval. In ranking applications, the  
14 infrastructure board may provide special priority to any of the  
15 following:

16 (1) A retail motor fuel site that has been constructed and  
17 is operating.

18 (2) (a) A retail motor fuel site owned or operated by a  
19 person who the department assigns special status as provided  
20 in paragraph "b".

21 (b) (i) This subparagraph shall be implemented on January  
22 1, 2023.

23 (ii) This subparagraph division is repealed January 2,  
24 2023.

25 d. The department shall award financial incentives on a  
26 cost-share basis to an eligible person whose application was  
27 approved by the infrastructure board.

28 Sec. 90. Section 159A.14, subsection 3, unnumbered  
29 paragraph 1, Code 2022, is amended to read as follows:

30 The infrastructure board shall approve cost-share  
31 agreements executed by the department and persons that the  
32 infrastructure board determines are eligible as provided in  
33 this section, according to terms and conditions required by the  
34 infrastructure board. The infrastructure board shall determine  
35 the amount of the financial incentives to be awarded to a

1 person participating in the program. The determination may be  
2 based on applications prioritized for approval as described in  
3 subsection 2. In order to be eligible to participate in the  
4 program, all of the following must apply:

5 Sec. 91. Section 159A.14, subsection 5, Code 2022, is  
6 amended to read as follows:

7 5. An award of financial incentives to a participating  
8 person shall be on a cost-share basis in the form of a grant.  
9 To participate in the program, an eligible person must execute  
10 a cost-share agreement with the department as approved by  
11 the infrastructure board in which the person contributes a  
12 percentage of the total costs related to improving the retail  
13 motor fuel site.

14 a. A cost-share agreement shall be for a ~~three-year period~~  
15 ~~or a five-year period.~~

16 b. (1) For the term of an agreement to improve a retail  
17 motor fuel site by installing, replacing, or converting ethanol  
18 infrastructure, the participating person must use the ethanol  
19 infrastructure to store and dispense, or store, blend, and  
20 dispense, ethanol blended gasoline classified as E-15 or  
21 higher.

22 (2) For the term of an agreement to improve a motor  
23 fuel site by installing, replacing, or converting biodiesel  
24 infrastructure, the participating person must use the biodiesel  
25 infrastructure to store and dispense, or store, blend, and  
26 dispense, biodiesel blended fuel classified as B-5 or higher.  
27 However, at least for the period beginning April 1 and ending  
28 October 31 of each year, the participating person must use  
29 the biodiesel infrastructure to store and dispense, or store,  
30 blend, and dispense, biodiesel blended fuel classified as B-11  
31 or higher.

32 c. A cost-share agreement shall include provisions for  
33 standard financial incentives or standard financial incentives  
34 and supplemental financial incentives as provided in this  
35 subsection. The infrastructure board may approve multiple



1 improvements to the same retail motor fuel site for the full  
2 amount available for both ethanol infrastructure and biodiesel  
3 infrastructure so long as the improvements for ethanol  
4 infrastructure and for biodiesel infrastructure are made under  
5 separate cost-share agreements.

6 ~~a, d.~~ (1) Except as provided in paragraph ~~"b"~~ "e",  
7 a participating person may be awarded standard financial  
8 incentives to make improvements to a retail motor fuel site.  
9 The standard financial incentives awarded to a participating  
10 person shall not exceed ~~the following:~~

11 ~~(a) For a three-year cost-share agreement, fifty percent of~~  
12 ~~the actual cost of making the improvement or thirty thousand~~  
13 ~~dollars, whichever is less.~~

14 ~~(b) For a five-year cost-share agreement, seventy percent~~  
15 ~~of the actual cost of making the improvement or fifty thousand~~  
16 ~~dollars, whichever is less.~~

17 (2) (a) The infrastructure board may approve multiple  
18 awards of standard financial incentives to make improvements to  
19 a the retail motor fuel site so long as the total amount of the  
20 awards for ethanol infrastructure or biodiesel infrastructure  
21 does not exceed the limitations provided in subparagraph (1).

22 (b) If the department determines that a participating  
23 person is assigned special status because the participating  
24 person is ineligible to be issued an E-15 incompatible  
25 infrastructure class 2 waiver order for the retail motor fuel  
26 site as provided in subsection 2, the infrastructure board may  
27 approve one or multiple awards of standard financial incentives  
28 to make improvements to that retail motor fuel site subject to  
29 all of the following:

30 (i) The total amount of awards shall not be reduced by  
31 the amount of any standard financial incentives awarded to  
32 improve the retail motor fuel site before the department's  
33 determination, notwithstanding subparagraph division (a).

34 (ii) The total amount of awards for ethanol infrastructure  
35 or biodiesel infrastructure shall not exceed the limitations

1 provided in subparagraph (1).

2 ~~b.~~ e. In addition to any standard financial incentives  
3 awarded to a participating person under paragraph ~~"a"~~ "d", the  
4 participating person may be awarded supplemental financial  
5 incentives to make improvements to a retail motor fuel site to  
6 ~~do any of the following:~~

7 ~~(1) Upgrade or replace a dispenser which is part of~~  
8 ~~gasoline storage and dispensing infrastructure used to store~~  
9 ~~and dispense E-85 gasoline as provided in [section 455G.31](#).~~  
10 ~~The participating person is only eligible to be awarded the~~  
11 ~~supplemental financial incentives if the person installed the~~  
12 ~~dispenser not later than sixty days after July 27, 2011. The~~  
13 ~~supplemental financial incentives awarded to the participating~~  
14 ~~person shall not exceed seventy-five percent of the actual cost~~  
15 ~~of making the improvement or thirty thousand dollars, whichever~~  
16 ~~is less.~~

17 ~~(2) To improve additional retail motor fuel sites owned or~~  
18 ~~operated by a participating person within a twelve-month period~~  
19 ~~as provided in the cost-share agreement. The supplemental~~  
20 ~~financial incentives shall be used for the installation~~  
21 ~~of an additional motor fuel storage tank and associated~~  
22 ~~infrastructure at each such retail motor fuel site. A~~  
23 ~~participating person may be awarded supplemental financial~~  
24 ~~incentives under this ~~subparagraph~~ paragraph and standard~~  
25 ~~financial incentives under paragraph ~~"a"~~ "d" to improve the~~  
26 ~~same retail motor fuel site. The supplemental financial~~  
27 ~~incentives awarded to the participating person shall not~~  
28 ~~exceed twenty-four thousand dollars. The participating person~~  
29 ~~shall be awarded the supplemental financial incentives on a~~  
30 ~~cumulative basis according to the schedule provided in this~~  
31 ~~~~subparagraph~~ paragraph, which shall not exceed the following:~~

32 ~~(a) (1) For the second retail motor fuel site, six thousand~~  
33 ~~dollars.~~

34 ~~(b) (2) For the third retail motor fuel site, six thousand~~  
35 ~~dollars.~~

1     ~~(e)~~ (3) For the fourth retail motor fuel site, six thousand  
2 dollars.

3     ~~(d)~~ (4) For the fifth retail motor fuel site, six thousand  
4 dollars.

5     Sec. 92. Section 159A.15, subsection 1, Code 2022, is  
6 amended to read as follows:

7     1. A person may apply to the department to receive financial  
8 incentives on a cost-share basis. ~~The department shall forward~~  
9 ~~the applications to the underground storage tank fund board as~~  
10 ~~required by that board for evaluation and recommendation. The~~  
11 ~~underground storage tank fund board may rank the applications~~  
12 ~~with comments and shall forward them to the infrastructure~~  
13 ~~board for approval or disapproval. The department shall award~~  
14 financial incentives ~~on a cost-share basis~~ to an eligible  
15 person whose application was approved by the infrastructure  
16 board.

17     Sec. 93. Section 159A.16, subsection 3, Code 2022, is  
18 amended to read as follows:

19     3. Moneys in the renewable fuel infrastructure fund are  
20 appropriated to the department exclusively to support and  
21 market the renewable fuel infrastructure programs as provided  
22 in [sections 159A.14](#) and [159A.15](#), and as allocated in financial  
23 incentives by the renewable fuel infrastructure board created  
24 in [section 159A.13](#). ~~Up to fifty~~

25     a. For each fiscal year, not more than one million  
26 two hundred fifty thousand dollars shall be allocated to  
27 support the renewable fuel infrastructure program for retail  
28 motor fuel sites as provided in section 159A.14 to finance  
29 the installation, replacement, or conversion of biodiesel  
30 infrastructure as provided in that section.

31     b. For each fiscal year, not more than one hundred thousand  
32 dollars shall be allocated each fiscal year to the department  
33 to support the administration of the programs. The

34     c. For each fiscal year, the department may use up to  
35 one and one-half percent of the program funds to market the

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1 programs. Otherwise the moneys shall not be transferred, used,  
2 obligated, appropriated, or otherwise encumbered except to  
3 allocate as financial incentives under the programs.