

House File 859

H-1398

1 Amend House File 859 as follows:

2 1. Page 1, by striking lines 26 through 29.

3 2. Page 1, line 30, by striking <29B.> and inserting <29A.>

4 3. Page 1, line 33, by striking <29C.> and inserting <29B.>

5 4. Page 2, line 6, after <classification> by inserting <not
6 subject to restrictions>

7 5. Page 2, line 9, after <classification> by inserting <not
8 subject to restrictions>

9 6. Page 5, line 11, by striking <two> and inserting <one>

10 7. Page 5, line 21, by striking <two> and inserting <one>

11 8. Page 6, line 5, by striking <two> and inserting <one>

12 9. By striking page 7, line 32, through page 8, line 4, and
13 inserting:

14 <NEW SUBSECTION. 4. A retail dealer shall not be subject
15 to a criminal or civil penalty under this section or an
16 administrative action suspending or revoking a license under
17 this section or section 214.2A for a violation of any of the
18 following:

19 a. A restriction applying to special use gasoline sold
20 at a retail motor fuel site as provided in section 214A.31,
21 subsections 1 and 2, if all of the following apply:

22 (1) The special use gasoline dispensed at the retail motor
23 fuel site is selected by the end consumer of the gasoline.

24 (2) Each dispensing unit located at the retail motor fuel
25 site is labeled in compliance with applicable federal and state
26 requirements, including as provided in sections 214A.35 and
27 214A.36.

28 b. (1) A restriction applying to special use gasoline
29 sold at a retail motor fuel site provided in section 214A.32,
30 subsections 1 and 2, if all of the following apply:

31 (a) The special use gasoline dispensed at the retail motor
32 fuel site is selected by the end consumer of the gasoline.

33 (b) Each dispensing unit located at the retail motor fuel
34 site is labeled in compliance with applicable federal and state
35 requirements, including as provided in sections 214A.35 and

1 214A.36.

2 (2) (a) This paragraph "b" shall be implemented on January
3 1, 2026.

4 (b) This subparagraph (2) is repealed January 2, 2026.

5 c. (1) A restriction applying to special use diesel fuel
6 sold at a retail motor fuel site provided in section 214A.34,
7 subsections 1 and 2, if all of the following apply:

8 (a) The special use diesel fuel dispensed at the retail
9 motor fuel site is selected by the end consumer of the
10 gasoline.

11 (b) Each dispensing unit located at the retail motor fuel
12 site is labeled in compliance with applicable federal and state
13 requirements, including as provided in sections 214A.35 and
14 214A.36.

15 (2) (a) This paragraph "c" shall be implemented on April
16 1, 2022.

17 (b) This subparagraph (2) is repealed April 2, 2022.>

18 10. Page 8, by striking lines 7 through 10 and inserting:

19 <1. A retail dealer shall not knowingly advertise for sale
20 or knowingly sell special use gasoline classified as E-0 as
21 provided in section 214A.2.

22 2. Notwithstanding subsection 1, a retail dealer may
23 advertise for sale or sell special use gasoline classified
24 as E-0 as provided in section 214A.2 to power an engine that
25 operates any of the following:

26 a. A 1985 or older model year motor vehicle.

27 b. A motorcycle as defined in section 321.1.

28 c. An all-terrain vehicle as defined in section 321.1.

29 d. A snowmobile as defined in section 321G.1.

30 e. A vehicle serviced by a marina, dock, or airport.

31 f. A vehicle principally designed for use off a public
32 highway.

33 g. Machinery or equipment not primarily designed to
34 transport a person or property.

35 3. A retail dealer shall not knowingly advertise for sale

1 or knowingly sell special use gasoline classified as E-0 as
2 provided in subsection 2, unless the gasoline is premium grade
3 unleaded gasoline as provided in section 214A.2.>

4 11. Page 8, line 13, after <sale> by inserting <or knowingly
5 sell>

6 12. Page 8, line 17, after <sale> by inserting <or sell>

7 13. Page 8, line 18, after <higher> by inserting <as
8 provided in section 214A.2>

9 14. Page 8, after line 27 by inserting:

10 <3. A retail dealer shall not knowingly advertise for sale
11 or knowingly sell special use gasoline classified as E-10 or
12 higher up to but not including E-15 as provided in subsection
13 2, unless the gasoline is premium grade unleaded gasoline as
14 provided in section 214A.2.>

15 15. Page 8, line 28, by striking <3.> and inserting <4.>

16 16. Page 8, line 28, by striking <2028> and inserting <2026>

17 17. Page 8, line 29, by striking <2028> and inserting <2026>

18 18. By striking page 8, line 30, through page 9, line 4 and
19 inserting:

20 <Sec. _____. NEW SECTION. 214A.33 Gasoline classified as E-15
21 or higher — retail motor fuel sites.

22 1. A retail dealer who advertises for sale or sells gasoline
23 from more than two dispensing units located at a retail motor
24 fuel site shall not knowingly advertise for sale or knowingly
25 sell gasoline classified as less than E-15 from any number of
26 its dispensing units, unless the retail dealer also advertises
27 for sale or sells gasoline classified as E-15 or higher from at
28 least one of the dispensing units located at the retail motor
29 fuel site.

30 2. Subsection 1 does not apply to a retail motor fuel site
31 that was used by a retail dealer as a permanent location to
32 sell and dispense gasoline at any time within six months prior
33 to the effective date of this section of this division of this
34 Act.>

35 19. Page 9, line 9, after <sale> by inserting <or knowingly

1 sell>
2 20. Page 9, line 12, after <sale> by inserting <or sell>
3 21. Page 9, line 13, after <higher> by inserting <as
4 provided in section 214A.2>
5 22. Page 9, after line 22 by inserting:
6 <4. a. This section shall be implemented on April 1, 2022.
7 b. This subsection is repealed April 2, 2022.>
8 23. Page 9, line 33, by striking <the sale of> and inserting
9 <for sale or selling>
10 24. Page 10, line 2, after <gasoline.> by inserting <To the
11 extent required by the department, the decal shall describe the
12 types of engines that may be powered by using that gasoline as
13 provided in section 214A.31, subsection 2.>
14 25. Page 10, lines 3 and 4, by striking <the sale of> and
15 inserting <for sale or selling>
16 26. Page 10, line 7, by striking <gasoline and list> and
17 inserting <gasoline. To the extent required by the department,
18 the decal shall describe>
19 27. Page 10, line 11, by striking <2028> and inserting
20 <2026>
21 28. Page 10, line 12, by striking <2028> and inserting
22 <2026>
23 29. Page 10, line 13, by striking <the sale of> and
24 inserting <for sale or selling>
25 30. Page 10, line 17, after <4.> by inserting <a.>
26 31. Page 10, lines 17 and 18, by striking <the sale of> and
27 inserting <for sale or selling>
28 32. Page 10, line 21, by striking <fuel and list> and
29 inserting <fuel. To the extent required by the department, the
30 decal shall describe>
31 33. Page 10, after line 23 by inserting:
32 <b. (1) This subsection shall be implemented on April 1,
33 2022.
34 (2) This paragraph "b" is repealed April 2, 2022.>
35 34. Page 11, by striking lines 4 through 12 and inserting:

1 <2. a. The order may allow the retail dealer to advertise
2 for sale or sell special use gasoline classified as E-0 without
3 restriction, notwithstanding section 214A.31, subsections 1 and
4 2. If the order allows the retail dealer to sell the special
5 use gasoline, it may also allow the retail dealer to advertise
6 for sale or sell the E-0 as regular grade unleaded gasoline,
7 notwithstanding section 214A.31, subsection 3.
8 b. The order may require that the retail dealer affix a
9 clearly visible decal to each dispensing unit discharging such
10 gasoline that describes the gasoline's allowable use under the
11 order, notwithstanding section 214A.36, subsection 1.
12 3. a. The order may allow the retail dealer to advertise
13 for sale or sell special use gasoline classified as E-10
14 without restriction, notwithstanding section 214A.32,
15 subsections 1 and 2. If the order allows the retail dealer to
16 sell the special use gasoline, it may also allow the retail
17 dealer to advertise for sale or sell the E-10 as regular grade
18 unleaded gasoline, notwithstanding section 214A.32, subsection
19 3.
20 b. The order may require that the retail dealer affix a
21 clearly visible decal to each dispensing unit discharging such
22 gasoline that describes the gasoline's allowable use under the
23 order, notwithstanding section 214A.36, subsection 2.>
24 35. Page 11, line 13, by striking <b.> and inserting <c.>
25 36. Page 11, line 14, by striking <2028> and inserting
26 <2026>
27 37. Page 11, line 15, by striking <"b"> and inserting <"c">
28 38. Page 11, line 15, by striking <2028> and inserting
29 <2026>
30 39. Page 11, after line 15 by inserting:
31 <4. The order may allow the retail dealer to advertise for
32 sale or sell ethanol blended gasoline classified as E-10 in
33 lieu of E-15 from a dispensing unit located at a retail motor
34 fuel site without restriction, notwithstanding section 214A.33.
35 If the order allows a retail dealer to advertise for sale and

1 sell E-10 from the dispensing unit, it may require that the
2 gasoline is premium grade unleaded gasoline as provided in
3 section 214A.2.>

4 40. Page 11, line 16, by striking <4.> by inserting <5. a.>

5 41. Page 11, by striking lines 17 and 18 and inserting <for
6 sale or sell diesel fuel classified as B-0 or biodiesel blended
7 fuel without restriction, notwithstanding section 214A.34.

8 b. The order may require that the retail dealer affix a
9 clearly visible decal to each dispensing unit discharging such
10 diesel fuel that describes the diesel fuel's allowable use
11 under the order, notwithstanding section 214A.36, subsection 4.

12 c. (1) This subsection shall be implemented on April 1,
13 2022.

14 (2) This paragraph "c" is repealed April 2, 2022.>

15 42. Page 11, line 19, by striking <5.> and inserting <6.>

16 43. Page 11, line 21, by striking <grade or classification>
17 and inserting <classification or grade>

18 44. Page 11, line 22, before <standard> by inserting <obtain
19 the required classification of>

20 45. Page 11, line 24, by striking <6.> and inserting <7.>

21 46. Page 11, line 27, by striking <7.> and inserting <8.>

22 47. Page 11, line 29, by striking <8.> and inserting <9.>

23 48. Page 12, by striking lines 4 through 12 and inserting:

24 <2. a. The order may allow the retail dealer to advertise
25 for sale or sell special use gasoline classified as E-0 without
26 restriction, notwithstanding section 214A.31, subsections 1 and
27 2. If the order allows the retail dealer to sell the special
28 use gasoline, it may also allow the retail dealer to advertise
29 for sale or sell the E-0 as regular grade unleaded gasoline,
30 notwithstanding section 214A.31, subsection 3.

31 b. The order may require that the retail dealer affix a
32 clearly visible decal to each dispensing unit discharging such
33 gasoline that describes the gasoline's allowable use under the
34 order notwithstanding section 214A.36, subsection 1.

35 3. a. The order may allow the retail dealer to advertise

1 for sale or sell special use gasoline classified as E-10
2 without restriction, notwithstanding section 214A.32,
3 subsections 1 and 2. If the order allows the retail dealer to
4 sell the special use gasoline, it may also allow the retail
5 dealer to advertise for sale or sell the E-10 as regular grade
6 unleaded gasoline, notwithstanding section 214A.32, subsection
7 3.

8 *b.* The order may require that the retail dealer affix a
9 clearly visible decal to each dispensing unit discharging such
10 gasoline that describes the gasoline's allowable use under the
11 order, notwithstanding section 214A.36, subsection 2.>

12 49. Page 12, line 13, by striking <*b.*> and inserting <*c.*>

13 50. Page 12, line 14, by striking <2028> and inserting
14 <2026>

15 51. Page 12, line 15, by striking <"*b*"> and inserting <"*c*">

16 52. Page 12, line 15, by striking <2028> and inserting
17 <2026>

18 53. Page 12, after line 15 by inserting:

19 <4. The order may allow the retail dealer to advertise for
20 sale or sell ethanol blended gasoline classified as E-10 in
21 lieu of E-15 from a dispensing unit located at a retail motor
22 fuel site without restriction, notwithstanding section 214A.33.
23 If the order allows a retail dealer to advertise for sale and
24 sell E-10 from the dispensing unit, it may require that the
25 gasoline is premium grade unleaded gasoline as provided in
26 section 214A.2.>

27 54. Page 12, by striking lines 16 through 19 and inserting:

28 <5. *a.* The order may allow retail dealers to advertise
29 for sale or sell diesel fuel classified as B-0 or biodiesel
30 blended fuel as provided in section 214A.2 without restriction,
31 notwithstanding section 214A.34.

32 *b.* The order may require that the retail dealer affix a
33 clearly visible decal to each dispensing unit discharging such
34 diesel fuel that describes the diesel fuel's allowable use
35 under the order, notwithstanding section 214A.36, subsection 4.

1 *c.* (1) This subsection shall be implemented on April 1,
2 2022.

3 (2) This paragraph "*c*" is repealed April 2, 2022.>

4 55. Page 12, line 20, by striking <5.> and inserting <6.>

5 56. Page 12, by striking lines 26 and 27 and inserting:
6 <*b.* It is not commercially feasible to obtain the
7 required classification or grade of gasoline or the required
8 classification of diesel fuel to be advertised for>

9 57. Page 12, line 30, by striking <6.> and inserting <7.>

10 58. By striking page 13, line 1, through page 14, line 23,
11 and inserting:

12 <Sec. _____. NEW SECTION. 214A.43 **Exception for special use**
13 **gasoline requirements — future implementation.**

14 1. As used in this section, "*department*" means the
15 department of natural resources.

16 2. The director of the department may issue an
17 administrative order granting a retail dealer an exception from
18 the requirements of section 214A.32.

19 *a.* The order may allow the retail dealer to advertise for
20 sale or sell gasoline classified as E-10 or higher and that is
21 premium grade gasoline as provided in section 214A.2 without
22 restriction, notwithstanding section 214A.32.

23 *b.* The order may require the retail dealer to affix a
24 clearly visible decal to each dispensing unit discharging such
25 gasoline that describes the gasoline's allowable use under the
26 order, notwithstanding section 214A.36, subsection 2.

27 3. A retail dealer must apply for an exception by submitting
28 a form to the department in a manner and according to
29 procedures required by the department.

30 4. The department shall grant an exception to a retail
31 dealer for each retail motor fuel site identified in the
32 application, if all of the following apply:

33 *a.* The retail dealer cannot comply with section 214A.32
34 because the retail motor fuel site's existing underground motor
35 fuel storage and dispensing infrastructure is incompatible with

1 standard use gasoline classified as E-15 or higher.

2 *b.* The retail motor fuel site's existing underground
3 motor fuel storage and dispensing infrastructure has not been
4 installed, replaced, or converted on or after January 1, 2010.

5 5. The department shall terminate the order granting the
6 exception when the department determines that the retail dealer
7 has installed, replaced, or converted underground motor fuel
8 storage and dispensing infrastructure on or after the effective
9 date of this section of this division of this Act.

10 6. The department shall file the order granting the
11 exception or terminating the exception in the same manner as a
12 final order pursuant to section 17A.3. The order shall take
13 effect on a date stated in the order.>

14 59. Page 14, line 24, by striking <2028> and inserting
15 <2026>

16 60. Page 14, line 25, by striking <2028> and inserting
17 <2026>

18 61. Page 14, by striking lines 26 through 31 and inserting:

19 <Sec. _____. RULEMAKING — EXCEPTION FROM STANDARD USE
20 GASOLINE REQUIREMENTS. The department of natural resources
21 shall adopt rules pursuant to chapter 17A on or before January
22 1, 2025, as necessary to allow retail dealers to apply for
23 an exception from the standard use gasoline requirements and
24 for the department to receive and consider such application as
25 provided in section 214A.43, prior to January 1, 2026.>

26 62. Page 15, line 11, by striking <214A.1A> and inserting
27 <214A.1A, subject to the exemptions provided in section
28 214A.11>

29 63. Page 16, by striking lines 11 through 15 and inserting
30 <to allow retail dealers to apply for an exception from the
31 standard use gasoline requirements as provided in section
32 214A.43 and for the department to consider those applications
33 takes effect upon enactment.>

34 64. Page 16, by striking lines 20 through 26 and inserting:
35 <Sec. _____. Section 159A.11, Code 2021, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 6A. “Small retail dealer” means a retail
3 dealer engaged in the business of storing and dispensing motor
4 fuel from a motor fuel pump advertised for sale or sold on
5 a retail basis at fewer than ten permanent retail motor fuel
6 sites.>

7 65. Page 17, line 35, by striking <(1)>

8 66. Page 18, by striking lines 2 and 3 and inserting:

9 <(a) (1) Store and dispense biodiesel classified as B-100
10 or biodiesel blended fuel classified as B-20 or higher.

11 (2) Dispense biodiesel blended fuel classified as B-20 or
12 higher.>

13 67. Page 18, line 4, by striking <(b)> and inserting

14 <(b) (3)>

15 68. Page 18, by striking line 12.

16 69. By striking page 18, line 24, through page 19, line 4,
17 and inserting:

18 <a. (1) The department shall establish an annual deadline
19 for submitting applications by persons seeking to participate
20 in the program. Of all unobligated or unencumbered moneys
21 available to finance eligible persons submitting timely
22 applications, the infrastructure board shall allocate those
23 moneys according to the following formula:

24 (a) For the first category, sixty percent of the available
25 moneys shall be used to finance eligible persons submitting
26 applications to improve retail motor fuel sites that have been
27 constructed and are operating.

28 (b) For the second category, forty percent of the available
29 moneys shall be used to finance eligible persons submitting
30 applications to improve retail motor fuel sites that are in any
31 stage of construction and are not operating.

32 (2) Whether a retail motor fuel site is constructed and
33 operating shall be determined on the date that the application
34 is submitted to the department.

35 (3) For each category the infrastructure board shall

1 provide priority to small retail dealers.

2 (4) If available moneys remain after all applications
3 submitted by eligible persons assigned to one category have
4 been approved, the infrastructure board shall use those
5 remaining moneys to finance any eligible persons assigned to
6 the other category.

7 b. The department shall award financial incentives on a
8 ~~cost-share basis~~ to an eligible person whose application was
9 approved by the infrastructure board.>

10 70. Page 20, by striking line 31.

11 71. Page 20, line 32, by striking <(1)>

12 72. Page 21, by striking line 3.

13 73. Page 23, by striking lines 1 through 9.

14 74. Page 24, after line 27 by inserting:

15 <Sec. _____. Section 422.110, subsection 5, Code 2021, is

16 amended to read as follows:

17 5. a. A retail dealer is eligible to claim an E-85 gasoline
18 promotion tax credit as provided in this section even though
19 the retail dealer claims an E-15 plus gasoline promotion tax
20 credit pursuant to section 422.11Y for the same tax year.

21 b. This subsection is repealed January 1, 2026.>

22 75. Page 26, line 13, by striking <2028> and inserting
23 <2026>

24 76. Page 26, line 22, by striking <2028> and inserting
25 <2026>

26 77. Page 27, line 32, by striking <2027, and> and inserting
27 <2025, and>

28 78. Page 27, line 32, by striking <2024 2027> and inserting
29 <2024 2025>

30 79. Page 28, line 4, by striking <2027> and inserting <2025>

31 80. Page 28, line 7, by striking <2027> and inserting <2025>

32 81. By renumbering as necessary.

HEIN of Jones