



TERRY E. BRANSTAD  
GOVERNOR

**OFFICE OF THE GOVERNOR**

KIM REYNOLDS  
LT. GOVERNOR

May 30, 2014

The Honorable Matt Schultz  
Secretary of State of Iowa  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 2355, an Act relating to matters under the purview of the Department of Transportation, establishing a fee, and including effective date provisions.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry E. Branstad".

Terry E. Branstad  
Governor

cc: Secretary of the Senate  
Clerk of the House



Senate File 2355

AN ACT  
RELATING TO MATTERS UNDER THE PURVIEW OF THE DEPARTMENT OF  
TRANSPORTATION, ESTABLISHING A FEE, AND INCLUDING EFFECTIVE  
DATE PROVISIONS.

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

DIVISION I  
HIGHWAYS

Section 1. Section 306.3, unnumbered paragraph 1, Code  
2014, is amended to read as follows:

As used in this chapter or in any chapter of the Code  
relating to highways, except as otherwise specified:

Sec. 2. Section 306C.1, subsection 2, Code 2014, is amended to read as follows:

2. "Interstate highway" includes "interstate road" and "interstate system" and means any highway of the ~~primary~~ national highway system at any time officially designated as a part of the national system of interstate and defense highways by the department and approved by the appropriate authority of the federal government.

Sec. 3. Section 306C.1, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 5. "National highway system" means the network designated by the federal highway administration in consultation with the state department of transportation, which consists of interconnected urban and rural principal arterials and highways that serve major population centers, ports, airports, public transportation facilities, other intermodal transportation facilities, and other major travel destinations; meet national defense requirements; and serve interstate and interregional travel.

Sec. 4. Section 306C.2, unnumbered paragraph 1, Code 2014, is amended to read as follows:

A person shall not establish, operate, or maintain a junkyard, any portion of which is within one thousand feet of the nearest edge of the right-of-way of any interstate highway on the national highway system, except:

Sec. 5. Section 306C.3, Code 2014, is amended to read as follows:

**306C.3 Junkyards lawfully in existence.**

1. Any junkyard located outside a zoned or unzoned industrial area lawfully in existence on July 1, 1972, which is within one thousand feet of the nearest edge of the right-of-way and visible from the main-traveled portion of any highway on the interstate system shall be screened, if feasible, by the department, or by the owner under rules and direction of the department, at locations on the highway right-of-way or in areas acquired for such purposes outside the right-of-way in order to obscure the junkyard from the main-traveled way of such highways.

2. Any junkyard located outside a zoned or unzoned industrial area lawfully in existence on July 1, 2014, which is within one thousand feet of the nearest edge of the right-of-way and visible from the main-traveled portion of any noninterstate highway which is on the national highway

system shall be screened, if feasible, by the department, or by the owner under rules and direction of the department, at locations on the highway right-of-way or in areas acquired for such purposes outside the right-of-way in order to obscure the junkyard from the main-traveled way of such highways.

Sec. 6. Section 306C.10, subsections 1, 2, 10, 13, and 20, Code 2014, are amended to read as follows:

1. "*Adjacent area*" means an area which is contiguous to and within six hundred sixty feet of the nearest edge of the right-of-way of any ~~interstate, freeway primary, or~~ primary highway.

2. "*Advertising device*" includes any outdoor sign, display, device, figure, painting, drawing, message, placard, poster, billboard, or any other device designed, intended, or used to advertise or give information in the nature of advertising, and having the capacity of being visible from the traveled portion of any ~~interstate or~~ primary highway.

10. "*Interstate highway*" includes "*interstate road*" and "*interstate system*" and means any highway of the ~~primary~~ national highway system at any time officially designated as a part of the national system of interstate and defense highways by the department and approved by the appropriate authority of the federal government.

13. "*Primary highways*" ~~includes the entire primary system as officially designated, or as may hereafter be so designated, by the department~~ means all highways on the national highway system and all highways on the federal-aid primary system as it existed on June 1, 1991.

20. "*Unzoned commercial or industrial area*" means those areas not zoned by state or local law, regulation, or ordinance, which are occupied by one or more commercial or industrial activities, and the land along the ~~interstate highways and~~ primary highways for a distance of seven hundred fifty feet immediately adjacent to the activities. All measurements shall be from the outer edge of the regularly used buildings, parking lots, storage, or processing areas of the activities and shall be parallel to the edge of pavement of the highway. Measurements shall not be from the property line of the activities unless that property line coincides with the limits of the activities. Unzoned commercial or industrial areas shall not include land on the opposite side of the highway from the commercial or industrial activities.

Sec. 7. Section 306C.10, Code 2014, is amended by adding the

following new subsection:

NEW SUBSECTION. 12A. "*National highway system*" means the network designated by the federal highway administration in consultation with the state department of transportation, which consists of interconnected urban and rural principal arterials and highways that serve major population centers, ports, airports, public transportation facilities, other intermodal transportation facilities, and other major travel destinations; meet national defense requirements; and serve interstate and interregional travel.

Sec. 8. Section 306C.12, Code 2014, is amended to read as follows:

**306C.12 None visible from highway.**

An advertising device shall not be constructed or reconstructed beyond the adjacent area in unincorporated areas of the state if it is visible from the main-traveled way of any ~~interstate or~~ primary highway except for advertising devices permitted in section 306C.11, subsections 1 and 2. Any advertising device permitted beyond an adjacent area in unincorporated areas of the state shall be subject to the applicable permit provisions of section 306C.18.

Sec. 9. Section 306C.13, subsections 2, 3, 4, and 5, Code 2014, are amended to read as follows:

2. Advertising devices located within the adjacent area of nonfreeway primary highways shall not be erected or maintained closer to another advertising device facing in the same direction than one hundred feet if inside the corporate limits of a municipality. No advertising device, other than as excepted or permitted by ~~subsections~~ subsection 4, 5, or 6 ~~of this section~~, shall be located within the triangular area formed by the line connecting two points each fifty feet back from the point where the street right-of-way lines of the main-traveled way and the intersecting street meet, or would meet, if extended.

3. Advertising devices located within the adjacent area of nonfreeway primary highways shall not be erected or maintained closer to another advertising device facing in the same direction than three hundred feet if outside the corporate limits of a municipality. No advertising device, other than those excepted or permitted by ~~subsections~~ subsection 4, 5, or 6 ~~of this section~~, shall be located within the triangular area formed by a line connecting two points each one hundred feet back from the point where the street right-of-way lines of the

main-traveled way and the intersecting street meet, or would meet, if extended.

4. The distance spacing measurements fixed by subsections 2 and 3 ~~of this section~~ shall not apply to advertising devices which are separated by a building in such a manner that only one advertising device located within the minimum spacing distance is visible from a highway at any one time.

5. Within a triangular area, as defined by subsections 2 and 3 ~~of this section~~, occupied by a building or structure, no advertising device shall be erected or maintained closer to the intersection than the building or structure itself, except that a wall advertising device may be attached to said building or structure not to protrude more than twelve inches.

Sec. 10. Section 306C.13, subsection 8, paragraph g, Code 2014, is amended to read as follows:

g. The standards contained in this section pertaining to size, lighting, and spacing shall not apply to advertising devices erected or maintained within six hundred sixty feet of the right-of-way of those portions of the interstate highway system exempted from control under chapter 306B by authority of section 306B.2, subsection 4, nor to advertising devices erected and maintained within adjacent areas along noninterstate primary highways within zoned and unzoned commercial and industrial areas, unless said advertising devices were erected subsequent to July 1, 1972.

#### DIVISION II

#### MISCELLANEOUS PROVISIONS

Sec. 11. Section 321.50, subsection 5, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. For purposes of this subsection, a security interest noted on an Iowa certificate of title and appearing in the statewide computer system and the county's records shall be presumed to be discharged upon presentation of a valid certificate of title subsequently issued by a foreign jurisdiction on which the security interest is no longer noted.

Sec. 12. Section 321.176A, subsection 1, Code 2014, is amended to read as follows:

1. A farmer or a person working for a farmer while operating a ~~commercial motor vehicle controlled by the farmer within one hundred fifty air miles of the farmer's farm to transport the farmer's own agricultural products, farm machinery, or farm supplies to or from the farm~~ covered farm vehicle as defined in the federal Moving Ahead for Progress in the 21st Century

Act, Pub. L. No. 112-141, §32934. The exemption provided in this subsection shall apply to farmers who assist each other through an exchange of services and shall include operation of a commercial motor vehicle between the farms of the farmers who are exchanging services.

Sec. 13. Section 321.187, Code 2014, is amended to read as follows:

**321.187 Examiners.**

1. The department shall examine applicants for driver's licenses. Examiners of the department shall wear an identifying badge and uniform provided by the department.

2. The department may by rule designate community colleges established under chapter 260C and other third-party testers to administer the driving skills test required for a commercial driver's license, provided that all of the following occur:

a. The driving skills test is the same as that which would otherwise be administered by the state.

b. The ~~examiner~~ third-party tester contractually agrees to comply with the requirements of 49 C.F.R. §383.75 as adopted by rule by the department.

c. Any third-party skills test examiner used by the third-party tester shall meet the requirements of 49 C.F.R. §383.75 and 49 C.F.R. §384.228, as adopted by rule by the department. The department shall adopt rules requiring that a third-party tester, other than a community college established under chapter 260C, shall be an Iowa-based motor carrier, or its subsidiary, that has its principal office within this state and operates a permanent commercial driver training facility in this state. The rules may also provide that a third-party tester conduct a number of skills test examinations above the number required under 49 C.F.R. §383.75 in order to remain qualified as a third-party tester under this section.

3. As used in this section, "third-party tester" and "third-party skills test examiner" mean as defined in 49 C.F.R. §383.5.

Sec. 14. Section 321.194, subsection 2, Code 2014, is amended to read as follows:

2. *Suspension and revocation.* A driver's license issued under this section is subject to suspension or revocation for the same reasons and in the same manner as suspension or revocation of any other driver's license. The department may also suspend a driver's license issued under this section upon receiving satisfactory evidence that the licensee has violated

the restrictions of the license or has been involved in one or more accidents chargeable to the licensee. The department may suspend a driver's license issued under this section upon receiving a record of the licensee's conviction for one violation. The department shall revoke the license upon receiving a record of conviction for two or more violations of a law of this state or a city ordinance regulating the operation of motor vehicles on highways other than parking violations as defined in section 321.210. After a person licensed under this section receives two or more convictions which require revocation of the person's license under this section, the department shall not grant an application for a new driver's license until the expiration of ~~one year~~ thirty days.

Sec. 15. Section 321.257, subsection 2, paragraphs g and h, Code 2014, are amended to read as follows:

*g.* A "don't walk" or "steady upraised hand" light is a pedestrian signal which means that pedestrian traffic facing the illuminated pedestrian signal shall not start to cross the roadway in the direction of the pedestrian signal, and pedestrian traffic in the crossing shall proceed to a safety zone.

*h.* A "walk" or "walking person" light is a pedestrian signal which means that pedestrian traffic facing the illuminated pedestrian signal may proceed to cross the roadway in the direction of the pedestrian signal and shall be given the right-of-way by drivers of all vehicles.

Sec. 16. Section 321.257, subsection 2, Code 2014, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *Og.* A "flashing yellow arrow" light shown alone or with another official traffic-control signal means vehicular traffic may cautiously enter the intersection and proceed only in the direction indicated by the arrow. Vehicular traffic shall yield the right-of-way to other vehicles and pedestrians lawfully within the intersection and any vehicle on the opposing approach which is approaching so closely as to constitute an immediate hazard during the time the driver is moving within the intersection.

NEW PARAGRAPH. *Oh.* A "flashing upraised hand" or "upraised hand with countdown" light is a pedestrian signal which means that pedestrian traffic facing the illuminated pedestrian signal shall not start to cross the roadway in the direction of the pedestrian signal, and pedestrian traffic in the crossing



shall proceed to a safety zone. The "upraised hand with countdown" light is a pedestrian signal that also provides the time remaining for the pedestrian to complete the crossing.

Sec. 17. Section 321.258, Code 2014, is amended to read as follows:

321.258 Arrangement of lights on official traffic-control signals.

1. Colored lights placed on a vertical official traffic-control signal face shall be arranged from the top to the bottom in the following order when used:

- a. Circular red, ~~circular.~~
- b. Steady and/or flashing left-turn red arrow.
- c. Steady and/or flashing right-turn red arrow.
- d. Circular yellow, ~~circular.~~
- e. Circular green, ~~straight through yellow arrow, straight through.~~
- f. Straight-through green arrow, ~~left turn.~~
- g. Steady left-turn yellow arrow, ~~left turn.~~
- h. Flashing left-turn yellow arrow.
- i. Left-turn green arrow, ~~right turn.~~
- j. Steady right-turn yellow arrow, ~~and right turn.~~
- k. Flashing right-turn yellow arrow.
- l. Right-turn green arrow.

2. Colored lights placed on a horizontal official traffic-control signal face shall be arranged from the left to the right in the following order when used:

- a. Circular red, ~~circular.~~
- b. Steady and/or flashing left-turn red arrow.
- c. Steady and/or flashing right-turn red arrow.
- d. Circular yellow, ~~left turn.~~
- e. Steady left-turn yellow arrow, ~~left turn.~~
- f. Flashing left-turn yellow arrow.
- g. Left-turn green arrow, ~~circular.~~
- h. Circular green, ~~straight through yellow.~~
- i. Straight-through green arrow, ~~straight through green.~~
- j. Steady right-turn yellow arrow, ~~right turn.~~
- k. Flashing right-turn yellow arrow, ~~and right turn.~~
- l. Right-turn green arrow.

Sec. 18. Section 321A.17, subsection 4, Code 2014, is amended to read as follows:

4. An individual applying for a driver's license following a period of suspension or revocation pursuant to a dispositional order issued under section 232.52, subsection 2, paragraph

"a", or under section 321.180B, section 321.210, subsection 1, paragraph "a", subparagraph (4), or section 321.210A, 321.213A, 321.213B, 321.216B, or 321.513, following a period of suspension or revocation under section 321.178 or 321.194, or following a period of revocation pursuant to a court order issued under section 901.5, subsection 10, or under section 321J.2A, is not required to maintain proof of financial responsibility under this section.

Sec. 19. NEW SECTION. 328.13 Commercial air service retention and expansion committee.

A commercial air service retention and expansion committee is established within the aviation office of the department. The membership of the committee shall consist of the director or the director's designee; the managers of each airport in Iowa with commercial air service; two members of the senate, one appointed by the majority leader of the senate and one appointed by the minority leader of the senate; and two members of the house of representatives, one appointed by the speaker of the house and one appointed by the minority leader of the house. Legislative members are eligible for per diem and expenses as provided in section 2.10, for each day of service. The committee shall, on or before December 31, 2014, develop a plan for the retention and expansion of passenger air service in Iowa. The committee shall meet as the committee deems necessary to assess progress in implementing the plan and, if necessary, to update the plan.

Sec. 20. Section 328.24, unnumbered paragraph 1, Code 2014, is amended to read as follows:

If, during the year for which an aircraft, except nonresident aircraft used for the application of herbicides and pesticides, was registered and the required fee paid, the aircraft is destroyed by fire or accident or junked, and its identity as an aircraft entirely eliminated, or ~~it~~ the aircraft is removed and continuously used beyond the boundaries of the state, then the owner in whose name it was registered at the time of destruction, dismantling, or removal from the state shall return the certificate of registration to the department within ~~ten~~ thirty days and make affidavit of the destruction, dismantling, or removal and make claim for the refund. The refund shall be paid from the general fund of the state.

Sec. 21. 2012 Iowa Acts, chapter 1129, section 4, is amended to read as follows:

SEC. 4. ROAD USE TAX FUND EFFICIENCY MEASURES

— ~~QUARTERLY~~ ANNUAL REPORTS. The department of transportation shall submit ~~quarterly reports~~ a report annually on or before December 31 in an electronic format to the co-chairpersons of the joint appropriations subcommittee on transportation, infrastructure, and capitals, the chairpersons of the senate and house standing committees on transportation, the department of management, and the legislative services agency regarding the implementation of efficiency measures identified in the "Road Use Tax Fund Efficiency Report", January 2012. The reports shall provide details of activities undertaken in the previous ~~quarter~~ year relating to one-time and long-term program efficiencies and partnership efficiencies. Issues to be covered in the reports shall include but are not limited to savings realized from the implementation of particular efficiency measures; updates concerning measures that have not been implemented; efforts involving cities, counties, other jurisdictions, or stakeholder interest groups; any new efficiency measures identified or undertaken; and identification of any legislative action that may be required to achieve efficiencies. ~~The first report shall be submitted by October 1, 2012.~~

Sec. 22. INTERSECTION REPORT. By October 1, 2014, the county engineer of each county shall provide a report to the department of transportation identifying all locations in the county where two different roads or highways having speed limits of 55 miles per hour or greater intersect but are not controlled by an official traffic-control signal or by official traffic-control devices that direct traffic approaching from every direction to stop or yield before entering the intersection. On or before December 31, 2014, the department shall file a report with the legislative services agency detailing the number and locations of the intersections identified in the county engineers' reports.

Sec. 23. FUTURE REPEAL. The section of this division of this Act amending section 321.187 is repealed five years after the effective date of this division of this Act.

Sec. 24. PRIOR REVOCATIONS.

1. The department of transportation shall end the period of revocation for any person whose driver's license was revoked under section 321.194, subsection 2, Code 2014, for having two or more convictions if the revocation became effective on or after July 1, 2013, and, as of the effective date of this Act, the revocation has been effective for at least 30 days.

2. The department shall apply the provisions of section 321A.17, subsection 4, as amended by this Act, to end any ongoing duty to maintain proof of financial responsibility imposed under section 321A.17, Code 2014, arising from a revocation under section 321.178, Code 2014, or section 321.194, Code 2014, that occurred prior to the effective date of this Act.

Sec. 25. EFFECTIVE UPON ENACTMENT. The following provision of this division of this Act, being deemed of immediate importance, takes effect upon enactment:

1. The section of this division of this Act amending section 321.187.

#### DIVISION III

##### MOTOR VEHICLE DEALERS

Sec. 26. Section 321.48, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. Notwithstanding subsections 1 and 2, requirements in those subsections for obtaining title to a vehicle or acknowledging assignment and warranty of title do not apply to a dealer who sells a motor vehicle to a purchaser in a consignment transaction authorized under section 322.7B.

Sec. 27. Section 321.57, subsection 1, Code 2014, is amended to read as follows:

1. A dealer owning any vehicle of a type otherwise required to be registered under this chapter may operate or move the vehicle upon the highways solely for purposes of transporting, testing, demonstrating, or selling the vehicle without registering the vehicle, upon condition that the vehicle display in the manner prescribed in sections 321.37 and 321.38 a special plate issued to the owner as provided in sections 321.58 through 321.62. A dealer may operate or move upon the highways a vehicle owned by the dealer for either private or business purposes, including hauling a load or towing a trailer, without registering it if the vehicle is in the dealer's inventory and is continuously offered for sale at retail, and there is displayed on it a special plate issued to the dealer as provided in sections 321.58 through 321.62. A dealer may operate or move upon the highways an unregistered vehicle owned by a lessor licensed pursuant to chapter 321F solely for the purpose of delivering the vehicle to the owner or transporting the vehicle to or from an auction if there is displayed on the vehicle a special plate issued to the dealer as provided in sections 321.58 through 321.62.

Sec. 28. Section 321.60, Code 2014, is amended to read as follows:

**321.60 Issuance of special plates.**

The department shall ~~also~~ issue special plates as applied for, which shall display the general distinguishing number assigned to the applicant. Each plate so issued shall also contain a number or symbol identifying the plate and distinguishing it from every other plate bearing the same general distinguishing number. The fee for each special plate is forty dollars for a two-year period or part thereof. The fee for a special plate used on a vehicle that is hauling a load or towing a trailer is seven hundred fifty dollars for a two-year period or part thereof.

Sec. 29. Section 321.69A, subsection 1, paragraph a, subparagraph (2), Code 2014, is amended to read as follows:

(2) The actual cost of any labor or parts charged to or performed by the dealer for any such repairs, adjustments, or parts does not exceed four percent of the ~~dealer's adjusted cost~~ manufacturer's suggested retail price.

Sec. 30. Section 321.69A, subsections 2 and 3, Code 2014, are amended to read as follows:

2. A person licensed as a new motor vehicle dealer pursuant to chapter 322 shall disclose in writing, at or before the time of sale or lease, to the buyer or lessee of a new motor vehicle that the vehicle has been subject to any repairs of damage to or adjustments on or replacements of parts with new parts if the actual cost of any labor or parts charged to or performed by the dealer for any such repairs, adjustments, or parts exceeds four percent of the ~~dealer's adjusted cost~~ manufacturer's suggested retail price. The written disclosure shall include the signature of the buyer or lessee and be in a form and in a format approved by the attorney general by rule. A dealer shall retain a copy of each written disclosure issued pursuant to this section for five years from the date of issuance.

3. As used in this section, ~~"dealer's adjusted cost"~~ "manufacturer's suggested retail price" means the amount ~~paid by the dealer to the manufacturer or other source for the vehicle, including any freight charges, but excluding any sum paid by the manufacturer to the dealer as a holdback or other monetary incentive relating to the vehicle~~ required to be disclosed by a dealer pursuant to 15 U.S.C. §1232(f)(4).

Sec. 31. Section 321.105A, subsection 2, paragraph c,

subparagraph (14), Code 2014, is amended to read as follows:

(14) Vehicles purchased by a licensed motor vehicle dealer for resale or primarily for use by the dealer's customers while the customers' vehicles are being serviced or repaired by the dealer.

Sec. 32. NEW SECTION. 322.7B Consignment sales of motor trucks.

A licensed motor vehicle dealer may sell a used motor truck on a consignment basis if all of the following conditions apply:

1. The dealer is licensed to sell used motor vehicles.
2. The motor truck offered for sale has a gross vehicle weight rating of twenty-six thousand one or more pounds.
3. The dealer prominently displays the words "consignment vehicle" on the motor truck and indicates clearly in the sales documentation that the motor truck is a consignment vehicle. The dealer shall put customers on notice that the dealer does not have title to the vehicle and does not warranty the title.
4. The purchaser certifies to the dealer that the person is either a corporation, limited liability company, or partnership or a person who files a schedule C or schedule F form for federal income tax purposes, and that the motor truck is being purchased for business purposes, and not for personal use.
5. The dealer assumes no liability for damages resulting from a customer's test drive of the motor truck, and the consignor maintains financial liability coverage as required under section 321.20B or 325A.6, as appropriate, for the motor truck throughout the term of the consignment.

Sec. 33. Section 322.9, subsection 2, paragraphs a, b, and c, Code 2014, are amended to read as follows:

a. Failing upon the sale or transfer of a vehicle, except upon the sale of a vehicle under section 322.7B, to deliver to the purchaser or transferee of the vehicle sold or transferred, a manufacturer's or importer's certificate, or a certificate of title duly assigned, as provided in chapter 321.

b. Failing upon the purchasing or otherwise acquiring of a vehicle, except a vehicle acquired on consignment under section 322.7B, to obtain a manufacturer's or importer's certificate, or a certificate of title duly assigned as provided in chapter 321.

c. Failing upon the purchasing or otherwise acquiring of a vehicle, except a vehicle acquired on consignment under section

322.7B, to obtain a new certificate of title to such vehicle when and where required in chapter 321.



PAM JOCHUM  
President of the Senate



KRAIG PAULSEN  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2355, Eighty-fifth General Assembly.



MICHAEL E. MARSHALL  
Secretary of the Senate

Approved May 30, 2014



TERRY E. BRANSTAD  
Governor