

February

SENATE FILE 287
BY JENSEN

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to insurance coverage and registration
2 requirements for motor vehicles in this state and providing
3 penalties and effective dates.

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

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SF 287

1 Section 1. Section 321.1, Code 1991, is amended by adding
2 the following new subsections:

3 NEW SUBSECTION. 95. "Liability insurance coverage" means
4 any of the following:

5 a. An owner's policy of liability insurance which is
6 issued by an insurance carrier authorized to do business in
7 Iowa to or for the benefit of the person named in the policy
8 as insured, and insuring the person named as insured and any
9 person using an insured motor vehicle with the express or
10 implied permission of the named insured against loss from
11 liability imposed by law for damages arising out of the
12 ownership, maintenance, or use of an insured motor vehicle
13 within the United States of America or the Dominion of Canada,
14 but subject to minimum limits, exclusive of interest and
15 costs, in the amounts specified in section 321A.21 or
16 specified in another provision of the Code, whichever is
17 greater.

18 b. A bond filed with the director pursuant to section
19 321A.24.

20 c. A valid certificate of deposit of money or security
21 issued by the treasurer of state pursuant to section 321A.25.

22 d. A valid certificate of self-insurance issued by the
23 director pursuant to section 321A.34.

24 NEW SUBSECTION. 96. "Proof of insurance card" means
25 either a liability insurance card issued under section
26 321.20A, a bond insurance card issued under section 321A.24, a
27 security insurance card issued under section 321A.25, or a
28 self-insurance card issued under section 321A.34.

29 Sec. 2. Section 321.20, Code 1991, is amended by adding
30 the following new subsection:

31 NEW SUBSECTION. 6. Proof of liability insurance coverage
32 if the registration is for a motor vehicle.

33 Sec. 3. NEW SECTION. 321.20A PROOF OF SECURITY AGAINST
34 LIABILITY.

35 1. Notwithstanding chapter 321A, which requires certain

1 persons to maintain proof of financial responsibility, a
2 person shall not drive a motor vehicle which is registered in
3 this state on the highways of this state unless liability
4 insurance coverage as defined in section 321.1, subsection 95,
5 is in effect for the motor vehicle and unless the driver has
6 in the motor vehicle the proof of insurance card issued for
7 the motor vehicle.

8 2. The department shall not register a motor vehicle or
9 issue a registration certificate or registration plates unless
10 the applicant has submitted proof of liability insurance
11 coverage.

12 3. An insurance company transacting business in this state
13 shall issue to its insured owners of motor vehicles registered
14 in this state a liability insurance card for each registered
15 motor vehicle insured. Each liability insurance card shall
16 identify the registration number of the motor vehicle insured
17 and shall indicate the expiration date of the applicable
18 insurance coverage. The liability insurance card shall also
19 contain the name and address of the insured and insurer.

20 4. If the liability insurance coverage for a motor vehicle
21 which is registered in this state is canceled or terminated
22 effective prior to the expiration date indicated on the
23 liability insurance card issued for the vehicle, the person to
24 whom the liability insurance card was issued shall return the
25 liability insurance card to the insurer which issued the card.

26 5. An insurance company transacting business in this state
27 shall notify the state department of transportation and the
28 sheriff of the county in which the motor vehicle is registered
29 of a cancellation of an insurance policy issued to an owner of
30 a motor vehicle registered in this state within forty-five
31 days after the policy's cancellation. The notification shall
32 be in a manner prescribed by the commissioner of insurance
33 after consultation with the state department of
34 transportation.

35 6. A county sheriff shall remove the registration plates

1 from a motor vehicle which has been operated on the highways
2 of this state without liability insurance coverage being in
3 effect for the motor vehicle. The plates shall be returned to
4 the owner upon submission of proof of liability insurance
5 coverage and payment of a twenty dollar redemption fee to the
6 county sheriff.

7 7. An owner or driver of a motor vehicle who is charged
8 with violating subsection 1 shall not be convicted if the
9 person produces in court, within a reasonable time, proof that
10 liability insurance coverage was in effect for the motor
11 vehicle at the time of the person's arrest.

12 8. The director of transportation and the commissioner of
13 insurance shall adopt rules pursuant to chapter 17A to
14 implement this section.

15 9. An owner or driver of a motor vehicle who is convicted
16 of violating this section shall be assessed an administrative
17 fee in an amount to be determined by the department and the
18 commissioner of insurance, according to rules adopted pursuant
19 to chapter 17A.

20 Sec. 4. Section 321.24, Code 1991, is amended by adding
21 the following new unnumbered paragraph:

22 NEW UNNUMBERED PARAGRAPH. Before issuing a registration
23 for a motor vehicle, the county treasurer shall verify that
24 the applicant has submitted proof of liability insurance
25 coverage as required under section 321.20A. If proof is not
26 submitted, registration shall not be issued. Proof of
27 liability insurance coverage is not required for issuance of a
28 certificate of title.

29 Sec. 5. Section 321.30, Code 1991, is amended by adding
30 the following new subsection preceding the last unnumbered
31 paragraph:

32 NEW SUBSECTION. 12. If the application is for the
33 registration of a motor vehicle and the application does not
34 include proof of liability insurance coverage as required
35 under section 321.20A. However, proof of liability insurance

1 coverage is not required for issuance of a certificate of
2 title.

3 Sec. 6. Section 321.40, unnumbered paragraph 1, Code 1991,
4 is amended to read as follows:

5 Application for renewal of a vehicle registration shall be
6 made on or after the first day of the month of expiration of
7 registration and up to and including the last day of the month
8 following the month of expiration of registration. The
9 registration shall be renewed upon payment of the appropriate
10 registration fee and, for motor vehicles, upon submission of
11 proof of liability insurance coverage as defined in section
12 321.1, subsection 95.

13 Sec. 7. Section 321.46, subsection 2, Code 1991, is
14 amended by adding the following new unnumbered paragraph:

15 NEW UNNUMBERED PARAGRAPH. Prior to issuing a registration
16 for a motor vehicle, the county treasurer shall verify that
17 the applicant has submitted proof of liability insurance
18 coverage as required under section 321.20A. If proof is not
19 submitted, registration shall not be issued. Proof of
20 liability insurance coverage is not required for issuance of a
21 certificate of title.

22 Sec. 8. Section 321.54, unnumbered paragraph 1, Code 1991,
23 is amended to read as follows:

24 Nonresident owners of foreign vehicles operated within this
25 state for the intrastate transportation of persons or property
26 for compensation or for the intrastate transportation of
27 merchandise shall register and maintain liability insurance
28 coverage as required under section 321.20A for each such
29 vehicle and pay the same fees therefor ~~as is~~ required with
30 ~~reference to~~ for like vehicles owned by residents of this
31 state.

32 Sec. 9. Section 321.55, Code 1991, is amended to read as
33 follows:

34 321.55 REGISTRATION REQUIRED FOR CERTAIN VEHICLES OWNED OR
35 OPERATED BY NONRESIDENTS.

1 A nonresident owner or operator engaged in remunerative
2 employment within the state or carrying on business within the
3 state and owning or operating a motor vehicle, trailer, or
4 semitrailer within the state shall register and maintain
5 liability insurance coverage as required under section 321.20A
6 for each such vehicle and pay the same fees for registration
7 as are paid for like vehicles owned by residents of this
8 state. However, this paragraph does not apply to a person
9 commuting from the person's residence in another state or
10 whose employment is seasonal or temporary, not exceeding
11 ninety days.

12 A nonresident owner of a motor vehicle operated within the
13 state by a resident of the state shall register the vehicle
14 and shall maintain liability insurance coverage as required
15 under section 321.20A for the vehicle. The nonresident owner
16 shall pay the same fees for registration as are paid for like
17 vehicles owned by residents of this state. However,
18 registration under this paragraph does-not-apply-to is not
19 required for vehicles being operated by residents temporarily,
20 not exceeding ninety days. It is unlawful for a resident to
21 operate within the state an unregistered motor vehicle
22 required to be registered under this paragraph.

23 Sec. 10. Section 321.57, unnumbered paragraph 1, Code
24 1991, is amended to read as follows:

25 A dealer owning any vehicle of a type otherwise required to
26 be registered hereunder under this chapter may operate or move
27 the same vehicle upon the highways solely for purposes of
28 transporting, testing, demonstrating, or selling the same
29 vehicle without registering each-such the vehicle, upon
30 condition that any-such the vehicle display in the manner
31 prescribed in sections 321.37 and 321.38 a special plate
32 issued to such the owner as provided in sections 321.58 to
33 321.62. ~~in-addition-to-the-foregoing,~~ However, if the
34 vehicle is a motor vehicle the dealer shall maintain liability
35 insurance coverage for the motor vehicle as required under

1 section 321.20A. A new car dealer or a used car dealer may
 2 operate or move upon the highways ~~any~~ a new or used car or
 3 trailer owned by the dealer for either private or business
 4 purposes without registering ~~the same providing, (1) such it~~
 5 if the new or used car or trailer is in the dealer's inventory
 6 and is continuously offered for sale at retail, and (2) there
 7 is displayed ~~thereon~~ on it a special plate issued to ~~such the~~
 8 dealer as provided in sections 321.58 to 321.62.

9 Sec. 11. Section 321.492, unnumbered paragraph 1, Code
 10 1991, is amended to read as follows:

11 Any ~~A~~ peace officer is authorized to stop ~~any~~ a vehicle to
 12 require exhibition of the driver's motor vehicle license, to
 13 require exhibition of the proof of insurance card issued for
 14 the vehicle if the vehicle is a motor vehicle registered in
 15 this state, to serve a summons or memorandum of traffic
 16 violation, to inspect the condition of the vehicle, to inspect
 17 the vehicle with reference to size, weight, cargo, log book,
 18 bills of lading or other manifest of employment, tires and
 19 safety equipment, or to inspect the registration certificate,
 20 the compensation certificate, travel order, or permit of the
 21 vehicle.

22 Sec. 12. Section 321A.17, subsections 1 through 3, Code
 23 1991, are amended to read as follows:

24 1. Whenever ~~When~~ the director, under ~~any~~ a law of this
 25 state, suspends or revokes the license of ~~any~~ a person upon
 26 receiving record of a conviction or a forfeiture of bail or
 27 revokes the license of ~~any~~ a person pursuant to chapter 321C,
 28 the director shall also suspend the registration for all motor
 29 vehicles registered in the name of the person, except that the
 30 director shall not suspend the registration, unless otherwise
 31 required by law, if the person has previously given or
 32 immediately gives and thereafter maintains proof of financial
 33 responsibility liability insurance coverage, as defined in
 34 section 321.1, subsection 95, with respect to all motor
 35 vehicles registered by the person.

1 2. ~~Such~~ The license and registration shall remain
2 suspended or revoked and shall not ~~at any time thereafter~~ be
3 renewed nor shall ~~any a~~ license be thereafter issued to such
4 ~~the person; nor shall any motor vehicle be thereafter~~
5 ~~registered in the name of such person~~ until permitted under
6 the motor vehicle laws of this state and not then unless and
7 until the person ~~shall give~~ gives and thereafter ~~maintain~~
8 maintains proof of financial responsibility. The registration
9 shall remain suspended and no motor vehicle shall be
10 registered in the name of the person until the person gives
11 and maintains proof of liability insurance coverage, as
12 defined in section 321.1, subsection 95.

13 3. If a person is not licensed, but by final order or
14 judgment is convicted of or forfeits any bail or collateral
15 deposited to secure an appearance for trial for ~~any an~~ offense
16 requiring the suspension or revocation of license, or for
17 operating an unregistered motor vehicle upon the highways, no
18 a license shall not be thereafter issued to ~~such that~~ person
19 ~~and no motor vehicle shall continue to be registered or~~
20 ~~thereafter be registered in the name of such person~~ until the
21 person ~~shall give~~ gives and thereafter ~~maintain~~ maintains
22 proof of financial responsibility. A motor vehicle registered
23 in the name of the person shall not continue to be registered
24 nor shall a motor vehicle be registered until the person gives
25 and maintains proof of liability insurance coverage as defined
26 in section 321.1, subsection 95.

27 Sec. 13. Section 321A.24, subsection 1, Code 1991, is
28 amended to read as follows:

29 1. a. Proof of financial responsibility may be evidenced
30 by the bond of a surety company duly authorized to transact
31 business within this state, or a bond with at least two
32 individual sureties each owning real estate within this state,
33 and together having equities equal in value to at least twice
34 the amount of the bond, which real estate shall be scheduled
35 in the bond approved by a judge or clerk of a the district

1 court of record and, which ~~said~~ bond shall be conditioned for
2 payment of the amounts specified in section 321A.1, subsection
3 10.

4 b. ~~Such~~ The bond shall be filed with the director and
5 ~~shall~~ is not be cancelable except after ten days' written
6 notice to the director. ~~Such~~ The director shall issue to the
7 person filing the bond a bond insurance card for each motor
8 vehicle registered by the person in the state. The bond
9 insurance card shall state the name and address of the person
10 and the motor vehicle registration number of the vehicle for
11 which the card is issued.

12 c. ~~The bond shall-constitute~~ constitutes a lien in favor
13 of the state upon the real estate so scheduled of any surety,
14 which lien ~~shall-exist~~ exists in favor of any holder of a
15 final judgment against the person who has filed ~~such~~ the bond,
16 for damages, including damages for care and loss of services,
17 because of bodily injury to or death of any a person, or for
18 damage because of injury to or destruction of property,
19 including the loss of use ~~thereof~~ of the property, resulting
20 from the ownership, maintenance, use, or operation of a motor
21 vehicle after ~~such~~ the bond was filed, upon the filing of
22 notice to that effect by the director in the office of the
23 proper clerk of the district court of the county where ~~such~~
24 the real estate ~~shall-be~~ is located. Any An individual surety
25 so scheduling real estate security shall furnish satisfactory
26 evidence of title ~~thereto~~ to the property and the nature and
27 extent of all encumbrances ~~thereon~~ on the property and the
28 value of the surety's interest ~~therein~~ in the property, in
29 ~~such~~ the manner as the judge or clerk of the district court of
30 record approving the bond ~~may-require~~ requires. The notice
31 filed by the director shall contain, in addition to any other
32 matters deemed by the director to be pertinent, contain a
33 legal description of the real estate so scheduled, the name of
34 the holder of the record title, the amount for which it stands
35 as security, and the name of the person in whose behalf proof

1 is so being made. Upon the filing of such the notice the
2 clerk of the district court of such county shall retain the
3 same notice as part of the records of such the court and enter
4 upon the encumbrance book the date and hour of filing, the
5 name of the surety, the name of the record titleholder, the
6 description of the real estate, and the further notation that
7 a lien is charged on such the real estate pursuant to the
8 notice filed hereunder. From and after the entry of the
9 foregoing notice upon the encumbrance book all persons
10 whomsoever shall be are charged with notice thereof of it.

11 d. If the bond is canceled, the person who filed the bond
12 shall surrender to the director all bond insurance cards
13 issued to the person.

14 Sec. 14. Section 321A.25, subsection 1, Code 1991, is
15 amended to read as follows:

16 1. ~~With respect to accidents occurring on or after January~~
17 ~~17, 1981, and before January 17, 1983, proof of financial~~
18 ~~responsibility may be evidenced by the certificate of the~~
19 ~~state treasurer that the person named in the certificate has~~
20 ~~deposited with the treasurer forty thousand dollars in cash,~~
21 ~~or securities such as may legally be purchased by a state bank~~
22 ~~or for trust funds of a market value of forty thousand~~
23 ~~dollars; and with respect to accidents occurring on or after~~
24 ~~January 17, 1983, proof~~ Proof of financial responsibility may
25 be evidenced by the certificate of the state treasurer of
26 state that the person named in the certificate has deposited
27 with the treasurer of state fifty-five thousand dollars in
28 cash, or securities such as which may legally be purchased by
29 a state bank or for trust funds of a market value of fifty-
30 five thousand dollars. The treasurer of state shall promptly
31 notify the director of transportation of the name and address
32 of the person to whom the certificate has been issued. Upon
33 receipt of the notification, the director of transportation
34 shall issue to the person a security insurance card for each
35 motor vehicle registered in this state by the person. The

1 security insurance card shall state the name and address of
2 the person and the registration number of the motor vehicle
3 for which the card is issued. The state treasurer of state
4 shall not accept a deposit and issue a certificate for it and
5 the director shall not accept the certificate unless
6 accompanied by evidence that there are no unsatisfied
7 judgments of any character against the depositor in the county
8 where the depositor resides.

9 Sec. 15. Section 321A.32, subsection 3, Code 1991, is
10 amended to read as follows:

11 3. Any ~~A~~ person who ~~shall-ferge~~ forges or, without
12 authority, ~~sign-any~~ signs a notice provided for under section
13 321A.5 that a policy or bond is in effect, or any evidence of
14 ~~proof-of~~ financial responsibility, or any evidence of
15 liability insurance coverage as defined in section 321.1,
16 subsection 95, or who files or offers for filing any such
17 notice or evidence ~~of-proof~~ knowing or having reason to
18 believe that it is forged or signed without authority, ~~shall~~
19 be is guilty of a serious misdemeanor.

20 Sec. 16. Section 321A.34, subsections 2 and 3, Code 1991,
21 are amended to read as follows:

22 2. The director may, ~~in-the-director's-discretion,~~ upon
23 the application of such a person, issue a certificate of self-
24 insurance ~~when if~~ the director is satisfied that ~~such the~~
25 ~~person is-possessed~~ has and will continue to ~~be-possessed-of~~
26 have the ability to pay judgments obtained against such the
27 person for damages arising out of the ownership, maintenance,
28 or use of any vehicle owned by such the person. The director
29 shall issue to each person who has in effect a valid
30 certificate of self-insurance, a self-insurance card for each
31 motor vehicle registered in this state by the person. The
32 card shall state the name and address of the person and shall
33 state the registration number of the motor vehicle for which
34 the card was issued.

35 3. Upon not less than five days' notice and a hearing

1 pursuant to ~~such~~ the notice, the director may upon reasonable
2 grounds cancel a certificate of self-insurance. Failure to
3 pay ~~any~~ a judgment for damages arising out of the ownership,
4 maintenance, or use of ~~any~~ a vehicle owned by ~~such~~ the self-
5 insurer within thirty days after ~~such~~ the judgment ~~shall~~-have
6 ~~become~~ becomes final ~~shall~~-constitute constitutes a reasonable
7 ground for the cancellation of a certificate of self-
8 insurance. Upon the cancellation of a certificate of self-
9 insurance, the person who was issued the certificate shall
10 surrender to the director all self-insurance cards issued to
11 the person.

12 Sec. 17. Section 326.6, Code 1991, is amended by adding
13 the following new subsection:

14 NEW SUBSECTION. 4. Commercial vehicles shall not be
15 registered proportionally unless the owners submit to the
16 department proof of liability insurance coverage for the
17 vehicles as required under section 321.20A.

18 Sec. 18. Section 326.7, unnumbered paragraph 1, Code 1991,
19 is amended to read as follows:

20 ~~Notwithstanding any other law to the contrary, and as~~ As an
21 alternative to the procedure set out in section 326.6, the
22 department may enter into agreements providing for
23 proportional registration between this state and other
24 jurisdictions of fleets of commercial vehicles owned by
25 residents or nonresidents engaged in interstate commerce or
26 simultaneously engaged in interstate and intrastate commerce
27 on the basis of compact miles. However, commercial vehicles
28 shall not be registered proportionally unless the owner
29 submits proof of liability insurance coverage for vehicles as
30 required under section 321.20A.

31 Sec. 19. Section 326.11, Code 1991, is amended to read as
32 follows:

33 326.11 SUBSEQUENTLY ACQUIRED VEHICLES.

34 Vehicles acquired by a fleet owner after the commencement
35 of the registration year and subsequently added to the fleet

1 shall be prorated by applying the mileage percentage used in
2 the original application for such the fleet for such the
3 registration period to registration fees due under chapter 321
4 but in no case less than that required by section 326.10. A
5 supplemental report shall be filed with the department not
6 later than ten days after such an addition to the fleet and
7 shall include proof that the additional motor vehicles have
8 liability insurance coverage as required under section
9 321.20A.

10 The director may issue temporary written authorization to
11 carriers for vehicles acquired by a fleet owner and added to
12 the fleet owner's prorate fleet after the beginning of the
13 registration year. Temporary authorization shall not be
14 issued unless the owner submits proof that the additional
15 motor vehicles have liability insurance coverage as defined in
16 section 321.1, subsection 95. The temporary authority shall
17 permit the operation of a commercial vehicle until permanent
18 identification is issued, except that the temporary authority
19 shall expire after ninety days.

20 Sec. 20. Section 326.25, Code 1991, is amended by adding
21 the following new subsection:

22 NEW SUBSECTION. 4. Upon a determination that the motor
23 vehicle does not have liability insurance coverage as required
24 under section 321.20A.

25 Sec. 21. Section 805.8, subsection 2, Code 1991, is
26 amended by adding the following new paragraph:

27 NEW PARAGRAPH. v. If, in connection with a motor vehicle
28 accident, a person is charged and found guilty of a violation
29 of section 321.20A, subsection 1, the scheduled fine is five
30 hundred dollars, otherwise the scheduled fine for a violation
31 of section 321.20A, subsection 1, is one hundred dollars.

32 Sec. 22. Sections 1 through 21 of this Act take effect
33 January 1, 1992. However, in order to implement this Act, the
34 insurance division of the department of commerce and the
35 director of transportation shall each adopt rules as required

1 under this Act by October 1, 1991. The treasurer of state
2 shall notify the director of transportation of the names and
3 addresses of persons who are issued valid certificates under
4 section 321A.25, subsection 1, Code 1991, by November 1, 1991,
5 and after that date the treasurer of state shall notify the
6 director of transportation as required under section 14 of
7 this Act. Insurance carriers authorized to do business in
8 this state and the director of transportation shall distribute
9 proof of insurance cards as required under this Act by
10 December 1, 1991.

11 EXPLANATION

12 This bill prohibits a person from driving a motor vehicle
13 registered in this state on the highways of this state unless
14 liability insurance coverage is in effect for the motor
15 vehicle. A violation is subject to a \$500 fine if the
16 violation is in connection with a motor vehicle accident,
17 otherwise the scheduled fine is \$100. A person convicted of
18 driving a motor vehicle without a license is also subject to
19 an administrative fee to be determined by the state department
20 of transportation and the insurance commissioner.

21 The driver of the motor vehicle is also subject to a
22 conviction for a violation if the driver does not have in the
23 motor vehicle a proof of insurance card issued for the motor
24 vehicle. However, a person charged with not having in the
25 motor vehicle a proof of insurance card will not be convicted
26 if the person produces in court, within a reasonable time,
27 proof that the motor vehicle was covered by liability
28 insurance at the time of the driver's arrest. Under the bill,
29 liability insurance coverage includes either liability
30 insurance, the filing of a bond, the deposit of money or
31 securities, or a certification of self-insurance.

32 The bill also requires proof of liability insurance
33 coverage before registering a motor vehicle in this state.
34 However, proof of liability insurance coverage is not required
35 for issuance of a certificate of title.

1 The bill requires insurance companies transacting business
2 in this state to notify the state department of transportation
3 and the sheriff of the county in which the motor vehicle is
4 registered of a cancellation of an insurance policy issued to
5 an owner of a motor vehicle registered in this state within 45
6 days after the policy's cancellation. The bill requires
7 county sheriffs to remove registration plates from motor
8 vehicles which have been operated on the highways of Iowa
9 without liability insurance coverage being in effect for the
10 motor vehicle and requires a \$20 fee for redemption of the
11 registration plates.

12 The bill creates and internally cites new section 321.20A
13 and new subsections 95 and 96 of section 321.1.

14 The bill generally takes effect January 1, 1992, but
15 certain administrative actions are required prior to that date
16 to allow for the bill's implementation.

17 The bill may create a state mandate as defined in chapter
18 25B.

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SENATE FILE 287
FISCAL NOTE

A fiscal note for Senate File 287 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 287 prohibits a person from driving a motor vehicle registered in Iowa unless liability insurance coverage is in effect for the motor vehicle. A violation is subject to a \$500 fine if the violation is in connection with a motor vehicle accident, otherwise the fine is \$100. A person convicted of driving without a license is also subject to an administrative to be determined by the Department of Transportation and the Insurance Commissioner.

Fiscal Effect

The fiscal effect of Senate File 287 cannot be determined at this time. The following are possible impacts as a result of this legislation:

1. According to the Department of Commerce, mandating auto insurance in the State will increase the administrative costs to insurance companies who in turn will pass these higher costs on to all insured Iowa motorists.
2. Mandating proof of insurance would eliminate mail-in registrations which would require some counties to increase staff to handle the additional "over-the-counter" registrations.
3. The Department of Transportation would require additional staff in the Office of Driver Services, Vehicle Registration and Motor Carrier Services and additional funding for data processing needs in order to monitor the legislation.
4. If hearings are allowed relating to the enforcement of this bill, the Department of Inspections and Appeals may require additional staff.

(Source: Department of Transportation, Department of Commerce)

(LSB 2409ss, DLR)

FILED APRIL 19, 1991

BY DENNIS PROUTY, FISCAL DIRECTOR