

statement of resignation contains a statement that the registered office is discontinued, such office is discontinued on the date on which the statement of resignation is filed by the secretary of state.

6. The secretary of state may provide for the change of registered office or registered agent on the form prescribed by the secretary of state for the annual report pursuant to section 504A.83, provided that the form contains the information required in this section. If the secretary of state determines that an annual report does not contain the information required by section 504A.83 but otherwise meets the requirements of this section for the purpose of changing the registered office or registered agent, the secretary of state shall file the statement of change of registered office or registered agent before returning the annual report to the corporation pursuant to section 504A.84. A statement of change of registered office or registered agent pursuant to this paragraph shall be executed by a person authorized to execute the annual report.

Approved May 2, 1997

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## CHAPTER 108

### DEPARTMENT OF TRANSPORTATION — MISCELLANEOUS PROVISIONS

#### S.F. 132

**AN ACT** relating to state department of transportation operations, including regulating hazardous materials transport, regulating motor vehicle dealers, eliminating requirements that the department adopt administrative rules in certain instances, and establishing, making applicable, or enhancing penalties.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 321.1, Code 1997, is amended by adding the following new subsection:

**NEW SUBSECTION.** 0A. “Agricultural hazardous material” means a hazardous material, other than hazardous waste, whose end use directly supports the production of an agricultural commodity, including, but not limited to, a fertilizer, pesticide, soil conditioner, or fuel. “Agricultural hazardous material” is limited to material in class 3, 8, or 9, division 2.1, 2.2, 5.1, or 6.1, or an ORM-D material as defined in 49 C.F.R. § 171.8.

Sec. 2. Section 321.1, subsection 42, paragraph c, Code 1997, is amended to read as follows:

c. “New motor vehicle or new car” means a ~~car~~ motor vehicle subject to registration which has not been sold “at retail” as defined in chapter 322.

Sec. 3. Section 321.11, unnumbered paragraph 3, Code 1997, is amended to read as follows:

Notwithstanding other provisions of this section to the contrary, the department shall not release personal information to a person, other than to an officer or employee of a law enforcement agency or a licensed private investigation agency or a licensed security service or a licensed employee of either, if the information is requested by the presentation of a registration plate number. However, a law enforcement agency may release the name, address, and telephone number of a motor vehicle registrant to a person requesting the information by the presentation of a registration plate number if the law enforcement agency

believes that the information is necessary to prevent an unlawful act. A person seeking the information shall state in writing the nature of the unlawful act that the person is attempting to prevent.

Sec. 4. Section 321.25, unnumbered paragraph 2, Code 1997, is amended to read as follows:

The department shall, upon request by any dealer, furnish "registration applied for" cards free of charge. Only cards furnished by the department shall be used. Only one card shall be issued in accordance with this subsection for each vehicle purchased.

Sec. 5. Section 321.34, subsection 9, Code 1997, is amended to read as follows:

9. LEASED VEHICLES. Registration plates under this section, including disabled veteran plates specified in section 321.105, may be issued to the lessee of a motor vehicle if the lessee provides evidence of a lease for a period of more than sixty days and if the lessee complies with the requirements, under this section, for issuance of the specific registration plates.

Sec. 6. Section 321.50, subsection 4, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. However, when a security interest is discharged for a vehicle with a gross vehicle weight rating of sixteen thousand pounds or more, the lienholder shall note the cancellation of a security interest on the face of the title and may note the cancellation of the security interest on a form prescribed by the department and deliver a copy of the form in lieu of the title to the department or to the treasurer of the county in which the title was issued. The department or county treasurer shall note the release of the security interest upon the statewide computer system and the county's records. A copy of the form, if used, shall be attached to the title by the lienholder and shall be evidence of the release of the security interest. The lienholder shall deliver the title to the first lienholder, or if there is no such person, to the person as designated by the owner, or if there is no such person designated, to the owner.

Sec. 7. Section 321.52, subsection 4, paragraph c, unnumbered paragraph 2, Code 1997, is amended to read as follows:

~~The provision of this subsection requiring a salvage theft examination by a peace officer specially certified or recertified by the Iowa law enforcement academy to do salvage theft examinations shall become effective July 1, 1989. Salvage theft examinations conducted before July 1, 1989, shall be made by peace officers authorized to do so by the state department of transportation or the department of public safety who are qualified, as determined by those agencies, to conduct salvage theft examinations. The state department of transportation shall adopt rules in accordance with chapter 17A to carry out this section, including transition rules allowing for salvage theft examinations prior to July 1, 1989.~~

Sec. 8. Section 321.69, subsection 9, Code 1997, is amended to read as follows:

9. This section does not apply to new motor vehicles with a true mileage, as defined in section 321.71, of one thousand miles or less, motor trucks and truck tractors with a gross vehicle weight rating of sixteen thousand pounds or more, vehicles more than nine model years old, motorcycles, motorized bicycles, and special mobile equipment. The section does apply to motor homes.

Sec. 9. Section 321.104, subsection 4, Code 1997, is amended to read as follows:

4. To ~~purpose to sell, offer for sale,~~ or transfer a motor vehicle, trailer, or semitrailer, except as provided in section 321.47 or 321.48, without obtaining a certificate of title in the name of the seller or transferor or without delivering to the purchaser or transferee a certificate of title or a manufacturer's or importer's certificate duly assigned to the purchaser or transferee as provided in this chapter.

Sec. 10. Section 321.105, unnumbered paragraph 5, Code 1997, is amended to read as follows:

Seriously disabled veterans who have been provided with an automobile or other vehicle by the United States government under the provisions of sections 1901 to 1903, Title 38 of the United States Code, {38 U.S.C. § 1901 et seq. (1970)}, shall be exempt from payment of any automobile registration fee provided in this chapter, and shall be provided, without fee, with a registration plate. The disabled veteran, to be able to claim the above benefit, must be a resident of the state of Iowa ~~and must produce a certificate of title to the automobile owned and registered in this state in the name of said veteran.~~

Sec. 11. NEW SECTION. 321.174A OPERATION OF MOTOR VEHICLES WITH EXPIRED LICENSE.

A person shall not operate a motor vehicle upon a highway in this state with an expired motor vehicle license.

Sec. 12. Section 321.208A, Code 1997, is amended to read as follows:

321.208A OPERATION IN VIOLATION OF OUT-OF-SERVICE ORDER — PENALTY.

A person required to hold a commercial driver's license to operate a commercial motor vehicle shall not operate a commercial motor vehicle on the highways of this state in violation of an out-of-service order issued by a peace officer for a violation of the out-of-service rules adopted by the department. An employer shall not allow an employee to drive a commercial motor vehicle in violation of such out-of-service order. ~~The department shall adopt out-of-service rules which shall be consistent with 49 C.F.R. § 392.5 adopted as of a specific date by the department.~~ A person who violates this section shall be subject to a penalty of one hundred dollars.

Sec. 13. Section 321.236, subsection 12, Code 1997, is amended to read as follows:

12. Designating highways or portions of highways as snow routes. When conditions of snow or ice exist on the traffic surface of a designated snow route, it is unlawful for the driver of a vehicle to impede or block traffic if the driving wheels of the vehicle are not equipped with snow tires, tire chains, or a nonslip differential. ~~"Snow tires" as used in this subsection means tires designed for use when there are conditions of snow or ice on the highways, and meeting the standards which shall be promulgated by rule of the director of transportation. The standards promulgated by the director shall require that snow tires be so designed to provide adequate traction to maintain reasonable movement of the motor vehicle on highways under snow conditions.~~

~~Any~~ A person charged with impeding or blocking traffic for lack of snow tires, chains, or nonslip differential shall have ~~said the~~ charge dismissed upon a showing to the court that the person's motor vehicle was equipped with snow tires, chains, or a nonslip differential.

Sec. 14. Section 321.249, Code 1997, is amended to read as follows:

321.249 SCHOOL ZONES.

Cities and counties shall have the power to establish school zones and provide for the stopping of all motor vehicles approaching ~~said the school~~ zones, when movable stop signs have been placed in the streets in ~~such the~~ cities and highways in counties at the limits of the zones, ~~this notwithstanding the provisions of any statute to the contrary.~~ All traffic-control devices provided for school zones shall conform to specifications included in the manual of traffic-control devices adopted by the department, except the provision prohibiting the use of portable or part-time stop signs.

Sec. 15. Section 321.266, subsection 4, Code 1997, is amended to read as follows:

4. Notwithstanding section 455B.386, a carrier transporting hazardous material upon a public highway in this state, in the case of an accident involving the transportation of the hazardous material, shall immediately notify the police radio broadcasting system established pursuant to section 693.1 or shall notify a peace officer of the county or city in which

the accident occurs. When a local law enforcement agency is informed of the accident, the agency shall notify the Iowa highway safety patrol and the state department of transportation office of motor vehicle enforcement. A person who violates a provision of this subsection is guilty of a serious misdemeanor.

Sec. 16. Section 321.309, Code 1997, is amended to read as follows:

321.309 TOWING — CONVOYS — DRAWBARS.

~~No~~ A person shall not pull or tow by motor vehicle, for hire, another motor vehicle over any highway outside the limits of any incorporated city, except in case of temporary movement of a disabled motor vehicle to the place where repairs will be made, unless ~~such~~ the person has complied with the provisions of sections 321.57 and 321.58. Provided, however, if ~~such~~ the person is a nonresident of the state of Iowa and has complied with the laws of the state of that person's residence governing licensing and registration as a transporter of motor vehicles the person shall not be required to pay the fee provided in section 321.58 but only to submit proof of the person's status as a bona fide manufacturer or transporter as may reasonably be required by the department.

~~Every~~ A person pulling or towing by motor vehicle another motor vehicle in convoy or caravan shall maintain a distance of at least five hundred feet between the units of ~~said~~ the convoy or caravan.

~~The drawbar or towing arm between a motor vehicle pulling or towing another motor vehicle shall be of a type approved by the director, except in case of the temporary movement of a disabled vehicle in an emergency situation.~~

Sec. 17. Section 321.317, subsection 1, Code 1997, is amended to read as follows:

1. The signals required under the provisions of this chapter may be given either by means of the hand and arm as provided in section 321.318, or by a mechanical or electrical directional signal device or light ~~of a type approved by the department and conforming to the provisions of this chapter relating thereto.~~

Sec. 18. Section 321.317, subsection 3, Code 1997, is amended to read as follows:

3. It is unlawful for any person to sell or offer for sale or operate on the highways of the state any vehicle subject to registration under the provisions of this chapter which has never been registered in this or any other state prior to January 1, 1954, unless the vehicle is equipped with a directional signal device of a type ~~approved by the department and is in compliance with the provisions of subsection 2 of this section.~~ Motorcycles, motorized bicycles and semitrailers and trailers less than forty inches in width are exempt from the provisions of this section.

Sec. 19. Section 321.373, subsection 7, Code 1997, is amended to read as follows:

7. A school bus may be equipped with a white flashing strobe light mounted on the roof of the bus to afford optimum visibility during periods of inclement weather. The light shall be ~~of a type approved by the department of transportation and shall be installed and operated in accordance with rules promulgated by the department of education.~~ Each new school bus put into initial service after January 1, 1977, shall be equipped with such a light.

Sec. 20. Section 321.383, subsection 2, Code 1997, is amended to read as follows:

2. When operated on a highway in this state at a speed of thirty miles per hour or less, every farm tractor, or tractor with towed equipment, self-propelled implement of husbandry, road construction or maintenance vehicle, road grader, horse-drawn vehicle, or any other vehicle principally designed for use off the highway and any such tractor, implement, vehicle, or grader when manufactured for sale or sold at retail after December 31, 1971, shall be identified with a reflective device ~~of a type approved by the director in accordance with the standards of the American society of agricultural engineers;~~ however, this provision shall not apply to such vehicles when traveling in any escorted parade. The reflective device shall be visible from the rear ~~and mounted in a manner approved by the director.~~ The director,

~~when approving the device, shall be guided as far as practicable by the standards of the American society of agricultural engineers.~~ A vehicle other than those specified in this section shall not display a reflective device. On vehicles operating at speeds above thirty miles per hour, the reflective device shall be removed or hidden from view.

Sec. 21. Section 321.397, Code 1997, is amended to read as follows:

321.397 LAMPS ON BICYCLES.

Every bicycle shall be equipped with a lamp on the front exhibiting a white light, at the times specified in section 321.384 visible from a distance of at least three hundred feet to the front and with a lamp on the rear exhibiting a red light visible from a distance of three hundred feet to the rear; except that a red reflector ~~meeting the requirements of this chapter~~ may be used in lieu of a rear light.

Sec. 22. Section 321.423, subsection 6, Code 1997, is amended to read as follows:

6. AMBER FLASHING LIGHT. A farm tractor, farm tractor with towed equipment, self-propelled implement of husbandry, road construction or maintenance vehicle, road grader, or other vehicle principally designed for use off the highway which, when operated on a primary or secondary road, is operated at a speed of twenty-five miles an hour or less, shall be equipped with and display an amber flashing light visible from the rear at any time from sunset to sunrise. If the amber flashing light is obstructed by the towed equipment, the towed equipment shall also be equipped with and display an amber flashing light as required under this subsection. All vehicles specified in this subsection which are manufactured for sale or sold in this state shall be equipped with an amber flashing light in accordance with the standards of the American society of agricultural engineers. ~~The type, number, dimensions, and method of mounting of the lights shall be determined by the director. The director, when approving the light, shall be guided as far as practicable by the standards of the American society of agricultural engineers.~~

Sec. 23. Section 321.424, Code 1997, is amended to read as follows:

321.424 SALE OF LIGHTS — APPROVAL.

On and after July 4, 1955, ~~no~~ a person shall not have for sale, sell, or offer for sale for use upon or as a part of the equipment of a motor vehicle, trailer, or semitrailer, or use upon any such vehicle any headlamp, auxiliary, or fog lamp, rear lamp, signal lamp, or reflector, which reflector is required hereunder, or parts of any of the foregoing which tend to change the original design or performance, unless of a type which has been submitted to the director and approved by the director.

~~The foregoing provisions of this section shall not apply to equipment in actual use when this section is adopted or replacement parts therefor.~~

~~No~~ A person shall not have for sale, sell, or offer for sale for use upon or as a part of the equipment of a motor vehicle, trailer, or semitrailer any lamp or device mentioned in this section which has been approved by the director headlamp, auxiliary or fog lamp, rear lamp, signal lamp, or reflector, unless such lamp or device bears thereon the trademark or name under which it is approved so as to be legible when installed.

~~No person shall use upon any motor vehicle, trailer, or semitrailer any lamps mentioned in this section unless said lamps are mounted, adjusted and aimed in accordance with instructions of the director.~~

Sec. 24. Section 321.430, subsection 3, Code 1997, is amended to read as follows:

3. Every trailer or semitrailer of a gross weight of three thousand pounds or more, and every trailer coach or travel trailer of a gross weight of three thousand pounds or more intended for use for human habitation, when operated on the highways of this state, shall be equipped with brakes adequate to control the movement of and to stop and hold such vehicle, and so designed as to be applied by the driver of the towing motor vehicle from its cab, or with self-actuating brakes, and weight equalizing hitch with a sway control ~~of a type approved by the director of transportation.~~ Every semitrailer, travel trailer, or trailer coach of

a gross weight of three thousand pounds or more shall be equipped with a separate, auxiliary means of applying the brakes on the semitrailer, travel trailer, or trailer coach from the cab of the towing vehicle. Trailers or semitrailers with a truck or truck tractor need only comply with the brake requirements.

Sec. 25. Section 321.444, subsection 3, Code 1997, is amended by striking the subsection.

Sec. 26. Section 321.445, subsection 1, Code 1997, is amended to read as follows:

1. Except for motorcycles or motorized bicycles, 1966 model year or newer motor vehicles subject to registration in Iowa shall be equipped with safety belts and safety harnesses of a type and installed in a manner approved by rules adopted by the department pursuant to chapter 17A. ~~The department shall adopt rules regarding the types of safety belts and safety harnesses required to be installed in motor vehicles and the manner in which they are installed. The rules shall~~ which conform with federal motor vehicle safety standard numbers 209 and 210 as published in 49 C.F.R. § 571.209 – 571.210 and with prior federal motor vehicle safety standards for seat belt assemblies and seat belt assembly anchorages applicable for the motor vehicle's model year. The department may adopt rules which comply with changes in the applicable federal motor vehicle safety standards with regard to the type of safety belts and safety harnesses and their manner of installation.

Sec. 27. Section 321.450, unnumbered paragraph 2, Code 1997, is amended to read as follows:

Notwithstanding other provisions of this section, rules adopted under this section concerning physical and medical qualifications for drivers of commercial vehicles engaged in intrastate commerce shall not be construed as disqualifying any individual who was employed as a driver of commercial vehicles engaged in intrastate commerce prior to January 1, 1988, and whose physical or medical condition existed, prior to July 29, 1996.

Sec. 28. Section 321.450, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding other provisions of this section, rules adopted under this section shall not apply to a farmer or employees of a farmer when transporting an agricultural hazardous material between the sites in the farmer's agricultural operations unless the material is being transported on the interstate highway system. As used in this paragraph, "farmer" means a person engaged in the production or raising of crops, poultry, or livestock, "farmer" does not include a person who is a commercial applicator of agricultural chemicals or fertilizers.

Sec. 29. Section 321.462, unnumbered paragraph 2, Code 1997, is amended by striking the unnumbered paragraph.

Sec. 30. Section 321.493, subsection 1, Code 1997, is amended to read as follows:

1. a. ~~In~~ Subject to paragraph "b", in all cases where damage is done by any motor vehicle by reason of negligence of the driver, and driven with the consent of the owner, the owner of the motor vehicle shall be liable for such damage. For purposes of this subsection, "owner" means the person to whom the certificate of title for the vehicle has been issued or assigned or to whom a manufacturer's or importer's certificate of origin for the vehicle has been delivered or assigned. However, if the vehicle is leased, "owner" means the person to whom the vehicle is leased, not the person to whom the certificate of title for the vehicle has been issued or assigned or to whom the manufacturer's or importer's certificate of origin for the vehicle has been delivered or assigned. For purposes of this subsection, "leased" means the transfer of the possession or right to possession of a vehicle to a lessee for a valuable consideration for a continuous period of twelve months or more, pursuant to a written agreement.

b. The owner of a vehicle with a gross vehicle weight rating of seven thousand five hundred pounds or more who rents the vehicle for less than a year under an agreement which requires an insurance policy covering at least the minimum levels of financial responsibility prescribed by law, shall not be deemed to be the owner of the vehicle for the purpose of determining financial responsibility for the operation of the vehicle or for the acts of the operator in connection with the vehicle's operation.

Sec. 31. Section 321.560, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A person who is determined to be a habitual offender while the person's license is already revoked for being a habitual offender under section 321.555 shall not be issued a license to operate a motor vehicle in this state for a period of not less than two years nor more than six years. The revocation period may commence either on the date of the final decision of the department under section 17A.19 or the date on which the district court upholds the final decision of the department, whichever occurs later, or on the date the previous revocation expires.

Sec. 32. Section 321H.2, subsection 9, Code 1997, is amended to read as follows:

9. "Vehicle salvager" means a person engaged in the business of scrapping vehicles, recycling, dismantling, or storing wrecked or damaged vehicles or selling reusable parts of vehicles or storing vehicles not currently registered which vehicles are subject to registration under chapter 321.

Sec. 33. Section 321H.3, subsection 1, Code 1997, is amended to read as follows:

1. Selling or offering for sale used bodies, parts of bodies, frames, or component parts of more than six used vehicles subject to registration under chapter 321 in a calendar year; or

Sec. 34. Section 321H.8, Code 1997, is amended to read as follows:

321H.8 PENALTIES.

A person convicted of violating a provision of this chapter is guilty of a simple serious misdemeanor.

Sec. 35. Section 322.2, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. "Engaged in the business" means doing any of the following acts for the purpose of the sale of motor vehicles at retail: acquiring, selling, exchanging, holding, offering, displaying, brokering, accepting on consignment, conducting a retail auction, or acting as an agent for the purpose of doing any of those acts. A person selling at retail more than six motor vehicles during a twelve-month period may be presumed to be engaged in the business.

Sec. 36. Section 322.3, subsection 11, Code 1997, is amended to read as follows:

11. A person who is engaged in the business of selling motor vehicles at retail shall not sell, offer for sale, display, represent, or advertise that the person intends to sell motor vehicles from a location other than the person's place of business, except as provided in section 322.5.

Sec. 37. Section 322.14, unnumbered paragraph 1, Code 1997, is amended to read as follows:

Any person violating any of the provisions of this chapter where a penalty is not specifically provided for shall be deemed guilty of a simple serious misdemeanor.

Sec. 38. Section 322.29, Code 1997, is amended to read as follows:

322.29 ISSUANCE OF LICENSE — FEES.

Application for license shall be made to the department by a manufacturer, distributor, or wholesaler, ~~factory branch, distributor branch, factory representative or distributor representative~~ in a form and containing information as the department requires and shall be

accompanied by the required license fee. Licenses shall be granted or refused within thirty days after application, and shall expire, unless sooner revoked or suspended, on December 31 of the calendar year for which they are granted.

License fees for each calendar year, or part thereof, shall be as follows effective January 1, ~~1980~~ 1998:

1. For a motor vehicle manufacturer, thirty-five dollars.
2. For a new motor vehicle distributor or wholesaler, twenty dollars.
3. For a used motor vehicle distributor or wholesaler, ten dollars.
4. ~~For each factory branch of a motor vehicle manufacturer in this state, ten dollars.~~
5. ~~For a factory representative or distributor branch or representative, five dollars.~~

A license shall not be issued to a person as a distributor or wholesaler for a new motor vehicle model unless the distributor or wholesaler has written authorization from the manufacturer as a distributor or wholesaler of the motor vehicle model. ~~A license shall not be issued to a factory representative unless the person is employed by a licensed manufacturer. A license shall not be issued to a distributor representative unless the person is employed by a licensed distributor or wholesaler. A license shall not be issued to a factory branch unless the motor vehicle manufacturer maintaining the branch is a licensed manufacturer nor shall a license be issued to a distributor branch unless the distributor maintaining the branch is a licensed distributor or wholesaler.~~

A person who rebuilds new completed motor vehicles by fabricating, altering, adding, or replacing essential parts, components, or equipment for the purpose of building an ambulance, rescue vehicle, or fire vehicle as defined in chapter 321 may be issued a license as a wholesaler of new motor vehicles of the make and model rebuilt.

~~Every factory representative or distributor representative shall carry a license when engaged in business, and display the license upon request. The license shall name the employer, and in case of a change of employer, the representative shall immediately mail the license to the department which shall endorse the change on the license without charge.~~

Sec. 39. Section 322.31, Code 1997, is amended to read as follows:

#### 322.31 DENIAL OF LICENSE.

The department may deny the application of any person for a license as a manufacturer, distributor, or wholesaler, ~~factory branch, distributor branch, factory representative or distributor representative~~ if after reasonable notice and a hearing the department determines that such applicant has violated any provision of this chapter and may revoke or suspend any such license that has been issued if the department shall determine after reasonable notice and a hearing that such licensee has violated any provision of this chapter.

Sec. 40. Section 322A.15, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Good cause does not include a realignment, relocation, or reduction of dealerships.

Sec. 41. Section 322C.4, subsection 1, paragraph e, Code 1997, is amended to read as follows:

e. If the applicant is a party to a contract, agreement or understanding with a manufacturer or distributor of travel trailers or is about to become a party to a contract, agreement, or understanding, the applicant shall state the name of each manufacturer and distributor and the make or makes of new ~~motor vehicles~~ travel trailers, if any, which are the subject matter of the contract, agreement or understanding.

Sec. 42. Section 452A.51, Code 1997, is amended to read as follows:

#### 452A.51 PURPOSE.

The purpose of this division is to provide an additional method of collecting fuel taxes from interstate motor vehicle operators commensurate with their operations on Iowa highways; and to permit the state department of transportation to suspend this collection as to



transportation entering Iowa from any other state where it appears that Iowa highway fuel tax revenue and interstate highway transportation moving out of Iowa will not be unduly prejudiced thereby. Further, all motor vehicle operators from jurisdictions not participating in the international fuel tax agreement are required to comply with this chapter using the guidelines from the international fuel tax agreement for Iowa fuel tax compliance reporting purposes, penalty, interest, refunds, and credential display.

Sec. 43. Section 452A.53, unnumbered paragraphs 1, 2, and 3, Code 1997, are amended to read as follows:

The advance arrangements referred to in the preceding section shall include the procuring of a permanent ~~interstate fuel~~ international fuel tax agreement permit or license or single trip interstate permit.

Persons choosing not to make advance arrangements with the state department of transportation by procuring a permit or license are not relieved of their responsibility to purchase motor fuel and special fuel commensurate with their use of the state's highway system. When there is reasonable cause to believe that there is evasion of the fuel tax on commercial motor vehicles, the state department of transportation may audit persons not holding a permit or license. Audits shall be conducted pursuant to section 452A.55 and in accordance with international fuel tax agreement guidelines. The state department of transportation shall collect all taxes due and refund any overpayment.

A permanent international fuel tax agreement permit or license may be obtained upon application to the state department of transportation. A fee of ten dollars shall be charged for each permit or license issued. The holder of a permanent permit or license shall have the privilege of bringing into this state in the fuel supply tanks of commercial motor vehicles any amount of motor fuel or special fuel to be used in the operation of the vehicles and for that privilege shall pay Iowa motor fuel or special fuel taxes as provided in section 452A.54. A single trip interstate permit may be obtained from the state department of transportation. A fee of ~~twelve~~ twenty dollars shall be charged for each individual single trip interstate permit issued. A single trip interstate permit is subject to the following provisions and limitations:

Sec. 44. Section 452A.54, unnumbered paragraph 2, Code 1997, is amended to read as follows:

Notwithstanding any provision of this chapter to the contrary, except as provided in this section, the holder of a permanent international fuel tax agreement permit or license may make application to the state department of transportation for a refund, not later than the last day of the third month following the quarter in which the overpayment of Iowa fuel tax paid on excess purchases of motor fuel or special fuel was reported as provided in section 452A.8, and which application is supported by such proof as the state department of transportation may require. The state department of transportation shall refund Iowa fuel tax paid on motor fuel or special fuel purchased in excess of the amount consumed by such commercial motor vehicles in their operation on the highways of this state.

Sec. 45. Section 452A.54, unnumbered paragraph 4, Code 1997, is amended to read as follows:

To determine the amount of fuel taxes due under this division and to prevent the evasion thereof, the state department of transportation shall require a quarterly report on forms prescribed by the state department of transportation. It shall be filed not later than the last day of the month following the quarter reported, and each quarter thereafter. These reports shall be required of all persons who have been issued a permit or license under this division and shall cover actual operation and fuel consumption in Iowa on the basis of the permit or license holder's average consumption of fuel in Iowa, determined by the total miles traveled and the total fuel purchased and consumed for highway use by the permittee's or licensee's commercial motor vehicles in the permittee's or licensee's entire operation in all states to

establish an overall miles per gallon ratio, which ratio shall be used to compute the gallons used for the miles traveled in Iowa.

Sec. 46. Section 452A.55, Code 1997, is amended to read as follows:

**452A.55 RECORDS.**

Every person operating within the purview of this division shall make and keep for a period of ~~three~~ four years such records as may reasonably be required by the state department of transportation for the administration of this division. If in the normal conduct of the business, the required records are maintained and kept at an office outside the state of Iowa, it shall be a sufficient compliance with this section if the records are made available for audit and examination by the state department of transportation at the office outside Iowa.

The state department of transportation within a period of one year from the issuance of a permanent ~~interstate~~ international fuel tax agreement fuel permit or license may audit the records of the permittee or licensee for the two years preceding the issuance of the permit or license. The state department of transportation shall collect all taxes due had the permittee or licensee been licensed for the two years prior to the issuance of the permit or license and shall refund any overpayment pursuant to section 452A.54. When, as a result of an audit, fuel taxes unpaid and due the state of Iowa exceed five hundred dollars, the audit shall be at the expense of the person whose records are being audited. However, if an audit of records maintained under this section is made outside the state of Iowa in a state which requires payment of the costs for similar audits performed by officials or employees of the other state when made in Iowa, then all costs of audits performed outside of Iowa in the other state shall be at the expense of the person whose records are audited.

Sec. 47. Section 805.8, subsection 2, paragraph w, Code 1997, is amended to read as follows:

w. For failure to have a valid license or permit for operating a motor vehicle on the highways of this state pursuant to section 321.174, the scheduled fine is ~~twenty one hundred~~ one hundred dollars.

Sec. 48. Section 805.8, subsection 2, Code 1997, is amended by adding the following new paragraphs:

NEW PARAGRAPH. ad. For violations of section 321.57, the scheduled fine is fifty dollars. For violations of section 321.62, the scheduled fine is fifty dollars.

NEW PARAGRAPH. ae. For operating a motor vehicle on the highways of this state with an expired motor vehicle license pursuant to section 321.174A, the scheduled fine is twenty dollars.

Sec. 49. Sections 321.27, 321.120, 321.391, 321.424, 321.428, and 321.429, Code 1997, are repealed.

Approved May 2, 1997