



[HF 2360](#) – Driver’s Licenses, Expiration (LSB5967HV)
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 Fiscal Note Version – New

Description

[House File 2360](#) increases the age limit up to which an eight-year driver’s license may be valid from 74 to 78 years. If the licensee is age 72 or over, the period of validity for a license is increased from two to six years from the licensee’s birthday.

Background

Current law provides for eight-year license terms from the licensee’s birthday occurring at the year of issuance. The term of a license is not to exceed the licensee’s 74th birthday, and beginning at age 72, a licensee is to be issued a license for a period of two years.

Assumptions

- The Department of Transportation (DOT) identifies 2.6 million license transactions for currently licensed drivers that may be impacted by the Bill.
- The DOT will administer 60.0% of the license transactions, and county treasurers will administer 40.0%.
- It is estimated that it will take eight years to realize the full impact of the Bill. The DOT estimates that transactions will be reduced by 61,300 per year once the Bill is fully implemented.
- The DOT estimates that each driver’s license transaction will require 10 minutes.
- The annual reduction in transactions will be phased in over six years.
- Driver’s license cards are produced at a cost of \$4.28 per card.

Fiscal Impact

[House File 2360](#) is estimated to reduce card issuance costs to the Road Use Tax Fund (RUTF) by the amounts reflected in the table below. Administrative efforts would be reduced, and this reduction would be spread among 18 DOT offices, 88 county offices, and 20 DOT renewal kiosks.

Table 1 – Reduced Card Issuance Costs (Funded by RUTF)							
FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
\$ 33,000	\$ 66,000	\$ 98,000	\$ 131,000	\$ 164,000	\$ 197,000	\$ 230,000	\$ 262,000

Source

Iowa Department of Transportation

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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