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[HF 493](#) – Electric Bicycles (LSB1314HV)

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Fiscal Note Version – New

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## **Description**

[House File 493](#) defines “low-speed electric bicycle” and establishes three different classes of low-speed electric bicycles and where those bicycles may operate. The criteria for each class of low-speed electric bicycle is as follows:

- Class 1: Low-speed electric bicycle equipped with a motor that may be used to provide assistance only when the rider is pedaling and that ceases when the bicycle speed reaches 20 miles per hour or more.
- Class 2: Low-speed electric bicycle equipped with a motor that may be used to exclusively propel the bicycle and that is not capable of providing assistance when the bicycle speed reaches 20 miles per hour or more.
- Class 3: Low-speed electric bicycle equipped with a motor that may be used to provide assistance only when the rider is pedaling and that ceases when the bicycle speed reaches 28 miles per hour or more.

The Bill excludes low-speed electric bicycles from the definition of “vehicle” and thereby excluding them from license and permit requirements.

The Bill requires that manufacturers or distributors of these bicycles permanently affix a label to low-speed electric bicycles manufactured or distributed after January 1, 2022, stating the class number of the bicycle, the top assisted speed, and the motor wattage. The Bill limits the ability to modify a low-speed electric bicycle in a way that would disqualify it from the definition stated in the Bill, and if modification would move a bicycle from one classification of low-speed electric bicycle to another, the bicycle must be labeled as the new classification. The Bill also provides certain manufacturing requirements and prohibits a person aged 16 or younger from operating a class 3 low-speed electric bicycle.

House File 493 creates two new scheduled violations within Iowa Code section [805.8A](#)(9A), both of which have a fine of \$25.

## **Background**

A low-speed electric bicycle is defined in United States Code as a two or three wheeled bicycle with both fully operable pedals and an electric motor of less than 750 watts. This definition was adopted at the federal level in 2002. Twenty-six states have a three-tiered electric bike classification system, while New Jersey and West Virginia have a two-tiered classification system. The 26 states that have a three-tiered classification system use very similar definitions included in HF 493. These states also require a label to be affixed to the bicycle stating the classification number, top assisted speed, and wattage.

**Assumptions**

A violation under this Bill will result in a scheduled fine of \$25. The fine revenue will be distributed under Iowa Code section [602.8016\(4\)\(b\)](#).

**Correctional Impact**

House File 493 establishes two new scheduled violations within Iowa Code section 805.8A(9A). The punishments for scheduled violations under this Bill do not include the possibility of imprisonment, and as a result, this Bill is not estimated to have a correctional impact. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 22, 2021, for information related to the correctional system.

**Minority Impact**

House File 493 establishes two new scheduled violations, but it is unknown how many citations may result from this Bill. As a result, the minority impact of HF 493 cannot be estimated. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 27, 2021, for information related to minorities in the criminal justice system.

**Fiscal Impact**

House File 493 establishes two new citations within Iowa Code section 805.8A(9A). The new citations established by HF 493 may result in an increase in fine and surcharge revenue, but the impact is unknown. **Table 1** shows the distribution of fine revenue for one citation of each scheduled violation established under this Bill.

**Table 1 — Fine and Surcharge Revenue Distribution**

Code Section	Scheduled Fine	15.0% Crime Services Surcharge	Fine Distribution		15.0% Crime Services Surcharge Distribution				Court Costs
			91.0% to State General Fund/EMS* Fund	9.0% to County	32.0% to Victim Comp. Fund	20.0% to Criminalistics Lab Fund	2.0% to DARE** Fund	46.0% to Juvenile Home Detention Fund	
805.8A(9A)(a)	\$25	\$3.75	\$22.75	\$2.25	\$1.20	\$0.75	\$0.08	\$1.73	\$55.00
805.8A(9A)(b)	\$25	\$3.75	\$22.75	\$2.25	\$1.20	\$0.75	\$0.08	\$1.73	\$55.00

\*Emergency Medical Services Fund (EMS) \*\* Drug Abuse Resistance Education (DARE)

A small percentage of the new Class 3 bicycles may have previously qualified as a motorized bicycle and therefore been subject to license or registration requirements. The Road Use Tax Fund will experience a reduction in revenue due to this change, but the reduction is expected to be minimal.

**Sources**

Legislative Services Agency  
National Conference of State Legislatures

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/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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