

CHESTER J. CULVER
GOVERNOR

PATTY JUDGE LT. GOVERNOR

March 25, 2008

The Honorable Michael Mauro Secretary of State State Capitol Building L O C A L

Dear Mr. Secretary:

I hereby transmit:

House File 2213, an Act relating to technical matters concerning the regulation of motor vehicles by the department of transportation and providing an effective date.

The above House File is hereby approved this date.

Sincerely,

Chester J. Culver

Governor

CJC:bdj

cc: Secretary of the Senate Chief Clerk of the House





HOUSE FILE 2213

AN ACT

RELATING TO TECHNICAL MATTERS CONCERNING THE REGULATION OF MOTOR VEHICLES BY THE DEPARTMENT OF TRANSPORTATION AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 321.1, subsection 6B, Code 2007, is amended to read as follows:

- 6B. "Bona fide residence" or "bona fide address" means the current street or highway address of an individual's residence. The bona fide residence of a person with more than one dwelling is the dwelling for which the person claims a homestead tax credit under chapter 425, if applicable. The bona fide residence of a homeless person is a primary nighttime residence meeting one of the criteria listed in section 48A.2, subsection 2.
- Sec. 2. Section 321.1, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. "Completed motor vehicle" means a motor vehicle which does not require any additional manufacturing operations to perform its intended function except the addition of readily attachable equipment, components, or minor finishing operations.

- Sec. 3. Section 321.1, subsection 37, Code 2007, is amended to read as follows:
- 37. "Manufacturer" means every person engaged in the business of fabricating or assembling vehicles of a type required to be registered. It does not include a person who converts, modifies, or alters a completed motor vehicle manufactured by another person. It includes a person who uses

a completed motor vehicle manufactured by another person to construct a class "B" motor home as defined in section 321.124.

"Completed-motor-vehicle"-means-a-motor-vehicle-which-does not-require-any-additional-manufacturing-operations-to-perform its-intended-function-except-the-addition-of-readily attachable-equipment,-components,-or-minor-finishing operations.

"Final-stage-manufacturer"-means-a-person-who-performs-such manufacturing-operations-on-an-incomplete-vehicle-that-it becomes-a-completed-vehicle---A-final-stage-manufacturer-shall furnish-to-the-department-a-document-which-identifies-that-the vehicle-was-incomplete-prior-to-that-manufacturing-operation. The-identification-shall-include-the-name-of-the-incomplete vehicle-manufacturer,-the-date-of-manufacture,-and-the-vehicle identification-number-to-ascertain-that-the-document-applies to-a-particular-incomplete-vehicle.

"Incomplete-vehicle"-means-an-assemblage, as-a-minimum, consisting-of-a-frame-and-chassis-structure, power-train, steering-system, suspension-system, and braking-system, to-the extent-that-those-systems-are-to-be-a-part-of-the-completed vehicle, that-requires-further-manufacturing-operations, other than-the-addition-of-readily-attachable-equipment, components, or-minor-finishing-operations.

Sec. 4. Section 321.10, unnumbered paragraph 1, Code 2007, is amended to read as follows:

The director and officers of the department designated by the director are authorized to prepare under the seal of the department and provide upon request a certified copy of any record of the department, charging a fee of fifty cents for each document so authenticated, and every such certified copy shall be admissible in any proceeding in any court in like manner as the original and shall be considered to be true and accurate unless shown otherwise by an objecting party. The seal of the department may be applied electronically on certified copies of records.

- Sec. 5. Section 321.20, subsection 1, paragraph d, Code 2007, is amended to read as follows:
- d. A statement of the applicant's title and of all liens or encumbrances upon the vehicle and the names and bona-fide mailing addresses of all persons having any interest in the vehicle and the nature of every such interest. When the

application refers to a new vehicle, it shall be accompanied by a manufacturer's or importer's certificate duly assigned as provided in section 321.45.

- Sec. 6. Section 321.24, subsection 3, Code Supplement 2007, is amended to read as follows:
- 3. The certificate of title shall contain upon its face the identical information required upon the face of the registration receipt. In addition, the certificate of title shall contain a statement of the owner's title, the title number assigned to the owner or owners of the vehicle, the amount of tax paid pursuant to section 423.26, the name and address of the previous owner, and a statement of all security interests and encumbrances as shown in the application, upon the vehicle described, including the nature of the security interest, date of perfection, and name and mailing address of the secured party.
- Sec. 7. Section 321.30, subsection 1, Code Supplement 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. m. If the applicant is under eighteen years of age, unless the applicant has an Iowa driver's license or the application is being made by more than one applicant and one of the applicants is at least eighteen years of age.

- Sec. 8. Section 321.30, subsection 3, Code Supplement 2007, is amended to read as follows:
- 3. The department or the county treasurer shall refuse registration of a vehicle on-the-following-grounds:

a.--If-the-applicant-is-under-the-age-of-eighteen-years, unless-the-applicant-has-an-Iowa-driver's-license-or-the application-is-being-made-by-more-than-one-applicant-and-one of-the-applicants-is-at-least-eighteen-years-of-age.

b.--If if the applicant for registration of the vehicle has failed to pay the required registration fees of any vehicle owned or previously owned when the registration fee was required to be paid by the applicant, and for which vehicle the registration was suspended or revoked under section 321.101, subsection 1, paragraph "d", or section 321.101A, until the fees are paid together with any accrued penalties.

Sec. 9. Section 321.34, subsection 16, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who is a member of the national guard, as defined in chapter 29A, may, upon written application to the department, order special registration plates with a national guard processed emblem with the emblem designed by the department in cooperation with the adjutant general which emblem signifies that the applicant is a member of the national guard. The application shall be approved by the department in consultation with the adjutant The special plate fees collected by the director general. under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized national guard plates shall be paid monthly to the treasurer of state and credited to the road use tax Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for national guard plates. Special registration plates with a national guard processed emblem shall be surrendered, as provided in subsection 12, in exchange for regular registration plates upon termination of the owner's membership in the active national guard.

Sec. 10. Section 321.34, subsection 17, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who was at Pearl Harbor, Hawaii, as a member of the armed services of the United States on December 7, 1941, may, upon written application to the department, order special registration plates with a Pearl Harbor processed emblem. The emblem shall be designed by the department in consultation with service organizations. The application is subject to approval by the department. The special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized Pearl Harbor plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall

transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected <u>under subsection 12, paragraph "a",</u> in the previous month for Pearl Harbor plates.

Sec. 11. Section 321.34, subsection 18, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who was awarded a purple heart medal by the United States government for wounds received in military or naval combat against an armed enemy of the United States may, upon written application to the department and presentation of satisfactory proof of the award of the purple heart medal, order special registration plates with a purple heart processed emblem. The design of the emblem shall include a representation of a purple heart medal and ribbon. The application is subject to approval by the department in consultation with the adjutant general. special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized purple heart plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for purple heart plates.

Sec. 12. Section 321.34, subsection 19, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who is a retired member of the United States armed forces may, upon written application to the department and upon presentation of satisfactory proof of membership, order special registration plates with a United States armed forces retired processed emblem. The emblem shall be designed by the department in consultation with service organizations. The application is subject to approval by the department. For purposes of this subsection, a person is considered to be retired if the person is recognized by the United States armed forces as retired

from the United States armed forces. The special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized armed forces retired plates shall be paid monthly to the treasurer of state and credited to the road use tax fund.

Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for armed forces retired plates.

Sec. 13. Section 321.34, subsection 20, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who was awarded a silver or a bronze star by the United States government, may, upon written application to the department and presentation of satisfactory proof of the award of the silver or bronze star, order special registration plates with a silver or bronze star processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized silver star and bronze star plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for silver star and bronze star plates.

Sec. 14. Section 321.34, subsection 20A, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who was awarded a distinguished service cross, a navy cross, or an air force cross by the United States government may, upon written application to the department and presentation of satisfactory

proof of the award, order special registration plates with a distinguished service cross, navy cross, or air force cross processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized distinguished service cross, navy cross, and air force cross plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for distinguished service cross, navy cross, and air force cross plates.

Sec. 15. Section 321.34, subsection 20B, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

An owner referred to in subsection 12 who was awarded a soldier's medal, a navy and marine corps medal, or an airman's medal by the United States government may, upon written application to the department and presentation of satisfactory proof of the award, order special registration plates with a soldier's medal, navy and marine corps medal, or airman's medal processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized soldier's medal, navy and marine corps medal, and airman's medal plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for soldier's medal, navy and marine corps medal, and airman's medal plates.

- Sec. 16. Section 321.34, subsection 24, Code Supplement 2007, is amended to read as follows:
- GOLD STAR PLATES. An owner referred to in subsection 12 who is the surviving spouse, parent, child, or sibling of a deceased member of the United States armed forces who died while serving on active duty during a time of military conflict may order special registration plates bearing a gold star emblem upon written application to the department accompanied by satisfactory supporting documentation as determined by the department. The gold star emblem shall be designed by the department in cooperation with the commission of veterans affairs. The special plate fees collected by the director under subsection 12, paragraph paragraphs "a" and "c", from the issuance and annual validation of letter-number designated and personalized gold star plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for gold star plates.
- Sec. 17. Section 321.52, subsection 4, paragraph c, Code Supplement 2007, is amended to read as follows:
- A salvage theft examination shall be made by a peace officer who has been specially certified and recertified when required by the Iowa law enforcement academy to do salvage theft examinations. The Iowa law enforcement academy shall determine standards for training and certification, conduct training, and may approve alternative training programs which satisfy the academy's standards for training and certification. The owner of the salvage vehicle shall make the vehicle available for examination at a time and location designated by the peace officer doing the examination. owner may obtain a permit to drive the vehicle to and from the examination location by submitting a repair affidavit to the agency performing the examination stating that the vehicle is reasonably safe for operation and listing the repairs which have been made to the vehicle. The owner must be present for the examination and have available for inspection the salvage title, bills of sale for all essential parts changed, if

applicable, and the repair affidavit. The examination shall be for the purposes of determining whether the vehicle or repair components have been stolen. The examination is not a safety inspection and a signed salvage theft examination certificate shall not be construed by any court of law to be a certification that the vehicle is safe to be operated. shall be no cause of action against the peace officer or the agency conducting the examination or the county treasurer for failure to discover or note safety defects. If the vehicle passes the theft examination, the peace officer shall indicate that the vehicle passed examination on the salvage theft examination certificate. The permit and salvage theft examination certificate shall be on controlled forms prescribed and furnished by the department. The owner shall pay a fee of thirty dollars upon completion of the examination. The agency performing the examinations shall retain twenty dollars of the fee and shall pay five dollars of the fee to the department and five dollars of the fee to the treasurer of state for deposit in the general fund of the Moneys deposited to the general fund under this paragraph are subject to the requirements of section 8.60 and shall be used by the Iowa law enforcement academy to provide for the special training, certification, and recertification of officers as required by this subsection.

The-state-department-of-transportation-shall-adopt-rules-in accordance-with-chapter-17A-to-carry-out-this-section.

Sec. 18. Section 321.52, Code Supplement 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 5. The department shall adopt rules in accordance with chapter 17A to carry out this section.

- Sec. 19. Section 321.90, subsection 2, paragraphs d and e, Code 2007, are amended to read as follows:
- d. If the abandoned motor vehicle is not reclaimed in accordance with section 321.89, subsection 3, or no lienholder objects to the disposal in the case of an owner-applicant, the police authority shall give the applicant a certificate of authority allowing the applicant to obtain a junking certificate for the motor vehicle. The applicant shall make application for a junking certificate to the county treasurer within fifteen thirty days of purchase receipt of the certificate of authority in lieu of the certificate of title. The demolisher

shall accept the junking certificate in lieu of the certificate of title to the motor vehicle.

Notwithstanding any other provisions of this section and sections 321.89 and 321.91, any person, firm, corporation, or unit of government upon whose property or in whose possession is found any abandoned motor vehicle, or any person being the owner of a motor vehicle whose title certificate is faulty, lost, or destroyed, may dispose of such motor vehicle to a demolisher for junk without a title and without the notification procedures of section 321.89, subsection 3, if the motor vehicle lacks an engine or two or more wheels or other structural part which renders the vehicle totally inoperable. The police authority shall give the applicant a certificate of authority. The owner shall apply to the county treasurer for a junking certificate within fifteen thirty days of purchase receipt of the certificate of authority and shall surrender the certificate of authority in lieu of the certificate of title.

Sec. 20. Section 321.105, unnumbered paragraph 5, Code 2007, 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 the registration fee provided in this chapter for that vehicle, and shall be provided, without fee, with a one set of regular registration plate plates or one set of any type of special registration plates associated with service in the United States armed forces for which the disabled veteran qualifies under section 321.34. The disabled veteran, to be able to claim the above benefit, must be a resident of the state of Iowa. The In lieu of the set of regular or special military registration plates available without fee, the disabled veteran may obtain a special-or-personalized-plate a set of nonmilitary special registration plates or personalized plates issued under section 321.34 by paying the difference-between-the-fee-for-a regular-registration-plate-and-the-fee-for-the-special-or personalized-registration-plate additional fees associated with those plates.

Sec. 21. Section 321.173, Code 2007, is amended to read as follows:

321.173 WHEN FEES RETURNABLE.

- <u>l.</u> Whenever any application to the department is accompanied by any a vehicle registration fee as required by law and such the application is refused or rejected said, the fee shall be returned to said the applicant.
- 2. Whenever the department through error collects any vehicle registration fee not required to be paid hereunder under this chapter, the same fee shall be refunded, from the refund account, to the person paying the same fee upon application therefor made within six-months one year after the date of such payment.
- Sec. 22. Section 321.196, subsection 2, Code 2007, is amended to read as follows:
- 2. Except as required in section 321.188, and except for a motorcycle instruction permit issued in accordance with section 321.180 or 321.180B, a driver's license is renewable without a driving test or written examination or penalty within a period of sixty-days-after-its-expiration-date-and without-a-driving-test-within-a-period-of one year after its expiration date. A person shall not be considered to be driving with an invalid license during a period of sixty days following the license expiration date. However, for a license renewed within the sixty-day period, the date of issuance shall be considered to be the previous birthday anniversary on which it expired.
- Sec. 23. Section 321.210B, subsections 7 and 14, Code Supplement 2007, are amended to read as follows:
- 7. <u>a.</u> The <u>A</u> civil penalty, -if assessed pursuant to section 321.218A, <u>321A.32A</u>, or <u>321J.17</u> shall be added to the amount owing under the installment agreement.
- b. The clerk of the district court shall transmit to the department, from the first moneys collected, an amount equal to the amount of any civil penalty assessed <u>pursuant to section 321.218A or 321A.32A</u> and added to the installment agreement. The department shall transmit the money received from the clerk of the district court pursuant to this <u>subsection paragraph</u> to the treasurer of state for deposit in the juvenile detention home fund created in section 232.142.
- c. The clerk of the district court shall transmit to the department, from the first moneys collected, an amount equal to the amount of any civil penalty assessed pursuant to section 321J.17 and added to the installment agreement. The

department shall transmit the money received from the clerk of the district court pursuant to this paragraph to the treasurer of state who shall deposit one-half of the money in the separate fund established in section 915.94 and one-half of the money in the general fund of the state.

- 14. Except for the \underline{a} civil penalty $\underline{i}\underline{f}$ assessed and collected pursuant to subsection 7, any amount collected under the installment agreement shall be distributed as provided in section 602.8107, subsection 4.
- Sec. 24. Section 321A.32A, Code Supplement 2007, is amended to read as follows:

321A.32A CIVIL PENALTY -- DISPOSITION -- REINSTATEMENT.

When the department suspends, revokes, or bars a person's driver's license or nonresident operating privilege under this chapter, the department shall assess the person a civil penalty of two hundred dollars. However, for persons age nineteen or under, the civil penalty assessed shall be fifty The money collected by the department under this section shall be transmitted to the treasurer of state who shall deposit the money in the juvenile detention home fund created in section 232.142. A Except as provided in section 321.210B, a temporary restricted license shall not be issued or a driver's license or nonresident operating privilege reinstated until the civil penalty has been paid. assessed a penalty under this section may remit the civil penalty along with a processing fee of five dollars to a county treasurer authorized to issue driver's licenses under chapter 321M, or the civil penalty may be paid directly to the department.

- Sec. 25. Section 321J.17, subsection 1, Code 2007, is amended to read as follows:
- 1. If the department revokes a person's driver's license or nonresident operating privilege under this chapter, the department shall assess the person a civil penalty of two hundred dollars. The money collected by the department under this section shall be transmitted to the treasurer of state who shall deposit one-half of the money in the separate fund established in section 915.94 and one-half of the money in the general fund of the state. A temporary restricted license shall not be issued unless an ignition interlock device has been installed pursuant to section 321J.4 and-the-civit penalty-has-been-paid. A driver's license or nonresident

operating privilege shall not be reinstated unless proof of deinstallation of an ignition interlock device installed pursuant to section 321J.4 has been submitted to the department and. Except as provided in section 321.210B, a temporary restricted license shall not be issued or a driver's license or nonresident operating privilege reinstated until the civil penalty has been paid. A person assessed a penalty under this section may remit the civil penalty along with a processing fee of five dollars to a county treasurer authorized to issue driver's licenses under chapter 321M, or the civil penalty may be paid directly to the department.

Sec. 26. Section 321M.9, subsection 1, Code Supplement 2007, is amended to read as follows:

- 1. FEES TO COUNTIES. Notwithstanding any other provision in the Code to the contrary, the county treasurer of a county authorized to issue driver's licenses under this chapter shall retain for deposit in the county general fund seven dollars of fees received for each issuance or renewal of driver's licenses and nonoperator's identification cards, but shall not retain any moneys for the issuance of any persons with disabilities identification devices. The five dollar processing fee charged by a county treasurer for collection of a civil penalty under section 321.218A, or 321A.32A, or 321J.17 shall be retained for deposit in the county general fund. The county treasurer shall remit the balance of fees and all civil penalties to the department.
- Sec. 27. Section 322.29, subsection 6, Code Supplement 2007, is amended to read as follows:
- 6. Notwithstanding section 322.3, subsection 17 14, a person licensed as a wholesaler under subsection 4 may be licensed as a used motor vehicle dealer solely-for-the-purpose of-dealing-in-used-motor-vehicles-of-the-same-make-and-model the-person-is-licensed-to-wholesale.
- Sec. 28. Section 331.552, subsection 4, Code 2007, is amended to read as follows:
- 4. Keep the official county seal provided by the county. The official seal shall be an impression seal on the face of which shall appear the name of the county, the word "county" which may be abbreviated, the word "treasurer" which may be abbreviated, and the word "Iowa". The-impression-of-the-seal shall-be-placed-on-each-motor-vehicle-certificate-of-title signed-by-the-treasurer:

- Sec. 29. Section 331.557A, subsection 4, Code Supplement 2007, is amended to read as follows:
- 4. Accept payment of civil penalties pursuant to sections 321.218A, and 321A.32A, and 321J.17 and remit the penalties to the state department of transportation.
- Sec. 30. CODIFICATION. The Code editor is requested to transfer section 321.173 pertaining to the return of vehicle registration fees, as amended in this Act, to section 321.129 or another suitable location to improve readability.
- Sec. 31. EFFECTIVE DATE. The sections of this Act that amend sections 321.210B, 321A.32A, 321J.17, 321M.9, and 331.557A, being deemed of immediate importance, take effect upon enactment.

PATRICK J. MURPHY

Speaker of the House

JOHN P. KIBBIE

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2213, Eighty-second General Assembly.

MARK BRANDSGARD

Chief Clerk of the House

CHESTER J. CULVER

Governor