



CHESTER J. CULVER  
GOVERNOR

## OFFICE OF THE GOVERNOR

PATTY JUDGE  
LT. GOVERNOR

May 22, 2009

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

Dear Mr. Secretary:

I hereby transmit:

**Senate File 419**, an Act relating to matters under the purview of the department of transportation, including provisions for the administration of the department, driver licensing, vehicle regulation, the motor fuel tax formula, and the issuance of citations, establishing a cap on annual deposits to the TIME-21 fund, providing a penalty, and providing effective and retroactive applicability dates.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chester J. Culver", with a long horizontal flourish extending to the right.

Chester J. Culver  
Governor

CJC:bdj

cc: Secretary of the Senate  
Chief Clerk of the House





SENATE FILE 419

AN ACT

RELATING TO MATTERS UNDER THE PURVIEW OF THE DEPARTMENT OF TRANSPORTATION, INCLUDING PROVISIONS FOR THE ADMINISTRATION OF THE DEPARTMENT, DRIVER LICENSING, VEHICLE REGULATION, THE MOTOR FUEL TAX FORMULA, AND THE ISSUANCE OF CITATIONS, ESTABLISHING A CAP ON ANNUAL DEPOSITS TO THE TIME-21 FUND, PROVIDING A PENALTY, AND PROVIDING EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

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

DIVISION I

ADMINISTRATION

Section 1. Section 321.145, subsection 2, paragraph b, subparagraph (5), Code 2009, is amended by striking the subparagraph.

DIVISION II

DRIVER LICENSING

Sec. 2. Section 321.180B, unnumbered paragraph 1, Code 2009, is amended to read as follows:

Persons under age eighteen shall not be issued a license or permit to operate a motor vehicle except under the provisions of this section. However, the department may issue restricted and special driver's licenses to certain minors as provided in sections 321.178 and 321.194, and driver's licenses restricted to motorized bicycles as provided in section 321.189. A license or permit shall not be issued under this section or section 321.178 or 321.194 without the consent of a parent or guardian or a person having custody of the applicant under chapter 232 or 600A. An additional consent is required each time a license or permit is issued under this section or

section 321.178 or 321.194. The consent must be signed by at least one parent, ~~or~~ guardian, or custodian on an affidavit form provided by the department.

Sec. 3. Section 321.180B, subsection 1, unnumbered paragraph 3, Code 2009, is amended to read as follows:

Except as otherwise provided, a permittee who is less than eighteen years of age and who is operating a motor vehicle must be accompanied by a person issued a driver's license valid for the vehicle operated who is the parent, ~~or~~ guardian, or custodian of the permittee, member of the permittee's immediate family if the family member is at least twenty-one years of age, an approved driver education instructor, a prospective driver education instructor who is enrolled in a practitioner preparation program with a safety education program approved by the state board of education, or a person at least twenty-five years of age if written permission is granted by the parent, ~~or~~ guardian, or custodian, and who is actually occupying a seat beside the driver. A permittee shall not operate a motor vehicle if the number of passengers in the motor vehicle exceeds the number of passenger safety belts in the motor vehicle. If the applicant for an instruction permit holds a driver's license issued in this state valid for the operation of a motorized bicycle or a motorcycle, the instruction permit shall be valid for such operation without the requirement of an accompanying person.

Sec. 4. Section 321.180B, subsection 2, Code 2009, is amended to read as follows:

2. INTERMEDIATE LICENSE. The department may issue an intermediate driver's license to a person sixteen or seventeen years of age who possesses an instruction permit issued under subsection 1 or a comparable instruction permit issued by another state for a minimum of six months immediately preceding application, and who presents an affidavit signed by a parent, ~~or~~ guardian, or custodian on a form to be provided by the department that the permittee has accumulated a total of twenty hours of street or highway driving of which two hours were conducted after sunset and before sunrise and the street or highway driving was with the permittee's parent, guardian, custodian, instructor, a person certified by the department, or a person at least twenty-five years of age who

had written permission from a parent, or guardian, or custodian to accompany the permittee, and whose driving privileges have not been suspended, revoked, or barred under this chapter or chapter 321J during, and who has been accident and violation free continuously for, the six-month period immediately preceding the application for an intermediate license. An applicant for an intermediate license must meet the requirements of section 321.186, including satisfactory completion of driver education as required in section 321.178, and payment of the required license fee before an intermediate license will be issued. A person issued an intermediate license must limit the number of passengers in the motor vehicle when the intermediate licensee is operating the motor vehicle to the number of passenger safety belts.

Except as otherwise provided, a person issued an intermediate license under this subsection who is operating a motor vehicle between the hours of twelve-thirty a.m. and five a.m. must be accompanied by a person issued a driver's license valid for the vehicle operated who is the parent, or guardian, or custodian of the permittee, a member of the permittee's immediate family if the family member is at least twenty-one years of age, an approved driver education instructor, a prospective driver education instructor who is enrolled in a practitioner preparation program with a safety education program approved by the state board of education, or a person at least twenty-five years of age if written permission is granted by the parent, or guardian, or custodian, and who is actually occupying a seat beside the driver. However, a licensee may operate a vehicle to and from school-related extracurricular activities and work without an accompanying driver between the hours of twelve-thirty a.m. and five a.m. if such licensee possesses a waiver on a form to be provided by the department. An accompanying driver is not required between the hours of five a.m. and twelve-thirty a.m.

Sec. 5. Section 321.180B, subsection 4, Code 2009, is amended to read as follows:

4. FULL DRIVER'S LICENSE. A full driver's license may be issued to a person seventeen years of age who possesses an intermediate license issued under subsection 2 or a comparable intermediate license issued by another state for a minimum of

twelve months immediately preceding application, and who presents an affidavit signed by a parent, ~~or~~ guardian, or custodian on a form to be provided by the department that the intermediate licensee has accumulated a total of ten hours of street or highway driving of which two hours were conducted after sunset and before sunrise and the street or highway driving was with the licensee's parent, guardian, custodian, instructor, a person certified by the department, or a person at least twenty-five years of age who had written permission from a parent, ~~or~~ guardian, or custodian to accompany the licensee, whose driving privileges have not been suspended, revoked, or barred under this chapter or chapter 321J during, and who has been accident and violation free continuously for, the twelve-month period immediately preceding the application for a full driver's license, and who has paid the required fee.

Sec. 6. Section 321.184, subsection 1, Code 2009, is amended to read as follows:

1. CONSENT REQUIRED. The application of an unmarried person under the age of eighteen years for a driver's license shall contain the verified consent and confirmation of the applicant's birthday by either parent of the applicant, the guardian of the applicant, or a person having custody of the applicant under chapter 232 or 600A. Officers and employees of the department may administer the oaths without charge.

Sec. 7. Section 321.194, subsection 1, paragraph a, subparagraph (1), Code 2009, is amended to read as follows:

(1) During the hours of 6 5 a.m. to 10 p.m. over the most direct and accessible route between the licensee's residence and schools of enrollment or the closest school bus stop or public transportation service, and between schools of enrollment, for the purpose of attending duly scheduled courses of instruction and extracurricular activities within the school district.

Sec. 8. Section 321.194, subsection 1, paragraph a, Code 2009, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (1A) To a service station for the purpose of refueling, so long as the service station is the station closest to the route the licensee is traveling on under subparagraph (1).

Sec. 9. Section 321.208, subsection 1, paragraph b, Code 2009, is amended by striking the paragraph.

Sec. 10. Section 321.208, subsection 2, paragraph a, Code 2009, is amended to read as follows:

a. Operating a motor vehicle while ~~under-the-influence-of an-alcoholic-beverage-or-other-drug-or-controlled-substance-or a-combination-of-such-substances~~ intoxicated, as provided in section 321J.2, subsection 1.

Sec. 11. Section 321.210A, subsection 1, paragraph c, Code 2009, is amended to read as follows:

c. Upon receipt of a report of a failure to pay the fine, penalty, surcharge, or court costs from the clerk of the district court, the department shall in accordance with its rules, suspend the person's driver's license until the fine, penalty, surcharge, or court costs are paid, ~~unless-the-person proves-to-the-satisfaction-of-the-department-that-the-person cannot-pay-the-fine, penalty, surcharge, or court costs.~~

Sec. 12. Section 321.218, subsection 3, Code 2009, is amended to read as follows:

3. a. The department, upon receiving the record of the conviction of a person under this section upon a charge of operating a motor vehicle while the license of the person is suspended or revoked, shall, except for licenses suspended under section 252J.8, 321.210, subsection 1, paragraph "c", or section 321.210A or 321.513, extend the period of suspension or revocation for an additional like period or for one year, whichever period is shorter, and the department shall not issue a new driver's license to the person during the ~~additional~~ extended period.

b. If the department receives a record of a conviction of a person under this section but the person's driving record does not indicate what the original grounds of suspension were, the period of suspension under this subsection shall be for a period not to exceed six months.

Sec. 13. Section 321J.4, subsection 2, Code 2009, is amended to read as follows:

2. If a defendant is convicted of a violation of section 321J.2, and the defendant's driver's license or nonresident operating privilege has not already been revoked under section 321J.9 or 321J.12 for the occurrence from which the arrest

arose, the department shall revoke the defendant's driver's license or nonresident operating privilege for two years if the defendant has had a previous conviction or revocation under this chapter. The defendant shall not be eligible for any temporary restricted license for ~~one-year~~ forty-five days after the effective date of revocation. The defendant shall be ordered to install an ignition interlock device of a type approved by the commissioner of public safety on all vehicles owned by the defendant if the defendant seeks a temporary restricted license at the end of the minimum period of ineligibility. A temporary restricted license shall not be granted by the department until the defendant installs the ignition interlock device.

Sec. 14. Section 321J.8, subsection 1, paragraph c, subparagraph (2), Code 2009, is amended to read as follows:

(2) If the person is operating a noncommercial motor vehicle and holding a commercial driver's license as defined in section 321.1 and either refuses to submit to the test or ~~operates-a-motor-vehicle-while-under-the-influence-of-an-alcoholic-beverage-or-other-drug-or-controlled-substance-or-a-combination-of-such-substances~~ submits to the test and the results indicate the presence of a controlled substance or other drug or an alcohol concentration equal to or in excess of the level prohibited by section 321J.2, the person is disqualified from operating a commercial motor vehicle for the applicable period under section 321.208 in addition to any revocation of the person's driver's license or nonresident operating privilege which may be applicable under this chapter.

Sec. 15. Section 321J.13, subsection 6, paragraphs a and c, Code 2009, are amended to read as follows:

a. The department shall grant a request for a hearing to rescind the revocation if the person whose motor vehicle license or operating privilege has been or is being revoked under section 321J.9 or 321J.12 submits a petition containing information relating to the discovery of new evidence that provides grounds for ~~recession~~ rescission of the revocation.

c. Such a holding by the court in the criminal action is binding on the department, and the department shall rescind the revocation. If the offense for which the revocation was

imposed was committed while the person was operating a noncommercial motor vehicle and holding a commercial driver's license and the department disqualified the person from operating a commercial motor vehicle under section 321.208, subsection 2, paragraph "a" or "b", as a result of the revocation, the department shall also rescind the disqualification.

Sec. 16. Section 805.6, subsection 1, paragraph d, Code 2009, is amended to read as follows:

d. The written appearance defined in paragraph "b" shall not be used for any offense other than a simple misdemeanor ~~and shall not be used for any offense under section 321.218 or 321A.32.~~

Sec. 17. Section 321.192, Code 2009, is repealed.

Sec. 18. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY. The section of this division of this Act amending section 321J.13, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 2005, for disqualifications in effect on or after that date.

DIVISION III  
VEHICLES

Sec. 19. Section 312.2, subsection 19, paragraph a, Code 2009, is amended by striking the paragraph and inserting in lieu thereof the following:

a. The treasurer of state, before making the allotments provided for in this section, shall credit monthly to the TIME-21 fund created in section 312A.2 the following amounts:

(1) One-half of the amount received by the treasurer from trailer registration fees pursuant to section 321.123, subsection 1, paragraph "a", subparagraph (1).

(2) Two-thirds of the amount received by the treasurer from trailer registration fees collected pursuant to section 321.123, subsection 1, paragraph "a", subparagraph (2).

(3) One-third of the amount received by the treasurer from trailer registration fees collected pursuant to section 321.123, subsection 2.

Sec. 20. Section 321.1, subsection 17, Code 2009, is amended to read as follows:

17. "Dealer" means every person engaged in the business of buying, selling, or exchanging vehicles of a type required to



be registered hereunder and who has an established place of business for such purpose in this state. "Dealer" includes those persons required to be licensed as dealers under chapters 322 and 322C.

Sec. 21. Section 321.18, subsection 7, Code 2009, is amended to read as follows:

7. Any school bus in this state used exclusively for the transportation of pupils to and from school or a school function or for the purposes provided in section 285.1, subsection 1, and section 285.10, subsection 9, or used exclusively for the transportation of children enrolled in a federal head start program. Upon application the department shall, without charge, issue a registration certificate and ~~shall also issue registration plates, which shall have imprinted thereon the words "Private School Bus" and a distinguishing number assigned to the applicant. --~~ Such The plates shall be attached to the front and rear of each bus exempt from registration under this subsection.

Sec. 22. Section 321.22, Code 2009, is amended to read as follows:

321.22 URBAN AND REGIONAL TRANSIT EQUIPMENT CERTIFICATES AND PLATES.

1. An urban transit company or system having a franchise to operate in any city and any regional transit system may make application to the department, upon forms furnished by the department, for a certificate containing a distinguishing number and for one or more pairs of ~~transit-bus~~ registration plates to be attached to the front and rear of buses owned or operated by the transit company or system.

2. The department shall issue to the applicant a certificate, or certificates, containing, but not limited to, the applicant's name and address, the distinguishing number assigned to the applicant, and such other information deemed necessary by the department for proper identification of the buses.

3. The department shall issue ~~transit-bus~~ registration plates ~~as applied for, which shall be imprinted with the words "Transit-Bus" and the distinguishing number assigned~~ to the applicant.

4. The department shall issue the certificates and plates without fee.

Sec. 23. Section 321.89, subsection 2, Code 2009, is amended to read as follows:

2. AUTHORITY TO TAKE POSSESSION OF ABANDONED VEHICLES. A police authority, upon the authority's own initiative or upon the request of any other authority having the duties of control of highways or traffic, shall take into custody an abandoned vehicle on public property and may take into custody an abandoned vehicle on private property. The police authority may employ its own personnel, equipment, and facilities or hire a private entity, equipment, and facilities for the purpose of removing, preserving, storing, or disposing of abandoned vehicles. A property owner or other person in control of private property may employ a private entity who is a garagekeeper, as defined in section 321.90, to dispose of an abandoned vehicle, and the private entity may take into custody the abandoned vehicle without a police authority's initiative. If a police authority employs a private entity to dispose of abandoned vehicles, the police authority shall provide the private entity with the names and addresses of the registered owners, all lienholders of record, and any other known claimant to the vehicle or the personal property found in the vehicle. The owners, lienholders, or other claimants of the abandoned vehicle shall not have a cause of action against a private entity for action taken under this section if the private entity provides notice as required by subsection 3, paragraph "a"~~7--to-these-persons-whose-names-were provided-by-the-police-authority.~~

Sec. 24. Section 321.89, subsections 3 and 4, Code 2009, are amended to read as follows:

3. NOTIFICATION OF OWNER, LIENHOLDERS, AND OTHER CLAIMANTS.

a. A police authority or private entity that takes into custody an abandoned vehicle shall notify, within twenty days, by certified mail, the last known registered owner of the vehicle, all lienholders of record, and any other known claimant to the vehicle or to personal property found in the vehicle, addressed to the parties' last known addresses of record, that the abandoned vehicle has been taken into

custody. Notice shall be deemed given when mailed. The notice shall describe the year, make, model, and vehicle identification number of the vehicle, describe the personal property found in the vehicle, set forth the location of the facility where the vehicle is being held, and inform the persons receiving the notice of their right to reclaim the vehicle and personal property within ten days after the effective date of the notice upon payment of all towing, preservation, and storage charges resulting from placing the vehicle in custody and upon payment of the costs of notice required pursuant to this subsection. The notice shall also state that the failure of the owner, lienholders, or claimants to exercise their right to reclaim the vehicle or personal property within the time provided shall be deemed a waiver by the owner, lienholders, and claimants of all right, title, claim, and interest in the vehicle or personal property and that failure to reclaim the vehicle or personal property is deemed consent to the sale of the vehicle at a public auction or disposal of the vehicle to a demolisher and to disposal of the personal property by sale or destruction. The If the abandoned vehicle was taken into custody by a private entity without a police authority's initiative, the notice shall state that the private entity may claim a garagekeeper's lien as described in section 321.90, subsection 1, and may proceed to sell or dispose of the vehicle. If the abandoned vehicle was taken into custody by a police authority or by a private entity hired by a police authority, the notice shall state that any person claiming rightful possession of the vehicle or personal property who disputes the planned disposition of the vehicle or property by the police authority or private entity or of the assessment of fees and charges provided by this section may ask for an evidentiary hearing before the police authority to contest those matters. If the persons receiving the notice do not ask for a hearing or exercise their right to reclaim the vehicle or personal property within the ten-day reclaiming period, the owner, lienholders, or claimants shall no longer have any right, title, claim, or interest in or to the vehicle or the personal property. A court in any case in law or equity shall not recognize any right, title, claim, or interest of the owner, lienholders, or claimants after the expiration of the ten-day reclaiming period.

b. If it is impossible to determine with reasonable certainty the identity and addresses of the last registered owner and all lienholders, notice by one publication in one newspaper of general circulation in the area where the vehicle was abandoned shall be sufficient to meet all requirements of notice under this section. The published notice may contain multiple listings of abandoned vehicles and personal property but shall be published within the same time requirements and contain the same information as prescribed for mailed notice in paragraph "a".

4. AUCTION OF ABANDONED VEHICLES.

a. If an abandoned vehicle has not been reclaimed as provided for in subsection 3, the police authority or private entity shall make a determination as to whether or not the vehicle shall be sold for use upon the highways. If the vehicle is not sold for use upon the highways, it shall be sold for junk, or demolished and sold as scrap. The police authority or private entity shall sell the vehicle at public auction. Notwithstanding any other provision of this section, a police authority or private entity may dispose of the vehicle to a demolisher for junk without public auction after complying with the notification procedures in subsection 3. The purchaser of the vehicle takes title free and clear of all liens and claims of ownership, shall receive a sales receipt from the police authority or private entity, and is entitled to register the vehicle and receive a certificate of title if sold for use upon the highways. If the vehicle is sold or disposed of to a demolisher for junk, the demolisher shall make application for a junking certificate to the county treasurer within thirty days of purchase and shall surrender the sales receipt in lieu of the certificate of title.

b. From the proceeds of the sale of an abandoned vehicle the police authority, if the police authority did not hire a private entity, shall reimburse itself for the expenses of the auction, the costs of towing, preserving, and storing which resulted from placing the abandoned vehicle in custody, all notice and publication costs incurred pursuant to subsection 3, the cost of inspection, and any other costs incurred except costs of bookkeeping and other administrative costs. Any remainder from the proceeds of a sale shall be held for the

owner of the vehicle or entitled lienholder for ninety days, and shall then be deposited in the road use tax fund. The costs to police authorities of auction, towing, preserving, storage, and all notice and publication costs, and all other costs which result from placing abandoned vehicles in custody, whenever the proceeds from a sale of the abandoned vehicles are insufficient to meet these expenses and costs, shall be paid from the road use tax fund and are the obligation of the last owner or owners, jointly and severally.

c. The director of transportation shall establish by rule a claims procedure to be followed by police authorities in obtaining expenses and costs from the fund and procedures for reimbursement of expenses and costs to a private entity hired by a police authority to take custody of an abandoned vehicle. If a private entity has been hired by a police authority, the police authority shall file a claim with the department for reimbursement of towing fees which shall be paid from the road use tax fund.

Sec. 25. Section 321.166, subsection 2, Code 2009, is amended to read as follows:

2. Every registration plate or pair of plates shall display a registration plate number which shall consist of alphabetical or numerical characters or a combination thereof and the name of this state, which may be abbreviated. Every registration plate issued by the county treasurer shall display the name of the county, including any plate issued pursuant to section 321.34, except Pearl Harbor and purple heart registration plates issued prior to January 1, 1997; registration plates issued pursuant to section 321.34, subsection 13, paragraph "d"; and collegiate, fire fighter, and medal of honor registration plates. Special truck registration plates shall display the word "special". The department may adopt rules to implement this subsection.

Sec. 26. Section 321.166, subsection 9, Code 2009, is amended to read as follows:

9. Special registration plates issued pursuant to section 321.34 ~~beginning January 17, 1997~~, other than gold star, medal of honor, collegiate, fire fighter, and natural resources registration plates, shall be consistent with the design and color of regular registration plates but shall provide a space

on a portion of the plate for the purpose of allowing the placement of a distinguishing processed emblem. Special registration plates shall also comply with the requirements for regular registration plates as provided in this section to the extent the requirements are consistent with the section authorizing a particular special vehicle registration plate.

Sec. 27. Section 321A.17, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 9. The registration suspension required under this section does not apply to a motor vehicle awarded to an individual under an order entered pursuant to section 598.21, if all of the following apply:

a. The individual was the co-owner of the motor vehicle with a spouse who is required to file and maintain proof of financial responsibility.

b. The individual is not otherwise required to file and maintain proof of financial responsibility.

c. The individual is not able to obtain title to the motor vehicle in the individual's sole name due to a lien against the motor vehicle that existed at the time the order was entered pursuant to section 598.21.

Sec. 28. Section 321F.9, Code 2009, is amended to read as follows:

321F.9 OPTION TO PURCHASE -- DEALER'S LICENSE.

Any person engaged in business in this state shall not enter into any agreement for the use of a motor vehicle under the terms of which that person grants to another an option to purchase the motor vehicle without first having obtained a motor vehicle dealer's license under the provisions of chapter 322, and all sales of motor vehicles under such options shall be subject to sales or use taxes imposed under the provisions of chapter 423. Nothing contained in this section shall require such person to have a place of business as provided by section 322.6, subsection 8 l, paragraph "h".

Sec. 29. Section 321H.2, subsections 6, 8, and 9, Code 2009, are amended to read as follows:

6. "Used vehicle parts dealer" means a person engaged in the business of selling bodies, parts of bodies, frames or component parts of used vehicles subject to registration ~~under chapter-321.~~

8. "Vehicle rebuilder" means a person engaged in the business of rebuilding or restoring to operating condition vehicles subject to registration ~~under chapter 321~~, which have been damaged or wrecked.

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

Sec. 30. Section 321H.2, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 9A. "Vehicle subject to registration" means any vehicle that is of a type required to be registered under chapter 321 when operated on a public highway, including but not limited to a vehicle that is inoperable, salvage, or rebuilt.

Sec. 31. Section 321H.3, Code 2009, is amended to read as follows:

321H.3 PROHIBITIONS.

Except for educational institutions~~;~~ people; persons licensed as new vehicle dealers under chapter 322~~;~~ people; persons engaged in a hobby not for profit~~;~~ people; persons engaged in the business of purchasing bodies, parts of bodies, frames, or component parts of vehicles only for sale as scrap metal; or ~~a person~~ persons licensed under the provisions of this chapter as an authorized vehicle ~~recycler~~ recyclers, a person in this state shall not engage in the business of any of the following:

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 twelve-month period.

2. ~~Wrecking or dismantling in a calendar year~~ Dismantling, scrapping, recycling, salvaging, or obtaining a junking certificate for more than six vehicles ~~or the parts of more than six vehicles~~ subject to registration ~~under chapter 321~~ ~~for resale;~~ or in a twelve-month period.

3. Rebuilding or restoring for sale ~~six or more~~ than six wrecked or salvage vehicles subject to registration ~~under chapter 321~~ in a ~~calendar year;~~ or twelve-month period.

4. Storing more than six vehicles not currently registered or storing damaged vehicles except where such storing of damaged vehicles is incidental to the primary purpose of the repair of motor vehicles for others, ~~scrapping, disposing, salvaging or recycling more than six vehicles or parts of more than six vehicles subject to registration under chapter 321 in a calendar year.~~

Sec. 32. Section 321H.4, subsections 2 and 3, Code 2009, are amended to read as follows:

2. a. Application for a license as an authorized vehicle recycler shall be made to the department on forms provided by the department. The application shall be accompanied by a fee of seventy dollars for a two-year period or part thereof. The license shall be approved or disapproved within thirty days after application for the license. A license expires on December 31 of even-numbered years. A licensee shall have the month of expiration and the month after the month of expiration to renew the license. A person who fails to renew a license by the end of this time period and desires to hold a license shall file a new license application and pay the required fee. A separate license shall be obtained for each county in which an applicant conducts operations.

b. The applicant shall specify which business or businesses, as enumerated in subsection 1, the applicant is applying for a license to engage in. An applicant shall have or demonstrate that the applicant will have the facilities and equipment necessary to engage in the business or businesses for which the applicant is applying for a license. The license shall specify which business or businesses the applicant has been authorized to engage in.

3. Each licensee shall file with the department a supplemental statement form when the licensee's principal place of business, an extension, or the operation of business in the county is changed to differ from the information contained on the initial license application form ~~within fifteen days after each~~ at least ten days prior to any operational change. The department shall notify each licensee of the approval of a change in license status. If a change in license status is approved by the department the licensee shall surrender the old license to the department together



with a thirty-five dollar fee. The department shall issue a new license modified to reflect the principal place of business, each extension, and the operations of the licensee.

Sec. 33. Section 321H.6, Code 2009, is amended to read as follows:

321H.6 DENIAL, SUSPENSION, OR REVOCATION OF LICENSE.

The license of a person issued under the provisions of this chapter may be denied, revoked, or suspended if the department finds ~~that the licensee has~~ any of the following:

1. ~~Violated~~ The licensee has violated any ~~provisions~~ provision of this chapter ~~or~~.

2. ~~Made~~ The licensee has made any material misrepresentation to the department in connection with an application for a license, junking certificate, salvage certificate, certificate of title, or registration of a vehicle ~~or~~.

3. ~~Been~~ The licensee has been convicted of a fraudulent practice ~~in connection with selling or offering for sale vehicles or parts of vehicles subject to registration under chapter 321 or~~ or any other indictable offense in connection with selling or other activity relating to motor vehicles, in this state or any other state.

4. ~~Failed~~ The licensee has failed to maintain an established principal place of business in the county without notification to the department ~~or~~.

5. ~~Had~~ The licensee has had a license issued under the provisions of this chapter denied, suspended, or revoked within the previous three years ~~or~~.

~~6. -- Been convicted of violation of any of sections 321.52, 321.71, 321.78, 321.92, 321.97, 321.98, 321.99, 321.100, or 714.16.~~

Sec. 34. Section 321H.8, Code 2009, is amended to read as follows:

321H.8 PENALTIES.

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

2. A person convicted of a fraudulent practice or any other indictable offense in connection with selling or other activity relating to motor vehicles, in this state or any other state, shall not for a period of five years from the

date of conviction be an owner, salesperson, employee, officer of a corporation, or representative of a licensed motor vehicle recycler or represent themselves as an owner, salesperson, employee, officer of a corporation, or representative of a licensed motor vehicle recycler.

Sec. 35. Section 322.3, subsection 12, Code 2009, is amended to read as follows:

12. A person convicted of a fraudulent practice or any other indictable offense in connection with selling ~~bartering, or otherwise dealing in~~ or other activity relating to motor vehicles, in this state or any other state, shall not for a period of five years from the date of conviction be an owner, salesperson, employee, officer of a corporation, or ~~dealer~~ representative of a licensed motor vehicle dealer or represent themselves as an owner, salesperson, employee, or ~~dealer~~ representative of a licensed motor vehicle dealer.

Sec. 36. Section 322.6, Code 2009, is amended to read as follows:

322.6 DENIAL OF LICENSE.

1. The department may deny the application of any a person for a license as a motor vehicle dealer and refuse to issue a license to the person ~~as-such,~~ if, after reasonable notice and a hearing, the department determines ~~that-such-applicant~~ any of the following:

1- a. ~~Has~~ The applicant made a material false statement in the application for the license ~~or.~~

2- b. ~~Has~~ The applicant has not complied with the provisions of this chapter or any rules or regulations ~~promulgated~~ adopted by the department ~~thereunder~~ pursuant to this chapter, except as otherwise provided ~~or.~~

3- c. ~~Is~~ The applicant is of bad business repute ~~or.~~

4- d. ~~Has~~ The applicant has been ~~guilty~~ convicted of a fraudulent ~~act~~ practice in connection with selling ~~bartering, or otherwise dealing in~~ or other activity relating to motor vehicles ~~or~~ in this or any other state.

5- e. ~~Is~~ The applicant is about to engage in any a fraudulent practice or other indictable offense in connection with ~~the-sale, barter, or otherwise dealing in~~ selling or other activity relating to motor vehicles ~~which-is-fraudulent or-in-violation-of-the-law,~~ or in this or any other state.

~~6. f.~~ Has The applicant has entered into a contract or agreement or is about to enter into a contract or agreement with any a manufacturer or distributor of motor vehicles which is contrary to any provision of this chapter ~~or.~~

~~7. g.~~ Has The applicant has a contract or agreement with any a manufacturer or distributor of motor vehicles or is about to enter into a contract or agreement with any a manufacturer or distributor of motor vehicles~~,~~ who~~,~~ without just, reasonable, and lawful cause ~~therefor,~~ has terminated within ninety days from the date of application a contract or agreement with a motor vehicle dealer in any county of the state in which the applicant proposes to engage in business~~.~~

~~8. h.~~ Does The applicant does not have a place of business within the meaning of this chapter~~,~~ unless the applicant is a person referred to in ~~subsection 7 of~~ section 322.3~~.~~  
subsection 7.

~~9. i.~~ Has The applicant has violated any ~~of the provisions~~ provision of ~~sections~~ section 321.78, 321.81, 321.92, 321.97, 321.98, 321.99, 321.100, 539.4, 714.1, and or 714.16 ~~or.~~

~~10. j.~~ If it has been judicially determined Following a judicial determination that the ~~licensee has~~ applicant intentionally violated any ~~of the provisions~~ provision of the Iowa consumer credit code, chapter 537, ~~and the licensee the~~ applicant continues to make consumer credit sales, consumer loans~~,~~ or consumer leases in violation of the Iowa consumer credit code, chapter 537.

k. The applicant is or will be acting on behalf of a person whose dealer license has been revoked as provided in this chapter.

2. It shall be sufficient cause for refusal or revocation of a license as a motor vehicle dealer in the case of a partnership or corporation if any member of the partnership or any officer or director of the corporation has committed any an act or omission which would be cause for refusing to issue a license to, or revoking a license ~~to~~ of, such person as an individual.

3. In considering whether or not a contract or agreement between a motor vehicle dealer and a manufacturer or distributor of motor vehicles has been terminated by such the manufacturer or distributor without just and reasonable cause

~~therefor~~, the department shall take into consideration the circumstances existing at the time of ~~such~~ the termination, including the amount of business transacted by the motor vehicle dealer pursuant to the contract or agreement and prior to ~~such~~ the termination; the investment necessarily made and the obligation necessarily incurred by the motor vehicle dealer in the performance of the dealer's part of ~~such~~ the contract; the permanency of such investment; the reasons for ~~such~~ the termination by ~~such~~ the manufacturer or distributor; and the fact that it is injurious to the public welfare for the business of a motor vehicle dealer to be disrupted by termination of ~~such~~ a contract without just and reasonable cause.

4. Whenever the department determines to deny the application of ~~any~~ a person for a license as a motor vehicle dealer and refuses to issue a license to the person ~~as-such~~, the department shall enter a final order ~~thereof~~ with its findings relating ~~thereto~~ to the determination within thirty days from the date of the hearing ~~thereon~~.

Sec. 37. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. The section of this division of this Act amending section 312.2, subsection 19, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 2009.

Sec. 38. EFFECTIVE DATE. The section of this division of this Act enacting section 321A.17, subsection 9, being deemed of immediate importance, takes effect upon enactment.

DIVISION IV  
ENFORCEMENT

Sec. 39. Section 321.95, Code 2009, is amended to read as follows:

321.95 RIGHT OF INSPECTION.

1. Peace officers shall have the authority to inspect any vehicle or component part in possession of a vehicle rebuilder, vehicle salvager, used vehicle parts dealer, or any person licensed under chapter 322, or found upon the public highway or in any public garage, enclosure, or property in which vehicles or component parts are kept for sale, storage, hire, or repair and for that purpose may enter any such public garage, enclosure, or property. Every vehicle rebuilder,

vehicle salvager, used vehicle parts dealer, or any person licensed under chapter 322, or a person having used engines or transmissions which are component parts for sale shall keep an accurate and complete record of all vehicles demolished and of such component parts purchased or received for resale as component parts in the course of business. These records shall contain the name and address of the person from whom each such vehicle or component part was purchased or received and the date when the purchase or receipt occurred or the junking certificate if required for the vehicle. These records shall be open for inspection by any peace officer at any time during normal business hours. Records required by this section shall be kept for at least three years after the transaction which they record.

2. A person convicted of a violation of this section is guilty of a simple misdemeanor punishable as a scheduled violation under section 805.8A, subsection 14, paragraph "j".

Sec. 40. Section 321.449, subsection 4, Code 2009, is amended to read as follows:

4. Notwithstanding other provisions of this section, rules adopted under this section for drivers of commercial vehicles shall not apply to a driver of a commercial vehicle who is engaged exclusively in intrastate commerce, when the commercial vehicle's gross vehicle weight rating is twenty-six thousand pounds or less, unless the vehicle is used to transport hazardous materials requiring a placard or if the vehicle is designed to transport more than fifteen passengers, including the driver. For the purpose of complying with the hours of service recordkeeping requirements under 49 C.F.R. § ~~395.1(e)(5)~~ § 395.1(e)(1)(v)(A-D), a driver's report of daily beginning and ending on-duty time submitted to the motor carrier at the end of each workweek shall be considered acceptable motor carrier time records. In addition, rules adopted under this section shall not apply to a driver operating intrastate for a farm operation as defined in section 352.2, or for an agricultural interest when the commercial vehicle is operated between the farm as defined in section 352.2 and another farm, between the farm and a market for farm products, or between the farm and an agribusiness location. A driver or a driver-salesperson for a private

carrier, who is not for hire and who is engaged exclusively in intrastate commerce, may drive twelve hours, be on duty sixteen hours in a twenty-four-hour period and be on duty seventy hours in seven consecutive days or eighty hours in eight consecutive days. For-hire drivers who are engaged exclusively in intrastate commerce and who operate trucks and truck tractors exclusively for the movement of construction materials and equipment to and from construction projects may also drive twelve hours, be on duty sixteen hours in a twenty-four-hour period, and be on duty seventy hours in seven consecutive days or eighty hours in eight consecutive days. A "driver-salesperson" means as defined in 49 C.F.R. § 395.2, as adopted by the department by rule.

Sec. 41. Section 321.449, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 8. In the course of enforcing the motor carrier safety rules adopted by the department under chapter 17A, the department's peace officers are authorized, at reasonable times and places and with reasonable notice, to enter a motor carrier's place of business for the purpose of performing a motor carrier safety audit or compliance review. Nothing in this subsection by itself permits the seizure of the property of a motor carrier. Any audit or review shall be conducted in compliance with the federal motor carrier safety regulations in 49 C.F.R. pts. 105-185, 382, 383, 385, and 390-399. A peace officer of the department is authorized to inspect and copy motor carrier records required by 49 C.F.R. pts. 105-185, 382, 383, 385, and 390-399.

Sec. 42. Section 805.6, subsection 1, paragraph a, subparagraphs (1) and (2), Code 2009, are amended to read as follows:

(1) The commissioner of public safety, the director of transportation, and the director of the department of natural resources, acting jointly, shall adopt a uniform, combined citation and complaint which shall be used for charging all traffic violations in Iowa under state law or local regulation or ordinance, and which shall be used for charging all other violations which are designated by sections 805.8A, 805.8B, and 805.8C to be scheduled violations. The filing fees and court costs in cases of parking meter and overtime parking

violations which are denied are as stated in section 602.8106, subsection 1. The court costs in scheduled violation cases where a court appearance is not required are as stated in section 602.8106, subsection 1. The court costs in scheduled violation cases where a court appearance is required are as stated in section 602.8106, subsection 1. This subsection does not prevent the charging of any of those violations by information, by private complaint filed under chapter 804, or by a simple notice of fine where permitted by section 321.236, subsection 1. Each uniform citation and complaint shall be serially numbered and shall be in quintuplicate, and the officer shall deliver the original and a copy to the court where the defendant is to appear, two copies to the defendant, and a copy to the law enforcement agency of the officer. If the uniform citation and complaint is created electronically, the issuing agency shall cause the uniform citation and complaint to be transmitted to the court, and the officer shall deliver a document to the defendant which contains a section for the defendant and a section which may be sent to the court. The court shall forward an abstract of the uniform citation and complaint in accordance with section 321.491 when applicable.

(2) The uniform citation and complaint shall contain spaces for the parties' names; the address of the alleged offender; the registration number of the offender's vehicle; the information required by section 805.2, a warning which states, "I hereby swear and affirm that the information provided by me on this citation is true under penalty of providing false information"; and a statement that providing false information is a violation of section 719.3; a list of the scheduled fines prescribed by sections 805.8A, 805.8B, and 805.8C, either separately or by group, and a statement of the court costs payable in scheduled violation cases, whether or not a court appearance is required or is demanded; a brief explanation of sections 805.9 and 805.10; and a space where the defendant may sign an admission of the violation when permitted by section 805.9; and the uniform citation and complaint shall require that the defendant appear before a court at a specified time and place. The uniform citation and complaint also may contain a space for the imprint of a credit

card, and may contain any other information which the commissioner of public safety, the director of transportation, and the director of the department of natural resources may determine.

Sec. 43. Section 805.8A, subsection 14, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. j. VEHICLE COMPONENT PARTS RECORDS VIOLATIONS. For violations under section 321.95, the scheduled fine is fifty dollars.

DIVISION V

FUEL TAX REVENUES

Sec. 44. Section 452A.3, subsection 1, paragraph a, Code 2009, is amended to read as follows:

a. The rate of the excise tax shall be based on the number of gallons of ethanol blended gasoline that is distributed in this state as expressed as a percentage of the number of gallons of motor fuel distributed in this state, which is referred to as the distribution percentage. For purposes of this subsection, only ethanol blended gasoline and nonblended gasoline, not including aviation gasoline, shall be used in determining the percentage basis for the excise tax. The department shall determine the percentage basis for each determination period beginning January 1 and ending December 31. The rate for the excise tax shall apply for the period beginning July 1 and ending June 30 following the end of the determination period.

DIVISION VI

TIME-21 FUND -- CAP ON ANNUAL DEPOSITS

Sec. 45. Section 312A.2, Code 2009, is amended to read as follows:


312A.2 TRANSPORTATION INVESTMENT MOVES THE ECONOMY IN THE TWENTY-FIRST CENTURY (TIME-21) FUND.

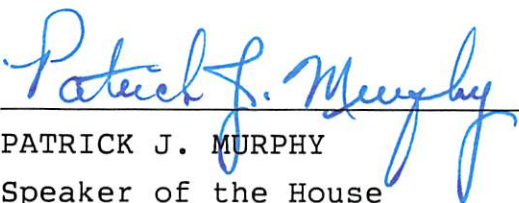
1. A transportation investment moves the economy in the twenty-first century fund is created in the state treasury under the control of the department. The fund shall be known and referred to as the TIME-21 fund. The fund shall consist of any moneys appropriated by the general assembly and any revenues credited by law to the TIME-21 fund. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.




2. Notwithstanding subsection 1 and section 312.2, for the fiscal year beginning July 1, 2008, and for each fiscal year thereafter, not more than a total of two hundred twenty-five million dollars shall be deposited in the TIME-21 fund for any fiscal year. Any remaining moneys directed to be deposited in the TIME-21 fund for a fiscal year shall be deposited or retained in the road use tax fund.

Sec. 46. EFFECTIVE DATE. The section of this division of this Act amending section 312A.2, being deemed of immediate importance, takes effect upon enactment.


  
JOHN P. KIBBIE  
President of the Senate

  
PATRICK J. MURPHY  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 419, Eighty-third General Assembly.

  
MICHAEL E. MARSHALL  
Secretary of the Senate

Approved May 22<sup>nd</sup>, 2009

  
CHESTER J. CULVER  
Governor