

2/28/95 approp.
FILED FEB 27 1995
3/5/95 Amend/Do Pass w/
S-3686

SENATE FILE 212
BY BANKS

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for special motor vehicle registration plates
2 for education, establishing an Iowa education transportation
3 enhancement fund, and providing an effective date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 212

1 Section 1. Section 285.8, Code 1995, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 9. Administer and distribute moneys
4 credited to the Iowa education transportation enhancement fund
5 established pursuant to section 285.8A.

6 Sec. 2. NEW SECTION. 285.8A IOWA EDUCATION
7 TRANSPORTATION ENHANCEMENT FUND.

8 1. An Iowa education transportation enhancement fund is
9 created in the office of the treasurer of state. The fund
10 consists of all revenues and all other moneys lawfully
11 credited or transferred to the fund. The department shall
12 certify monthly the portions of the fund that are distributed
13 as provided by this section.

14 2. The department shall establish a procedure for the
15 distribution of moneys in the fund to local school boards to
16 be used for the purpose of providing transportation for
17 pupils.

18 3. The auditor of state or a certified public accountant
19 firm appointed by the auditor of state shall conduct annual
20 audits of all accounts and transactions of the fund.

21 4. Notwithstanding section 12C.7, interest or earnings on
22 investments or time deposits of the moneys in the Iowa
23 education transportation enhancement fund or any of its
24 accounts shall be credited to the Iowa education
25 transportation enhancement fund.

26 5. Section 8.33 does not apply to moneys appropriated
27 under this section.

28 Sec. 3. Section 321.34, Code 1995, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 18. EDUCATION PLATES.

31 a. Upon application and payment of the proper fees, the
32 director may issue education plates to the owner of a motor
33 vehicle subject to registration under section 321.109,
34 subsection 1, light delivery truck, panel delivery truck,
35 pickup, motor home, multipurpose vehicle, or travel trailer.

1 b. Education plates shall be designed by the department in
2 cooperation with the department of education which design
3 shall include on the plate a depiction of an apple and a desk
4 and the name of the county where the vehicle is registered.

5 c. The special school transportation fee for letter number
6 designated education plates is thirty-five dollars. The fee
7 for personalized education plates is twenty-five dollars which
8 shall be paid in addition to the special school transportation
9 fee of thirty-five dollars. The fees collected by the
10 director under this subsection shall be paid monthly to the
11 treasurer of state and credited to the road use tax fund.
12 Notwithstanding section 423.24, and prior to the crediting of
13 revenues to the road use tax fund under section 423.24,
14 subsection 1, paragraph "d", the treasurer of state shall
15 credit monthly from those revenues to the Iowa education
16 transportation enhancement fund created pursuant to section
17 285.8A, the amount of the special school transportation fees
18 collected in the previous month for the education plates.

19 d. Upon receipt of the special registration plates, the
20 applicant shall surrender the current registration receipt and
21 plates to the county treasurer. The county treasurer shall
22 validate the special registration plates in the same manner as
23 regular registration plates are validated under this section.
24 The annual special school transportation fee for letter number
25 designated plates is ten dollars, which shall be paid in
26 addition to the regular annual registration fee. The annual
27 fee for personalized education plates is five dollars, which
28 shall be paid in addition to the annual special school
29 transportation fee and the regular annual registration fee.
30 The annual special school transportation fee shall be credited
31 as provided under paragraph "c".

32 Sec. 4. EFFECTIVE DATE. This Act takes effect on January
33 1, 1996.

34 EXPLANATION

35 This bill provides for the issuance of special license

1 plates for education and the establishment of an Iowa
2 education transportation enhancement fund. The bill requires
3 the payment of additional fees for the special plate as well
4 as additional fees for subsequent renewal of the registration
5 of the vehicle with the special plate. The additional fees
6 collected for the special plate shall be credited to the Iowa
7 education transportation enhancement fund created by this
8 bill. The moneys credited to the fund shall be distributed by
9 the state department of education for the purpose of providing
10 local school boards money to provide transportation to pupils.
11 The bill takes effect on January 1, 1996.

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**SENATE FILE 212
FISCAL NOTE**

A fiscal note for Senate File 212 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 212 creates the Iowa Education Transportation Enhancement Fund, provides for the issuance of special license plates for education, and deposits the fees for the special plates to the Fund. The bill charges a special school transportation fee of \$35 for the initial purchase of the plate and an annual renewal fee of \$10. These fees are paid in addition to the regular annual registration fee of the vehicle and are deposited into the Iowa Education Transportation Enhancement Fund. A fee of \$25 is charged for the initial purchase of personalized plates with an annual renewal fee of \$5. These fees are credited to the Road Use Tax Fund.

Assumptions

The sale of Special Education Transportation plates will be similar to the first year sales of Natural Resources plates. The first year sales are estimated at approximately 45,000. Of these plates, 4,500 are estimated to be personalized.

Fiscal Effect**Revenue to the Education Transportation Enhancement Fund**

First Year Revenue: 45,000 plates @ \$35 = \$1,575,000

Second and subsequent year revenue: 45,000 plates @ \$10 = \$450,000

Road Use Tax Fund Revenue

First Year Revenue: 4,500 personalized plates @ \$25 = \$112,500

Second and subsequent year revenue: 4,500 personalized plates @ \$5 = \$22,500

Road Use Tax Fund Expense

First Year Production Cost: 45,000 plates @ \$2.70 = \$121,500

Source: Department of Transportation

(LSB 1690SS, DLR)

FILED MARCH 21, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR