

Reprinted

FILED MAR 9 1995

SENATE FILE 291
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 56)

(P. 993)
Passed Senate, Date 3-30-95 Passed House, Date _____
Vote: Ayes 29 Nays 21 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to issuance of motor vehicle licenses by county
2 treasurers and providing moneys to the counties for
3 implementation of the Act.

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

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S.F. 291

1 Section 1. NEW SECTION. 321.179 COUNTY TREASURERS --
2 ISSUANCE OF MOTOR VEHICLE LICENSES.

3 Notwithstanding the provisions of this chapter or chapter
4 321L which grant sole authority to the department for the
5 issuance of motor vehicle licenses, nonoperator's
6 identification cards, and handicapped identification devices,
7 the counties of Adams, Cass, Fremont, Mills, Montgomery, and
8 Page shall be authorized to issue motor vehicle licenses on a
9 permanent basis.

10 Sec. 2. ISSUANCE OF MOTOR VEHICLE LICENSES BY COUNTY
11 TREASURERS -- PILOT PROJECT EXPANSION.

12 1. Twenty-four counties in addition to those counties
13 referenced in section 321.179, as created in this Act, shall
14 be included in the motor vehicle license issuance pilot
15 project originally established pursuant to 1993 Iowa Acts,
16 chapter 169, section 14. Of the 24 counties, the state
17 department of transportation shall choose four counties which
18 have a population of between 35,000 and 50,000. The
19 department shall select the twenty-four new counties from a
20 pool of counties which have requested to participate in the
21 pilot project. The county treasurers' offices in the
22 designated counties shall issue motor vehicle licenses,
23 including commercial driver's licenses, nonoperator's
24 identification cards, and handicapped identification devices.

25 2. The state department of transportation shall work in
26 conjunction with the county treasurer in each designated
27 county and with a representative of the Iowa state county
28 treasurers association to facilitate and implement the
29 transfer of licensing duties and responsibilities to the
30 designated counties in accordance with all of the following:

31 a. The department shall retain all administrative
32 authority over licensing functions which shall include
33 administrative procedures relating to cancellation,
34 revocation, or suspension of licenses, administrative hearings
35 and appeals, and training.

1 b. The department shall provide the county treasurer's
2 office in each of the counties with all of the supplies,
3 materials, and equipment necessary to carry out the provisions
4 of this subsection.

5 c. If it is necessary for a county treasurer to hire
6 additional employees first priority in hiring shall be given
7 to current employees of the department who become unemployed
8 due to the changes necessitated by this section.

9 d. The county treasurers in the designated counties shall
10 be required to offer extended hours of service to the public.

11 3. Notwithstanding the provisions of chapters 321 and 321L
12 which grant sole authority to the department for the issuance
13 of motor vehicle licenses, nonoperator's identification cards,
14 and handicapped identification devices, the county treasurer
15 in each of the counties chosen for the pilot project shall be
16 granted the same authority as is given to the department in
17 relation to the issuance of motor vehicle licenses,
18 nonoperator's identification cards, and handicapped
19 identification devices under chapters 321 and 321L.

20 Sec. 3. The state department of transportation shall
21 provide moneys to the thirty counties designated as either
22 permanent or pilot project counties in this Act for the costs
23 of implementing and complying with the provisions of this Act.
24 The moneys shall be allocated from road use tax fund moneys
25 appropriated to the motor vehicle division of the state
26 department of transportation.

27

EXPLANATION

28 In 1993, a pilot project was established which authorized
29 the county treasurers to issue motor vehicle licenses,
30 including commercial driver's licenses, nonoperator's
31 identification cards, and handicapped identification devices.
32 The six counties chosen were Adams, Cass, Fremont, Mills,
33 Montgomery, and Page. This bill expands that original pilot
34 project to an additional 24 counties, four of which must be
35 with a population between 35,000 and 50,000 and makes the

1 initial pilot project counties permanent motor vehicle license
2 issuance counties. The bill provides that the department must
3 select the 24 new counties from a pool of counties which have
4 requested to participate in the pilot project.

5 The bill provides that moneys be allocated from the motor
6 vehicle division of the state department of transportation to
7 the 30 counties to pay for the costs of implementing and
8 maintaining issuance of the county motor vehicle license
9 stations.

10 This bill may include a state mandate as defined in section
11 25B.3.

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**SENATE FILE 291
FISCAL NOTE**

A fiscal note for **Senate File 291** 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 291 extends a pilot project for the issuance of motor vehicle licenses by county treasurers by 24 counties. Currently the pilot project is being implemented in six southwest Iowa counties, Adams, Cass, Fremont, Mills, Montgomery, and Page. This Bill also authorizes the six counties to issue licenses on a permanent basis.

Assumptions

1. For estimating purposes the following 24 counties were selected as participants in the pilot project, Adair, Cerro Gordo, Cherokee, Clarke, Clay, Davis, Decatur, Dickinson, Emmet, Henry, Lee, Lyon, Madison, Marshall, O'Brien, Osceola, Plymouth, Ringgold, Sioux, Taylor, Union, Van Buren, Wapello, and Worth. The counties were selected based on proximity to other interested counties and population specifications of the Bill.
2. The addition of 24 counties will displace four Department of Transportation (DOT) driver license teams and 12 employees at a cost savings of \$347,408 in salaries and \$60,000 in support.
3. The DOT will hire five additional staff to provide oversight and technical support for the 24 counties licensing functions at a cost of \$183,465 for salaries and \$16,365 for support.
4. The DOT will be required to pay an average weekly unemployment benefit of \$250 for each laid off employee for 39 weeks, at a cost of \$117,000.
5. The 24 counties will issue approximately 86,524 licenses (11.9% of total estimated licenses) the first year. Based on the cost per license issuance of \$5 experienced in the original six pilot counties, the operating cost to the counties will total \$432,620.
6. The number of licenses issued during the first year will be equal to the average number of licenses issued per year (728,000).
7. The cost for equipment, equipment installation, materials, and supplies for the 24 additional counties will be incurred by the DOT. The first year cost is estimated at \$180,804. This includes utilizing existing equipment currently being used by the four DOT teams that will be displaced by this Bill.
8. The annual lease cost of the photo equipment will increase from \$1.04 to \$1.31 per license by adding 24 counties to motor vehicle license issuance. The estimated number of licenses issued in FY 1996 is 728,000. Based on

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this level of license activity, the annual lease cost will increase \$194,303.

9. There will be 56 county employees receiving training by the DOT. This includes two employees from participating counties with population under 35,000 and four employees from the four counties with population between 35,000 and 50,000.
10. The cost associated with training 56 county employees by the DOT is \$121,507. This includes county costs of \$76,543 and DOT costs of \$44,964. The training costs are based on providing a six week course similar to what was provided for the original six pilot project counties.

Fiscal Effect

The following estimated impact is to the Road Use Tax Fund (RUTF).

Operating Costs (Salaries, Support, and Equipment Lease)

DOT salary and Support Savings: \$207,578 (\$407,408 - \$199,830)
24 Counties Costs: \$432,620
Photo Equipment Lease: \$194,303
Total Operating Cost: \$419,345 (\$432,620 - \$207,578 + \$194,303)

Equipment and Training Costs

Equipment, Installation, and Testing: \$180,804
Training: \$121,507
Total Equipment and Training Costs: \$302,311 (\$180,804 + \$121,507)

Unemployment Compensation Costs

12 Employees @ \$250 @ 39 weeks: \$117,000

TOTAL FIRST YEAR COST: \$838,656 (\$419,345 + \$302,311 + \$117,000)

TOTAL ANNUAL OPERATING COST: \$419,345

The above costs do not include the proposal to upgrade the photo licensing equipment from the current system to a digitized imaging technology. If the new technology is funded for FY 1996 the annual cost of this Bill will increase \$426,000.

Sources:

Department of Transportation
Cass County Treasurer's Office
Legislative Fiscal Bureau

(LSB 1636SV, DLR)

FILED MARCH 29, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 291

S-3303

- 1 Amend Senate File 291 as follows:
2 1. Page 1, by striking lines 7 and 8 and
3 inserting the following: "the county treasurers of
4 all counties shall be authorized to issue motor
5 vehicle licenses on a".
6 2. Page 1, lines 12 and 13, by striking the words
7 "those counties referenced in section 321.179, as
8 created in this Act" and inserting the following:
9 "the counties of Adams, Cass, Fremont, Mills,
10 Montgomery, and Page".
11 3. Page 1, by inserting after line 24 the
12 following:
13 "1A. Of the 69 counties not designated pursuant to
14 subsection 1 to issue motor vehicle licenses, the
15 state department of transportation shall designate 33
16 of those counties on July 1, 1996, and the remaining
17 36 counties on July 1, 1997, to be included with the
18 motor vehicle license issuance pilot project
19 established pursuant to 1993 Iowa Acts, chapter 169,
20 section 14."
21 4. Page 2, lines 21 and 22, by striking the words
22 "thirty counties designated as either permanent or"
23 and inserting the following: "counties designated
24 as".
25 5. Page 2, by inserting after line 26 the
26 following:
27 "Sec. 4. EFFECTIVE DATE. Section 1 of this Act
28 takes effect on July 1, 1997."
29 6. By renumbering as necessary.

By JIM LIND

S-3303 FILED MARCH 30, 1995

LOST

(p. 972)

SENATE FILE 291

S-3189

- 1 Amend Senate File 291 as follows:
2 1. Page 1, line 9, by inserting after the word
3 "basis." the following: "The department shall certify
4 the county treasurers in the permanent counties to
5 issue commercial driver's licenses."
6 2. Page 1, line 18, by inserting after the figure
7 "50,000" the following: "and the remaining 20
8 counties shall have a population of less than 35,000".
9 3. Page 2, by inserting after line 10 the
10 following:
11 "e. The department shall certify the county
12 treasurers in each designated county to issue
13 commercial driver's licenses."

By EUGENE FRAISE

S-3189 FILED MARCH 22, 1995

Out of Order 3-30-95 (p. 993)

SENATE FILE 291

S-3298

1 Amend Senate File 291 as follows:

- 2 1. Page 1, line 9, by inserting after the word
3 "basis." the following: "The department shall certify
4 the county treasurers in the permanent counties to
5 issue commercial driver's licenses provided that all
6 of the following occur:
7 1. The driving skills test is the same as that
8 which would otherwise be administered by the state.
9 2. The county examiner contractually agrees to
10 comply with the requirements of 49 C.F.R. § 85.75,
11 adopted as of a specific date by rule by the
12 department."
13 2. Page 1, line 18, by inserting after the figure
14 "50,000" the following: "and the remaining 20
15 counties shall have a population of less than 35,000".
16 3. Page 2, by inserting after line 10 the
17 following:
18 "e. The department shall certify the county
19 treasurers in each designated county to issue
20 commercial driver's licenses provided that all of the
21 following occur:
22 (1) The driving skills test is the same as that
23 which would otherwise be administered by the state.
24 (2) The county examiner contractually agrees to
25 comply with the requirements of 49 C.F.R. § 85.75,
26 adopted as of a specific date by rule by the
27 department."

By EUGENE FRAISE

S-3298 FILED MARCH 30, 1995

ADOPTED

(P. 992)

SENATE FILE 291

S-3302

1 Amend Senate File 291 as follows:

- 2 1. Page 2, by striking line 10 and inserting the
3 following: "be required to offer hours and days of
4 service to the public equal to or greater than the
5 hours and days of service provided by the state
6 department of transportation in the designated county
7 immediately prior to the start of the county's
8 provision of the service."

By JIM LIND

S-3302 FILED MARCH 30, 1995

ADOPTED

(P. 972)

SENATE FILE 291
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 56)
(AS AMENDED AND PASSED BY THE SENATE MARCH 30, 1995)

_____ - New Language by the Senate

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

A BILL FOR

1 An Act relating to issuance of motor vehicle licenses by county
2 treasurers and providing moneys to the counties for
3 implementation of the Act.

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

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1 Section 1. NEW SECTION. 321.179 COUNTY TREASURERS --
2 ISSUANCE OF MOTOR VEHICLE LICENSES.

3 Notwithstanding the provisions of this chapter or chapter
4 321L which grant sole authority to the department for the
5 issuance of motor vehicle licenses, nonoperator's
6 identification cards, and handicapped identification devices,
7 the counties of Adams, Cass, Fremont, Mills, Montgomery, and
8 Page shall be authorized to issue motor vehicle licenses on a
9 permanent basis. The department shall certify the county
10 treasurers in the permanent counties to issue commercial
11 driver's licenses provided that all of the following occur:

12 1. The driving skills test is the same as that which would
13 otherwise be administered by the state.

14 2. The county examiner contractually agrees to comply with
15 the requirements of 49 C.F.R. § 85.75, adopted as of a
16 specific date by rule by the department.

17 Sec. 2. ISSUANCE OF MOTOR VEHICLE LICENSES BY COUNTY
18 TREASURERS -- PILOT PROJECT EXPANSION.

19 1. Twenty-four counties in addition to those counties
20 referenced in section 321.179, as created in this Act, shall
21 be included in the motor vehicle license issuance pilot
22 project originally established pursuant to 1993 Iowa Acts,
23 chapter 169, section 14. Of the 24 counties, the state
24 department of transportation shall choose four counties which
25 have a population of between 35,000 and 50,000 and the
26 remaining 20 counties shall have a population of less than,
27 35,000. The department shall select the twenty-four new
28 counties from a pool of counties which have requested to
29 participate in the pilot project. The county treasurers'
30 offices in the designated counties shall issue motor vehicle
31 licenses, including commercial driver's licenses,
32 nonoperator's identification cards, and handicapped
33 identification devices.

34 2. The state department of transportation shall work in
35 conjunction with the county treasurer in each designated

1 county and with a representative of the Iowa state county
2 treasurers association to facilitate and implement the
3 transfer of licensing duties and responsibilities to the
4 designated counties in accordance with all of the following:

5 a. The department shall retain all administrative
6 authority over licensing functions which shall include
7 administrative procedures relating to cancellation,
8 revocation, or suspension of licenses, administrative hearings
9 and appeals, and training.

10 b. The department shall provide the county treasurer's
11 office in each of the counties with all of the supplies,
12 materials, and equipment necessary to carry out the provisions
13 of this subsection.

14 c. If it is necessary for a county treasurer to hire
15 additional employees first priority in hiring shall be given
16 to current employees of the department who become unemployed
17 due to the changes necessitated by this section.

18 d. The county treasurers in the designated counties shall
19 be required to offer hours and days of service to the public
20 equal to or greater than the hours and days of service
21 provided by the state department of transportation in the
22 designated county immediately prior to the start of the
23 county's provision of the service.

24 e. The department shall certify the county treasurers in
25 each designated county to issue commercial driver's licenses
26 provided that all of the following occur:

27 (1) The driving skills test is the same as that which
28 would otherwise be administered by the state.

29 (2) The county examiner contractually agrees to comply
30 with the requirements of 49 C.F.R. § 85.75, adopted as of a
31 specific date by rule by the department.

32 3. Notwithstanding the provisions of chapters 321 and 321L
33 which grant sole authority to the department for the issuance
34 of motor vehicle licenses, nonoperator's identification cards,
35 and handicapped identification devices, the county treasurer

1 in each of the counties chosen for the pilot project shall be
2 granted the same authority as is given to the department in
3 relation to the issuance of motor vehicle licenses,
4 nonoperator's identification cards, and handicapped
5 identification devices under chapters 321 and 321L.

6 Sec. 3. The state department of transportation shall
7 provide moneys to the thirty counties designated as either
8 permanent or pilot project counties in this Act for the costs
9 of implementing and complying with the provisions of this Act.
10 The moneys shall be allocated from road use tax fund moneys
11 appropriated to the motor vehicle division of the state
12 department of transportation.

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*Travis, Ch.
Black
Jenson*

*SSB 56
Transportation*

Succeeded By

SENATE FILE 291

BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON GETTINGS)

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

A BILL FOR

1 An Act relating to issuance of motor vehicle licenses by county
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18 have a population of between 35,000 and 50,000. The county
19 treasurers' offices in the designated counties shall issue
20 motor vehicle licenses, including commercial driver's
21 licenses, nonoperator's identification cards, and handicapped
22 identification devices.

23 2. The state department of transportation shall work in
24 conjunction with the county treasurer in each designated
25 county and with a representative of the Iowa state county
26 treasurers association to facilitate and implement the
27 transfer of licensing duties and responsibilities to the
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29 a. The department shall retain all administrative
30 authority over licensing functions which shall include
31 administrative procedures relating to cancellation,
32 revocation, or suspension of licenses, administrative hearings
33 and appeals, and training.

34 b. The department shall provide the county treasurer's
35 office in each of the counties with all of the supplies,

1 materials, and equipment necessary to carry out the provisions
2 of this subsection.

3 c. If it is necessary for a county treasurer to hire
4 additional employees first priority in hiring shall be given
5 to current employees of the department who become unemployed
6 due to the changes necessitated by this section.

7 d. The county treasurers in the designated counties shall
8 be required to offer extended hours of service to the public.

9 3. Notwithstanding the provisions of chapters 321 and 321L
10 which grant sole authority to the department for the issuance
11 of motor vehicle licenses, nonoperator's identification cards,
12 and handicapped identification devices, the county treasurer
13 in each of the counties chosen for the pilot project shall be
14 granted the same authority as is given to the department in
15 relation to the issuance of motor vehicle licenses,
16 nonoperator's identification cards, and handicapped
17 identification devices under chapters 321 and 321L.

18 Sec. 3. The state department of transportation shall
19 provide moneys to the thirty counties designated as either
20 permanent or pilot project counties in this Act for the costs
21 of implementing and complying with the provisions of this Act.
22 The moneys shall be allocated from road use tax fund moneys
23 appropriated to the motor vehicle division of the state
24 department of transportation.

25 EXPLANATION

26 In 1993, a pilot project was established which authorized
27 the county treasurers to issue motor vehicle licenses,
28 including commercial driver's licenses, nonoperator's
29 identification cards, and handicapped identification devices.
30 The six counties chosen were Adams, Cass, Fremont, Mills,
31 Montgomery, and Page. This bill expands that original pilot
32 project to an additional 24 counties, four of which must be
33 with a population between 35,000 and 50,000 and makes the
34 initial pilot project counties permanent motor vehicle license
35 issuance counties.

1 The bill provides that moneys be allocated from the motor
2 vehicle division of the state department of transportation to
3 the 30 counties to pay for the costs of implementing and
4 maintaining issuance of the county motor vehicle license
5 stations.

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