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Place On Calendar

HOUSE FILE **2424**
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 574)

Passed House, ^(p.582) Date 3/10/98 Passed Senate, ^(p.972) Date 3/31/98
Vote: Ayes 88 Nays 7 Vote: Ayes 34 Nays 15
Approved April 22, 1998

A BILL FOR

1 An Act providing for the expansion of the system of issuance of
2 motor vehicle licenses by county treasurers.

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

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HC 2424

1 Section 1. NEW SECTION. 321M.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "Cluster" means a group of four to six contiguous
5 counties serving a population area comparable to an area
6 served by a department itinerant team, that is subject to an
7 agreement among the participating counties that is executed
8 pursuant to chapter 28E.

9 2. "Commercial driver's license" means a motor vehicle
10 license valid for the operation of a commercial motor vehicle,
11 as regulated by chapter 321.

12 3. "County issuance" means the system or process of
13 issuing motor vehicle licenses, nonoperator identification
14 cards, and persons with disabilities identification devices,
15 including all related testing, to the same extent that such
16 items are issued by the department.

17 4. "Department" means the state department of
18 transportation.

19 5. "Digitized photolicensing equipment" means the machines
20 and related materials, obtained pursuant to contract, the use
21 of which results in the on-site production of motor vehicle
22 licenses and nonoperator identification cards.

23 6. "Digitized photolicensing equipment contract period"
24 means the period of time that the contract for the digitized
25 photolicensing equipment is in effect, including any contract
26 extensions elected by the department under the terms of the
27 contract.

28 7. "Initial opt-in period" means the first opportunity for
29 a county to indicate its interest in being authorized to
30 participate in county issuance.

31 8. "Issuing county" means a county that is participating
32 in county issuance.

33 9. "Itinerant team" means a traveling team of department
34 personnel assigned to license issuance activities in a
35 specified geographic area.

1 10. "Motor vehicle" means a vehicle which is self-
2 propelled, including but not limited to automobiles, cars,
3 motor trucks, semitrailers, motorcycles, and similar vehicles
4 regulated under chapter 321.

5 11. "Motor vehicle license" means any license or permit
6 issued to a person to operate a motor vehicle on the highways
7 of this state, including but not limited to a driver's,
8 commercial driver's, temporary restricted, or temporary
9 license and an instruction, chauffeur's instruction,
10 commercial driver's instruction, temporary restricted, or
11 temporary permit.

12 12. "Nonoperator identification card" means the card
13 issued pursuant to section 321.190 that contains information
14 pertaining to the personal characteristics of the applicant
15 but does not convey to the person issued the card any
16 operating privileges for any motor vehicle.

17 13. "Opt in" means a county's indication of its interest
18 in being authorized to participate in county issuance, or to
19 continue participating in county issuance.

20 14. "Opt-in period" means a time period when a county may
21 indicate its interest in being authorized to participate in
22 county issuance, or to continue participating in county
23 issuance.

24 15. "Opt out" means the choice of a county that is
25 authorized to issue licenses to terminate that authorization
26 and its participation in county issuance.

27 16. "Opt-out period" means a time period when a county
28 that is authorized to issue licenses may terminate that
29 authorization and its future participation in county issuance.

30 17. "Persons with disabilities identification devices"
31 means those devices issued pursuant to chapter 321L.

32 Sec. 2. NEW SECTION. 321M.2 RELATION TO OTHER LAWS.

33 Notwithstanding provisions of chapter 321 or 321L that
34 grant sole authority to the department for the issuance of
35 motor vehicle licenses, nonoperator identification cards, and

1 persons with disabilities identification devices, certain
2 counties shall be authorized to issue motor vehicle licenses,
3 nonoperator identification cards, and persons with
4 disabilities identification devices, according to the
5 requirements of this chapter.

6 Sec. 3. NEW SECTION. 321M.3 AUTHORIZATION TO ISSUE
7 LICENSES -- INITIAL OPT-IN.

8 1. Adams, Cass, Fremont, Mills, Montgomery, and Page
9 counties shall be authorized to issue motor vehicle licenses,
10 nonoperator identification cards, and persons with
11 disabilities identification devices on a permanent basis,
12 provided that such counties continue to meet the department's
13 standards for issuance.

14 a. Any county desiring to opt out of county issuance
15 effective with the beginning of the next digitized
16 photolicensing equipment contract period may do so if the
17 cluster, minus the county opting out, is approved by the
18 department, or if one of the alternatives for continued
19 service by the remaining counties in the cluster is arranged
20 pursuant to section 321M.4.

21 b. A county shall submit in writing to the department its
22 election either to continue participation in county issuance,
23 or to opt out, during the opt-out period established by the
24 department prior to the beginning of the next digitized
25 photolicensing equipment contract period.

26 2. No more than forty-two additional counties shall be
27 authorized to issue motor vehicle licenses, nonoperator
28 identification cards, and persons with disabilities
29 identification devices, effective with the beginning of the
30 next digitized photolicensing equipment contract period.

31 a. A county that is served by a permanent department
32 facility is not eligible to opt in to county issuance.

33 b. An initial opt-in period shall be designated by the
34 department for an eligible county to indicate its desire to
35 participate in county issuance at the time when the next

1 contract for digitized photolicensing equipment is
2 implemented. The department may designate an opt-in period at
3 a time sufficiently in advance of the time for submission of
4 request for proposals related to the next digitized
5 photolicensing equipment contract period, so that the
6 department may accurately estimate the number of sets of
7 equipment that will be needed under the new contract.

8 c. Initial participation by a county in county issuance
9 requires prior approval in writing by the county treasurer and
10 the board of supervisors.

11 d. If more than forty-two counties indicate an interest in
12 participating in county issuance, the department shall give
13 preference to the first forty-two counties that are approved
14 as proposed clusters according to section 321M.4, provided
15 that such counties have also filed the written authorizations
16 required under paragraph "c".

17 3. A county may opt in to county issuance only during the
18 initial opt-in period, unless a county is requested to
19 participate in an existing cluster pursuant to section 321M.4.
20 A county that is so approved by the department to join an
21 existing cluster shall satisfy all requirements under this
22 chapter for a county in an initial opt-in period.

23 Sec. 4. NEW SECTION. 321M.4 CLUSTERING.

24 1. The system of county issuance shall be implemented
25 through the use of clusters.

26 2. A proposed cluster shall replace one department
27 itinerant team. However, the proposed cluster need not be
28 composed of precisely the same counties served by an existing
29 department itinerant team.

30 3. The department shall have authority to approve proposed
31 clusters, in accordance with the following principles:

32 a. Proposed clusters should avoid reducing service
33 availability to any neighboring county not part of the
34 cluster, below service levels offered to such county by the
35 department. This principle applies, but is not limited to,

1 situations where service to the neighboring county by a
2 department itinerant team would become exceedingly difficult,
3 or would result in reduced annual hours of service
4 availability due to the need for changes in itinerant team
5 assignments.

6 b. A cluster may elect to offer service to a neighboring
7 county outside of the proposed cluster, if approval of a
8 cluster by the department is opposed because of difficulties
9 in servicing one or more counties that surround the cluster,
10 or because the cluster would require a reduction in annual
11 hours of service availability by the department to such
12 counties.

13 c. The department shall exercise its approval authority
14 under this section in good faith, and shall consult with the
15 Iowa county treasurers association in making its decision
16 regarding approval of individual clusters.

17 4. Prior to issuing any licenses, an approved cluster
18 shall execute an agreement among participating counties
19 pursuant to chapter 28E, addressing the relative rights and
20 liabilities associated with cluster activity. A copy of this
21 agreement, as well as any subsequent alterations or addendum,
22 shall be filed with the department within thirty days of
23 execution.

24 5. If a county within a cluster opts out of county
25 issuance during a designated opt-out period under section
26 321M.3 or 321M.8, or is otherwise subject to termination of
27 all or part of its county issuance authorization, the
28 remaining counties in the cluster may pursue one or more of
29 the following alternatives:

30 a. The counties may request that one or more counties
31 contiguous to the counties remaining in the cluster join the
32 cluster, in accordance with this section and other provisions
33 of this chapter.

34 b. The counties may elect to provide service to the
35 terminated county, in accordance with this section and other

1 provisions of this chapter.

2 6. If a cluster subject to the provisions of subsection 5
3 is not approved by the department for continued service as a
4 cluster, the individual counties in the cluster shall revert
5 to service by the department.

6 Sec. 5. NEW SECTION. 321M.5 CONTRACT BETWEEN THE
7 DEPARTMENT AND ISSUING COUNTIES.

8 1. The department and each county participating in county
9 issuance shall execute an agreement pursuant to chapter 28E,
10 detailing the relative responsibilities and liabilities of
11 each party to the agreement.

12 2. The agreement required by subsection 1 shall
13 specifically address the following issues, in addition to
14 other issues that may be required by chapter 28E or that may
15 otherwise be deemed necessary for inclusion in the agreement
16 by the parties to the agreement:

17 a. Responsibility for collection of, and accounting for,
18 any fees associated with the licensing process.

19 b. Oversight guidelines.

20 c. Performance standards.

21 d. Progressive discipline standards and measures,
22 including appeals.

23 e. Rights and responsibilities during any extensions of a
24 digitized photolicensing contract.

25 f. A specified opt-out period prior to each future request
26 for proposals for digitized photolicensing equipment
27 contracts, and procedures related to a decision to opt out by
28 a county within a particular cluster.

29 3. An addendum to such an agreement may be executed by the
30 parties, in accordance with chapter 28E.

31 Sec. 6. NEW SECTION. 321M.6 CERTIFICATION OF COMMERCIAL
32 DRIVER'S LICENSE ISSUANCE.

33 1. A county shall be authorized to issue commercial
34 driver's licenses if certified to do so by the department.

35 2. The department shall certify the commercial driver's

1 license issuance in a county authorized to issue licenses
2 pursuant to section 321M.3 if all of the following conditions
3 are met:

4 a. The driving skills test is the same as that which would
5 otherwise be administered by the state.

6 b. The county examiner contractually agrees to comply with
7 the requirements of 49 C.F.R. § 383.75, adopted as of a
8 specific date by rule by the department.

9 c. The department provides supervision over the issuance
10 of commercial driver's licenses, including the administration
11 of written and driving skills tests by the county treasurer.
12 However, the failure of the department to provide appropriate
13 supervision shall not alone be used as a reason to deny
14 certification.

15 d. The county otherwise complies with the procedures for
16 issuance of commercial driver's licenses as provided in
17 chapter 321.

18 3. If a county fails to meet the standards for
19 certification under this section, and fails to correct
20 deficiencies according to the department's operating
21 standards, the county's right to issue commercial driver's
22 licenses shall be terminated, and the county shall cease
23 issuing commercial driver's licenses. Procedures and
24 conditions for recertification shall be addressed in the
25 operating standards for the department.

26 4. The issuance of commercial driver's licenses for
27 residents of a county whose issuance rights have been
28 terminated under subsection 3 may be provided by other
29 counties in the relevant cluster, according to the provisions
30 of section 321M.5. The department is not obligated to provide
31 service in a county for issuance of commercial driver's
32 licenses if the county fails to meet certification standards
33 under this section. However, the department shall facilitate
34 appropriate arrangements for availability of such services as
35 it deems necessary.

1 Sec. 7. NEW SECTION. 321M.7 TRAINING.

2 1. The department shall provide a minimum of eight weeks
3 of initial training for county personnel participating in
4 county issuance. The maximum class size for this initial
5 training shall be twenty people.

6 2. The department shall also provide individualized
7 additional training for county personnel within each
8 participating county office following initial training.

9 3. The department shall periodically offer continuing
10 education and training opportunities to county personnel.

11 4. The department shall not segregate training sessions
12 for county personnel and department employees.

13 5. New county personnel, including new county treasurers,
14 who will participate in county issuance, shall complete the
15 initial training session prior to engaging in any licensing
16 activities. A county treasurer shall use best efforts to
17 complete initial training as soon as possible. A county
18 treasurer who does not make reasonable attempts to begin
19 initial training within three months of taking office may be
20 subject to having the county issuance program in that county
21 placed on probation.

22 Sec. 8. NEW SECTION. 321M.8 NEW OR SUBSEQUENT CONTRACTS
23 -- OPT-OUT PERIOD.

24 1. If entering into a new digitized photolicensing
25 equipment contract is anticipated by the department, the
26 department shall provide an opt-out period sufficiently prior
27 to the issuance of a request for proposals related to such
28 contract by the department.

29 2. According to the time frame established by the
30 agreement executed pursuant to section 321M.5, during an opt-
31 out period described in subsection 1, each issuing county
32 shall indicate in writing to the department one of the
33 following:

34 a. That the county elects to continue to participate in
35 county issuance for the duration of the next digitized

1 photolicensing contract period, subject to the other
2 provisions of this chapter.

3 b. That the county elects to opt out of county issuance,
4 effective at the end of the present digitized photolicensing
5 contract period.

6 3. An issuing county may opt out of county issuance only
7 during an opt-out period described under subsection 1.

8 Sec. 9. NEW SECTION. 321M.9 FINANCIAL RESPONSIBILITY.

9 1. FEES TO COUNTIES. Notwithstanding any other provision
10 in the Code to the contrary, the county treasurer of any
11 county authorized to issue motor vehicle licenses under this
12 chapter shall retain for deposit in the county general fund
13 three dollars and seventy-five cents of fees received for each
14 issuance or renewal of motor vehicle licenses and nonoperator
15 identification cards, but shall not retain any moneys for the
16 issuance of any persons with disabilities identification
17 devices. The county treasurer shall remit the balance of fees
18 to the department.

19 2. DIGITIZED PHOTOLICENSING EQUIPMENT.

20 a. The department shall pay for all digitized
21 photolicensing equipment, including that used by the
22 department and authorized for use by issuing counties under
23 this subsection. Moneys from the road use tax fund shall be
24 used, subject to appropriation by the general assembly, for
25 payment of costs associated with the purchase or lease of
26 digitized photolicensing equipment.

27 b. An issuing county shall be entitled to one set of
28 digitized photolicensing equipment, unless the county was
29 served at multiple sites by the department, in which case the
30 county shall be entitled to two sets of digitized
31 photolicensing equipment. A county shall indicate at the time
32 of opting in how many sets of equipment are needed by the
33 county.

34 3. OTHER EQUIPMENT. The department shall pay for all
35 other equipment needed by a county to participate in county

1 issuance, comparable to the equipment provided for issuance
2 activities by a department itinerant team, with the exception
3 of the following:

4 a. Office furniture.

5 b. Computer hardware needed to access department computer
6 databases, facsimile machines used to transmit documents
7 between the department and the county, and similar office
8 equipment of a general nature that is not dedicated solely or
9 primarily to the issuance process.

10 Sec. 10. NEW SECTION. 321M.10 SUPERVISORY AUTHORITY OF
11 DEPARTMENT.

12 1. The department shall retain all supervisory authority
13 over the county treasurers who shall be subject to the
14 supervision of the department and shall be considered agents
15 of the department when performing motor vehicle licensing
16 functions.

17 2. Approximately one supervisor shall be assigned from the
18 department to every six issuance sites participating in county
19 issuance.

20 3. Approximately one technical computer support employee
21 shall be assigned from the department to every twenty-four
22 counties participating in county issuance.

23 4. The department shall provide issuing counties access to
24 computer databases at a level equal to that provided to
25 comparable department employees.

26 5. The department may adopt rules pursuant to chapter 17A
27 as necessary to administer this chapter. The department may
28 also develop operating standards as necessary to administer
29 this chapter. The department shall consult with the Iowa
30 county treasurers association in developing operating
31 standards and proposed rules.

32 Sec. 11. NEW SECTION. 321M.11 GOOD FAITH EFFORTS
33 REQUIRED.

34 The department and issuing counties shall use their best
35 good faith efforts to work in cooperation in implementing and

1 maintaining an effective system of county issuance.

2 The department and all persons involved with administration
3 of this chapter, department procedures, and related
4 administrative rules shall use their best good faith efforts
5 to ensure that the application of the laws, rules, and
6 procedures related to county issuance shall not be used to
7 impede county issuance.

8 Sec. 12. Section 48A.7, Code 1997, is amended to read as
9 follows:

10 48A.7 REGISTRATION IN PERSON.

11 An eligible elector may register to vote by appearing
12 personally and completing a voter registration form at the
13 office of the commissioner in the county in which the person
14 resides, at a motor vehicle driver's license station,
15 including any county treasurer's office that is participating
16 in county issuance of motor vehicle licenses under chapter
17 321M, or at any voter registration agency. A separate
18 registration form shall be signed by each individual
19 registrant.

20 Sec. 13. Section 48A.9, subsection 4, Code 1997, is
21 amended to read as follows:

22 4. Registration forms submitted to voter registration
23 agencies, or to motor vehicle driver's license stations, and
24 to county treasurer's offices participating in county issuance
25 of motor vehicle licenses under chapter 321M shall be
26 considered on time if they are received no later than five
27 p.m. on the day registration closes for that election.
28 Offices or agencies other than the county commissioner's
29 office are not required to be open for voter registration
30 purposes at times other than their usual office hours.

31 Sec. 14. Section 48A.18, Code 1997, is amended by adding
32 the following new subsection:

33 NEW SUBSECTION. 5. A county treasurer's office
34 participating in county issuance of motor vehicle licenses
35 pursuant to chapter 321M shall participate in voter

1 registration under this section to the same extent as a
2 license facility of the state department of transportation.

3 Sec. 15. Section 48A.21, Code 1997, is amended to read as
4 follows:

5 48A.21 TRANSMISSION OF FORMS FROM AGENCIES AND DRIVER'S
6 LICENSE STATIONS.

7 The state registrar of voters shall adopt administrative
8 rules regulating the transmission of completed voter
9 registration forms from voter registration agencies and from
10 driver's license stations, including county treasurer's
11 offices participating in county issuance of motor vehicle
12 licenses under chapter 321M. All completed voter registration
13 applications in the possession of a voter registration agency,
14 or a driver's license station, or a county treasurer's office
15 that is participating in county issuance of motor vehicle
16 licenses at five p.m. on the last work day of each week shall
17 be transmitted to the location designated by the state
18 registrar of voters by rule. Procedures or requirements for
19 more frequent transmissions may be specified by rule.

20 Sec. 16. Section 48A.27, subsection 1, Code Supplement
21 1997, is amended to read as follows:

22 1. Any voter registration form received by any voter
23 registration agency, driver's license station, including
24 county treasurer's offices participating in county issuance of
25 motor vehicle licenses under chapter 321M, or the commissioner
26 shall be considered as updating the registrant's previous
27 registration.

28 Sec. 17. Section 48A.27, subsection 2, paragraph a,
29 subparagraph (4), Code Supplement 1997, is amended to read as
30 follows:

31 (4) A change of address form to the office of driver
32 services of the state department of transportation, or to a
33 county treasurer's office that is participating in county
34 issuance of motor vehicle licenses under chapter 321M.

35 Sec. 18. Section 321.151, Code 1997, is amended to read as

1 follows:

2 321.151 DUTY AND LIABILITY OF TREASURER.

3 The county treasurer shall collect the registration fee and
4 penalties on each vehicle registered by the county treasurer
5 and shall be responsible on the county treasurer's bond for
6 such amount. The county treasurer shall remit such amount to
7 the treasurer of state as herein provided in this chapter.
8 Fees collected pursuant to participation in county issuance of
9 motor vehicle licenses under chapter 321M shall be governed by
10 the provisions of that chapter.

11 Sec. 19. Section 321.152, Code 1997, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. This section does not apply to
14 fees collected or retained by a county treasurer pursuant to
15 participation in county issuance of motor vehicle licenses
16 under chapter 321M.

17 Sec. 20. Section 321.153, Code 1997, is amended by adding
18 the following new unnumbered paragraph:

19 NEW UNNUMBERED PARAGRAPH. This section does not apply to
20 fees collected or retained by a county treasurer pursuant to
21 participation in county issuance of motor vehicle licenses
22 under chapter 321M.

23 Sec. 21. NEW SECTION. 331.557A DUTIES RELATING TO
24 ISSUANCE OF MOTOR VEHICLE LICENSES.

25 The treasurer of any county participating in county
26 issuance of motor vehicle licenses under chapter 321M shall:

27 1. Issue, renew, and replace lost or damaged nonoperator
28 identification cards and motor vehicle licenses, including
29 commercial driver's licenses, according to the provisions of
30 chapter 321M.

31 2. Issue persons with disabilities parking permits under
32 chapter 321L.

33 3. Collect fees associated with nonoperator identification
34 cards and motor vehicle licenses, including commercial
35 driver's licenses, and pay to the state amounts in excess of

1 the amount the treasurer is permitted to retain for deposit in
2 the county general fund for license issuance.

3 4. Participate in voter registration according to the
4 terms of chapter 48A, and submit completed voter registration
5 forms to the state registrar of voters.

6 5. Attend initial training as required by chapter 321M,
7 and participate in continuing education as offered by the
8 state department of transportation.

9 6. Comply with the terms of any applicable agreements
10 created pursuant to chapter 28E, and state department of
11 transportation operating standards for license issuance.

12 Sec. 22. Section 321.179, Code Supplement 1997, is
13 repealed.

14 Sec. 23. 1995 Iowa Acts, chapter 220, section 27, is
15 repealed.

16 Sec. 24. CODE EDITOR DIRECTIVE. The Code Editor is
17 instructed to change all references to "motor vehicle license"
18 contained in chapter 321M and in this bill to "driver's
19 license" if Senate File 2113 is enacted by the Seventy-seventh
20 General Assembly, 1998 Session. This directive includes
21 authority to change plural forms of the terms, and to
22 reorganize definitions in section 321M.1, as enacted by this
23 Act, so that the subsections remain in alphabetical order
24 following any change of a defined term according to this
25 directive.

26 EXPLANATION

27 This bill creates new Code chapter 321M, which expands the
28 system of issuance of motor vehicle licenses by county
29 treasurers from six counties (Adams, Cass, Fremont, Mills,
30 Montgomery, and Page), to include up to an additional 42
31 counties. Former provisions related to county issuance are
32 repealed in conjunction with the creation of the new Code
33 chapter. The contents of the new Code chapter are based on
34 the discussions and recommendations of the interim study
35 committee on county issuance of motor vehicle licenses.

1 The new Code chapter contains new Code section 321M.1,
2 devoted to definition of words and terms which are integral to
3 county issuance. Some terms build upon definitions or
4 provisions in other chapters or sections regulating motor
5 vehicles, such as "motor vehicle license" and "persons with
6 disabilities identification device". Other terms, however,
7 are unique to this chapter, such as "initial opt-in period",
8 "itinerant team", and "digitized photolicensing equipment".

9 New Code section 321M.2 provides that county treasurers
10 authorized under Code chapter 321M to issue licenses may do
11 so, notwithstanding other provisions of the Code which grant
12 sole authority to the department of transportation (DOT) to
13 issue licenses.

14 New Code section 321M.3 provides for the continuance of the
15 six counties currently authorized to issue licenses, as well
16 as for a procedure for a voluntary termination of issuance,
17 should any of the six counties choose to do so.

18 New Code section 321M.3 also provides for the initial
19 participation by up to 42 additional counties. Counties
20 served by permanent DOT sites are not eligible for county
21 issuance. Eligible counties which are interested must file
22 with DOT written authorization from both the county treasurer
23 and the board of supervisors prior to participation in license
24 issuance. In the event that more than 42 counties indicate an
25 interest in county issuance, preference will be given to
26 counties that have both filed the appropriate authorizations
27 and have been approved as part of "clusters".

28 New Code section 321M.4 provides that the system of county
29 issuance shall be implemented through the use of "clusters",
30 groups of four to six contiguous counties that serve a
31 population area comparable to that served by each DOT
32 itinerant (travelling) license issuance team. Each cluster
33 will replace a DOT itinerant team, but a proposed cluster need
34 not contain the exact counties served by an existing itinerant
35 team. Clusters must execute an agreement pursuant to Code

1 chapter 28 among participating counties.

2 Counties wishing to issue licenses need to propose
3 clusters, preferably combinations that will not cause DOT
4 service difficulties (when remaining itinerant teams are
5 scheduled and assigned) to counties surrounding the cluster.
6 DOT may oppose a proposed cluster if subsequent DOT service to
7 such counties would be exceptionally difficult, or would
8 result in a substantial reduction of annual service
9 availability to such counties. A proposed cluster that is
10 opposed because of service difficulties to neighboring
11 counties can elect to offer service to the county posing the
12 service difficulty to DOT. Clusters affected by the
13 termination or voluntary discontinuance of county issuance by
14 a participating county have a similar option of providing
15 service in the terminated county, or replacing the terminated
16 county with another contiguous county. Clusters that cannot
17 resolve such problems will revert to service from DOT.

18 New Code section 321M.5 addresses the requirement for a
19 Code chapter 28E agreement between DOT and each of the issuing
20 counties, as well as specific issues that must be addressed by
21 the Code chapter 28E agreement.

22 New Code section 321M.6 addresses issuance of commercial
23 driver's licenses (CDLs) in the counties. CDL issuance must
24 meet federal standards, and the state must certify that
25 issuance of CDLs within the state is in compliance with the
26 federal requirements. Code section 321M.6 requires that
27 counties comply with the federal CDL standards and other
28 provisions under Iowa law relating to CDL issuance. A county
29 that observes these standards shall be certified as part of
30 statewide compliance with federal standards. A county which
31 fails to correct deficiencies in CDL issuance may have its
32 privileges relating to CDL issuance terminated. Other
33 counties in the cluster may then provide CDL services for the
34 terminated county, but DOT has no obligation to offer such
35 services within the terminated county.

1 New Code section 321M.7 addresses training, including an
2 initial eight-week training session, follow-up training on-
3 site, and continuing training. The department may not
4 segregate department employees and county personnel in
5 different training sessions. New county personnel must
6 complete initial training before conducting licensing
7 activity. New county treasurers must use best efforts to
8 complete initial training as soon as possible; the issuance
9 program within a county may be placed on probation if a new
10 treasurer does not make reasonable efforts to begin training
11 within three months of entering office.

12 New Code section 321M.8 provides for an "opt-out period"
13 prior to implementation of a new digitized photolicensing
14 agreement. Digitized photolicensing equipment is the
15 combination of machines and materials that results in the on-
16 site production of the driver's license. Due to the high
17 costs of the equipment, participation in county issuance is
18 timed to coincide with such equipment contract periods. A
19 county can "opt out", or terminate participation in county
20 issuance, only during such specified opt-out periods prior to
21 implementation of a new contract. It may do so by written
22 notification to DOT during the time period set by DOT. A
23 county that wishes to continue participation must indicate in
24 writing to DOT that it wishes to continue. The time period
25 for making such indications may be set at a time sufficiently
26 in advance of the request for proposals associated with the
27 digitized photolicensing equipment so that DOT may accurately
28 estimate how many counties will be participating in county
29 issuance and how many sets of equipment will therefore be
30 needed.

31 New Code section 321M.9 addresses financial responsibility
32 for certain items. The section provides that issuing counties
33 may retain \$3.75 of the license fee for each issuance or
34 renewal of a motor vehicle license or nonoperator
35 identification card. Counties do not retain any fees for

1 issuance of persons with disabilities identification devices
2 (formerly known as handicapped permits). The section requires
3 that DOT purchase all equipment for issuance, including the
4 digitized photolicensing equipment, and sets limitations on
5 the number of sets of equipment allotted to each county and
6 excludes DOT purchase of general office equipment such as
7 computers or fax machines that are not dedicated solely or
8 primarily to issuance activities, and of office furniture.

9 New Code section 321M.10 provides that DOT shall retain all
10 supervisory authority over issuance activities. County
11 treasurers are agents of the DOT when performing licensing
12 functions. The section also addresses approximate supervisor
13 allocation and technical support, requires equal access for
14 county treasurers to the DOT computer databases, and grants
15 DOT authority to adopt rules to implement the chapter.

16 New Code section 321M.11 requires DOT and county treasurers
17 to use good faith efforts in implementing the provisions of
18 the chapter.

19 Corresponding changes are made to sections of Code chapter
20 48A, regarding voter registration; Code chapter 321, regarding
21 county treasurer's responsibilities regarding motor vehicle
22 registration; and Code chapter 331, regarding county treasurer
23 duties.

24 The current Code section regarding county issuance, Code
25 section 321.179, is repealed, as is the provision of 1995 Iowa
26 Acts governing current reimbursement rates.

27 The Code editor is directed to change all references in
28 this bill from "motor vehicle license" to "driver's license"
29 if Senate File 2113 is enacted into law.

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**HOUSE FILE 2424
FISCAL NOTE**

A fiscal note for House File 2424 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.

House File 2424 provides for the issuance of motor vehicle licenses in up to 42 counties in addition to the six counties currently issuing licenses. The Bill allows the county treasurer of each participating county to retain \$3.75 from the fees collected for each motor vehicle license and nonoperator identification device issued. The Bill requires the participating counties to be located in contiguous clusters of four to six counties which is comparable to an area served by a Department of Transportation (DOT) itinerant driver's licensing team. The counties chosen to issue licenses (in addition to the current six counties) are authorized to begin the service effective with the beginning of the next digitized imaging system contract period which begins January 1, 2000.

ASSUMPTIONS

1. The cost estimates are based on FY 1997 dollars with the exception of item 14 below (digitized photo imaging system) which was based on bids submitted to the DOT in FY 1995.
2. A total of 42 counties (in addition to the current six counties) will elect to provide driver's license services. In addition, eight of the 42 counties will operate itinerant sites within their respective counties.
3. The estimates do not include the cyclical replacement cost of equipment which may occur every 5 to 10 years at an estimated cost of \$250,000.

Assumptions Affecting County Government

4. The average increased cost to counties will be \$3.06 per license issued. The estimated number of licenses to be issued by 42 counties is 200,443 annually. The total operating cost is estimated to be \$613,000.
5. The one-time cost to counties for sending employees to an initial eight-week training course is estimated to be approximately \$42,000.

Assumptions Affecting State Government

6. Implementing service in 42 counties will result in the elimination of ten DOT itinerant teams. This will result in an annual savings of approximately \$1,678,000.
7. The elimination of ten DOT itinerant teams will result in the layoff of 37 DOT employees at a total one-time cost of approximately \$112,000 (\$274 per week @ 11 weeks).

-2-

8. The State will be required to purchase driver's license issuance equipment for installation at county sites at a cost of approximately \$158,000.
9. The DOT will incur a one-time cost of approximately \$20,000 for the installation of wiring in 28 of the 42 courthouses to make them operational for the issuance of licenses.
10. The DOT will require an additional 6.17 FTE positions to provide supervision at a cost of approximately \$375,000 the first year and \$283,000 each year thereafter.
11. The DOT will require 1.75 FTE positions for computer support staff at an annual cost of \$59,000 and 2.33 FTE positions for central office processing support at an annual cost of \$68,000.
12. The DOT will experience an annual increase of \$12,000 in costs for mailing and shipping of supplies associated with the county issuance of driver's licenses.
13. The increased cost for the DOT to provide initial training during the first year of implementation to county employees is estimated at \$60,000. This includes salaries, mileage, lodging, meals, rent of the training facility, and equipment installation.
14. The lease for the digitized imaging system under a new contract is estimated to increase \$493,000.
15. The counties will retain \$3.75 for each driver's license and nonoperator identification device issued. This will result in an increased cost of approximately \$752,000 (\$3.75 @ 200,443 licenses) to the State and additional revenue to the counties in the same amount.

FISCAL IMPACT

House File 2424 will result in the following net fiscal effect to both State and County governments:

1. First year of implementation: An increased cost of approximately \$334,000
2. Second and subsequent years: A savings of approximately \$150,000

Effect on County Finances

- i. First year of implementation: Increased revenue of approximately \$96,000 (\$752,000 State Reimbursement - \$656,000 County Cost)
2. Second and subsequent years: Increased revenue of approximately \$139,000 (\$752,000 State Reimbursement - \$613,000 County Cost)

Effect on State Finances

-3-

1. First year of implementation: A decrease of approximately \$431,000 to the Road Use Tax Fund (\$321,000 State Savings - \$752,000 Reimbursement to Counties)
2. Second and subsequent years: A savings of \$11,000 to the Road Use Tax Fund (\$763,000 State savings - \$752,000 Reimbursement to Counties)

SOURCE

Final Report of the County Issuance of Motor Vehicle Licenses Study Committee

(LSB 3628hv, DLR)

FILED MARCH 3, 1998

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2424

H-8258

1 Amend House File 2424 as follows:

2 1. Page 14, by inserting before line 16 the
3 following:

4 "Sec. ____ . DISPLACED DEPARTMENTAL EMPLOYEES.
5 State department of transportation employees, who are
6 members of a collective bargaining unit and who are
7 displaced as a result of the implementation of this
8 Act, shall be covered by and dealt with according to
9 the provisions of the applicable collective bargaining
10 agreement relating to contracting, subcontracting,
11 outsourcing, privatization, and layoffs."

12 2. By renumbering as necessary.

By VANDE HOEF of Osceola
ARNOLD of Lucas
WEIDMAN of Cass
TAYLOR of Linn

CATALDO of Polk
CONNORS of Polk
MERTZ of Kossuth
DRAKE of Pottawattamie

H-8258 FILED MARCH 5, 1998

adopted
3/10/98 (p.586)

HOUSE FILE 2424

H-8257

1 Amend the amendment, H-8217, to House File 2424, as
2 follows:

3 1. Page 1, by inserting before line 28 the
4 following:

5 "Sec. ____ . EFFECTIVE DATE. This Act, being deemed
6 of immediate importance, takes effect upon enactment."

7 2. By renumbering as necessary.

By VANDE HOEF of Osceola

H-8257 FILED MARCH 5, 1998

WITHDRAWN

3/10/98
(p.585)

HOUSE FILE 2424

H-8217

1 Amend House File 2424 as follows:

2 1. Page 14, by inserting before line 16 the
3 following:

4 "Sec. ____ REQUEST FOR PROPOSALS AND RESPONSES.

5 The state department of transportation shall issue a
6 request for proposals for the digitized photolicensing
7 equipment contract period beginning January 1, 2000,
8 on a schedule that shall make available responses to
9 the request for proposals, and an analysis of the
10 response from the successful bidder, to the first
11 session of the Seventy-eighth General Assembly no
12 later than January 2, 1999. The proposal shall
13 require responses on two options. One option shall be
14 issuance of motor vehicle licenses by Adams, Cass,
15 Fremont, Mills, Montgomery, and Page counties with the
16 department authorized to issue motor vehicle licenses
17 in all remaining ninety-three counties. Option two
18 shall be issuance of motor vehicle licenses by Adams,
19 Cass, Fremont, Mills, Montgomery, and Page counties,
20 and up to forty-two additional counties who have met
21 the conditions of section 3 of this Act, with the
22 department authorized to issue motor vehicle licenses
23 in the remaining fifty-one counties. The first
24 session of the Seventy-eighth General Assembly may use
25 the results of the responses in making a determination
26 on expanding county issuance of motor vehicle licenses
27 and shall do so before March 1, 1999."

28 2. By renumbering as necessary.

By BRADLEY of Clinton
WELTER of Jones
BRAUNS of Muscatine
CATALDO of Polk
WISE of Lee
CORMACK of Webster
CHIODO of Polk
TAYLOR of Linn
WARNSTADT of Woodbury
HUSER of Polk
RAYHONS of Hancock
MARTIN of Scott
LARSON of Linn
KOENIGS of Mitchell
MURPHY of Dubuque
COHOON of Des Moines
LARKIN of Lee
LAMBERTI of Polk
MILLAGE of Scott
MEYER of Sac

BLODGETT of Cerro Gordo
VAN FOSSEN of Scott
NELSON of Marshall
BRUNKHORST of Bremer
GIPP of Winneshiek
HOLVECK of Polk
TYRRELL of Iowa
RANTS of Woodbury
THOMAS of Clayton
WHITEAD of Woodbury
GREINER of Washington
HAHN of Muscatine
JACOBS of Polk
MYERS of Johnson
CHURCHILL of Polk
SUKUP of Franklin
DIX of Butler
HOLMES of Scott
JOCHUM of Dubuque
DODERER of Johnson

H-8217 FILED MARCH 4, 1998

*Adopted
3/10/98
(P. 586)*

5-3/11/98 Local Gov.
S. 3/17/98 Do Pass
5/24/98 UNFINISHED BUSINESS CALENDAR

HOUSE FILE 2424
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 574)

(As Amended and Passed by the House, March 11, 1998)

Passed House, Date 4-6-98 (p. 1290) Passed Senate, Date 3/31/98 (p. 972)
Vote: Ayes 97 Nays 1 Vote: Ayes 34 Nays 15
Approved April 23, 1998

A BILL FOR

1 An Act providing for the expansion of the system of issuance of
2 motor vehicle licenses by county treasurers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4
5

SENATE AMENDMENT TO HOUSE FILE 2424

H-8825

1 Amend House File 2424, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 14, line 24, by striking the word "shall"
4 and inserting the following: ", in conjunction with
5 the auditor of state, shall prepare, and the
6 department shall".
7 2. Page 15, line 8, by inserting after the figure
8 "1999." the following: "If the general assembly does
9 not act in response to such information before March
10 1, 1999, then the department of transportation shall
11 proceed with implementation of county issuance as
12 detailed in this Act."

H-8825 FILED MARCH 31, 1998

RECEIVED FROM THE SENATE

House Concurred 4-6-98 (p. 1290)

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1 Section 1. NEW SECTION. 321M.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "Cluster" means a group of four to six contiguous
5 counties serving a population area comparable to an area
6 served by a department itinerant team, that is subject to an
7 agreement among the participating counties that is executed
8 pursuant to chapter 28E.

9 2. "Commercial driver's license" means a motor vehicle
10 license valid for the operation of a commercial motor vehicle,
11 as regulated by chapter 321.

12 3. "County issuance" means the system or process of
13 issuing motor vehicle licenses, nonoperator identification
14 cards, and persons with disabilities identification devices,
15 including all related testing, to the same extent that such
16 items are issued by the department.

17 4. "Department" means the state department of
18 transportation.

19 5. "Digitized photolicensing equipment" means the machines
20 and related materials, obtained pursuant to contract, the use
21 of which results in the on-site production of motor vehicle
22 licenses and nonoperator identification cards.

23 6. "Digitized photolicensing equipment contract period"
24 means the period of time that the contract for the digitized
25 photolicensing equipment is in effect, including any contract
26 extensions elected by the department under the terms of the
27 contract.

28 7. "Initial opt-in period" means the first opportunity for
29 a county to indicate its interest in being authorized to
30 participate in county issuance.

31 8. "Issuing county" means a county that is participating
32 in county issuance.

33 9. "Itinerant team" means a traveling team of department
34 personnel assigned to license issuance activities in a
35 specified geographic area.

1 10. "Motor vehicle" means a vehicle which is self-
2 propelled, including but not limited to automobiles, cars,
3 motor trucks, semitrailers, motorcycles, and similar vehicles
4 regulated under chapter 321.

5 11. "Motor vehicle license" means any license or permit
6 issued to a person to operate a motor vehicle on the highways
7 of this state, including but not limited to a driver's,
8 commercial driver's, temporary restricted, or temporary
9 license and an instruction, chauffeur's instruction,
10 commercial driver's instruction, temporary restricted, or
11 temporary permit.

12 12. "Nonoperator identification card" means the card
13 issued pursuant to section 321.190 that contains information
14 pertaining to the personal characteristics of the applicant
15 but does not convey to the person issued the card any
16 operating privileges for any motor vehicle.

17 13. "Opt in" means a county's indication of its interest
18 in being authorized to participate in county issuance, or to
19 continue participating in county issuance.

20 14. "Opt-in period" means a time period when a county may
21 indicate its interest in being authorized to participate in
22 county issuance, or to continue participating in county
23 issuance.

24 15. "Opt out" means the choice of a county that is
25 authorized to issue licenses to terminate that authorization
26 and its participation in county issuance.

27 16. "Opt-out period" means a time period when a county
28 that is authorized to issue licenses may terminate that
29 authorization and its future participation in county issuance.

30 17. "Persons with disabilities identification devices"
31 means those devices issued pursuant to chapter 321L.

32 Sec. 2. NEW SECTION. 321M.2 RELATION TO OTHER LAWS.

33 Notwithstanding provisions of chapter 321 or 321L that
34 grant sole authority to the department for the issuance of
35 motor vehicle licenses, nonoperator identification cards, and

1 persons with disabilities identification devices, certain
2 counties shall be authorized to issue motor vehicle licenses,
3 nonoperator identification cards, and persons with
4 disabilities identification devices, according to the
5 requirements of this chapter.

6 Sec. 3. NEW SECTION. 321M.3 AUTHORIZATION TO ISSUE
7 LICENSES -- INITIAL OPT-IN.

8 1. Adams, Cass, Fremont, Mills, Montgomery, and Page
9 counties shall be authorized to issue motor vehicle licenses,
10 nonoperator identification cards, and persons with
11 disabilities identification devices on a permanent basis,
12 provided that such counties continue to meet the department's
13 standards for issuance.

14 a. Any county desiring to opt out of county issuance
15 effective with the beginning of the next digitized
16 photolicensing equipment contract period may do so if the
17 cluster, minus the county opting out, is approved by the
18 department, or if one of the alternatives for continued
19 service by the remaining counties in the cluster is arranged
20 pursuant to section 321M.4.

21 b. A county shall submit in writing to the department its
22 election either to continue participation in county issuance,
23 or to opt out, during the opt-out period established by the
24 department prior to the beginning of the next digitized
25 photolicensing equipment contract period.

26 2. No more than forty-two additional counties shall be
27 authorized to issue motor vehicle licenses, nonoperator
28 identification cards, and persons with disabilities
29 identification devices, effective with the beginning of the
30 next digitized photolicensing equipment contract period.

31 a. A county that is served by a permanent department
32 facility is not eligible to opt in to county issuance.

33 b. An initial opt-in period shall be designated by the
34 department for an eligible county to indicate its desire to
35 participate in county issuance at the time when the next

1 contract for digitized photolicensing equipment is
2 implemented. The department may designate an opt-in period at
3 a time sufficiently in advance of the time for submission of
4 request for proposals related to the next digitized
5 photolicensing equipment contract period, so that the
6 department may accurately estimate the number of sets of
7 equipment that will be needed under the new contract.

8 c. Initial participation by a county in county issuance
9 requires prior approval in writing by the county treasurer and
10 the board of supervisors.

11 d. If more than forty-two counties indicate an interest in
12 participating in county issuance, the department shall give
13 preference to the first forty-two counties that are approved
14 as proposed clusters according to section 321M.4, provided
15 that such counties have also filed the written authorizations
16 required under paragraph "c".

17 3. A county may opt in to county issuance only during the
18 initial opt-in period, unless a county is requested to
19 participate in an existing cluster pursuant to section 321M.4.
20 A county that is so approved by the department to join an
21 existing cluster shall satisfy all requirements under this
22 chapter for a county in an initial opt-in period.

23 Sec. 4. NEW SECTION. 321M.4 CLUSTERING.

24 1. The system of county issuance shall be implemented
25 through the use of clusters.

26 2. A proposed cluster shall replace one department
27 itinerant team. However, the proposed cluster need not be
28 composed of precisely the same counties served by an existing
29 department itinerant team.

30 3. The department shall have authority to approve proposed
31 clusters, in accordance with the following principles:

32 a. Proposed clusters should avoid reducing service
33 availability to any neighboring county not part of the
34 cluster, below service levels offered to such county by the
35 department. This principle applies, but is not limited to,

1 situations where service to the neighboring county by a
2 department itinerant team would become exceedingly difficult,
3 or would result in reduced annual hours of service
4 availability due to the need for changes in itinerant team
5 assignments.

6 b. A cluster may elect to offer service to a neighboring
7 county outside of the proposed cluster, if approval of a
8 cluster by the department is opposed because of difficulties
9 in servicing one or more counties that surround the cluster,
10 or because the cluster would require a reduction in annual
11 hours of service availability by the department to such
12 counties.

13 c. The department shall exercise its approval authority
14 under this section in good faith, and shall consult with the
15 Iowa county treasurers association in making its decision
16 regarding approval of individual clusters.

17 4. Prior to issuing any licenses, an approved cluster
18 shall execute an agreement among participating counties
19 pursuant to chapter 28E, addressing the relative rights and
20 liabilities associated with cluster activity. A copy of this
21 agreement, as well as any subsequent alterations or addendum,
22 shall be filed with the department within thirty days of
23 execution.

24 5. If a county within a cluster opts out of county
25 issuance during a designated opt-out period under section
26 321M.3 or 321M.8, or is otherwise subject to termination of
27 all or part of its county issuance authorization, the
28 remaining counties in the cluster may pursue one or more of
29 the following alternatives:

30 a. The counties may request that one or more counties
31 contiguous to the counties remaining in the cluster join the
32 cluster, in accordance with this section and other provisions
33 of this chapter.

34 b. The counties may elect to provide service to the
35 terminated county, in accordance with this section and other

1 provisions of this chapter.

2 6. If a cluster subject to the provisions of subsection 5
3 is not approved by the department for continued service as a
4 cluster, the individual counties in the cluster shall revert
5 to service by the department.

6 Sec. 5. NEW SECTION. 321M.5 CONTRACT BETWEEN THE
7 DEPARTMENT AND ISSUING COUNTIES.

8 1. The department and each county participating in county
9 issuance shall execute an agreement pursuant to chapter 28E,
10 detailing the relative responsibilities and liabilities of
11 each party to the agreement.

12 2. The agreement required by subsection 1 shall
13 specifically address the following issues, in addition to
14 other issues that may be required by chapter 28E or that may
15 otherwise be deemed necessary for inclusion in the agreement
16 by the parties to the agreement:

17 a. Responsibility for collection of, and accounting for,
18 any fees associated with the licensing process.

19 b. Oversight guidelines.

20 c. Performance standards.

21 d. Progressive discipline standards and measures,
22 including appeals.

23 e. Rights and responsibilities during any extensions of a
24 digitized photolicensing contract.

25 f. A specified opt-out period prior to each future request
26 for proposals for digitized photolicensing equipment
27 contracts, and procedures related to a decision to opt out by
28 a county within a particular cluster.

29 3. An addendum to such an agreement may be executed by the
30 parties, in accordance with chapter 28E.

31 Sec. 6. NEW SECTION. 321M.6 CERTIFICATION OF COMMERCIAL
32 DRIVER'S LICENSE ISSUANCE.

33 1. A county shall be authorized to issue commercial
34 driver's licenses if certified to do so by the department.

35 2. The department shall certify the commercial driver's

1 license issuance in a county authorized to issue licenses
2 pursuant to section 321M.3 if all of the following conditions
3 are met:

4 a. The driving skills test is the same as that which would
5 otherwise be administered by the state.

6 b. The county examiner contractually agrees to comply with
7 the requirements of 49 C.F.R. § 383.75, adopted as of a
8 specific date by rule by the department.

9 c. The department provides supervision over the issuance
10 of commercial driver's licenses, including the administration
11 of written and driving skills tests by the county treasurer.
12 However, the failure of the department to provide appropriate
13 supervision shall not alone be used as a reason to deny
14 certification.

15 d. The county otherwise complies with the procedures for
16 issuance of commercial driver's licenses as provided in
17 chapter 321.

18 3. If a county fails to meet the standards for
19 certification under this section, and fails to correct
20 deficiencies according to the department's operating
21 standards, the county's right to issue commercial driver's
22 licenses shall be terminated, and the county shall cease
23 issuing commercial driver's licenses. Procedures and
24 conditions for recertification shall be addressed in the
25 operating standards for the department.

26 4. The issuance of commercial driver's licenses for
27 residents of a county whose issuance rights have been
28 terminated under subsection 3 may be provided by other
29 counties in the relevant cluster, according to the provisions
30 of section 321M.5. The department is not obligated to provide
31 service in a county for issuance of commercial driver's
32 licenses if the county fails to meet certification standards
33 under this section. However, the department shall facilitate
34 appropriate arrangements for availability of such services as
35 it deems necessary.

1 Sec. 7. NEW SECTION. 321M.7 TRAINING.

2 1. The department shall provide a minimum of eight weeks
3 of initial training for county personnel participating in
4 county issuance. The maximum class size for this initial
5 training shall be twenty people.

6 2. The department shall also provide individualized
7 additional training for county personnel within each
8 participating county office following initial training.

9 3. The department shall periodically offer continuing
10 education and training opportunities to county personnel.

11 4. The department shall not segregate training sessions
12 for county personnel and department employees.

13 5. New county personnel, including new county treasurers,
14 who will participate in county issuance, shall complete the
15 initial training session prior to engaging in any licensing
16 activities. A county treasurer shall use best efforts to
17 complete initial training as soon as possible. A county
18 treasurer who does not make reasonable attempts to begin
19 initial training within three months of taking office may be
20 subject to having the county issuance program in that county
21 placed on probation.

22 Sec. 8. NEW SECTION. 321M.8 NEW OR SUBSEQUENT CONTRACTS
23 -- OPT-OUT PERIOD.

24 1. If entering into a new digitized photolicensing
25 equipment contract is anticipated by the department, the
26 department shall provide an opt-out period sufficiently prior
27 to the issuance of a request for proposals related to such
28 contract by the department.

29 2. According to the time frame established by the
30 agreement executed pursuant to section 321M.5, during an opt-
31 out period described in subsection 1, each issuing county
32 shall indicate in writing to the department one of the
33 following:

34 a. That the county elects to continue to participate in
35 county issuance for the duration of the next digitized

1 photolicensing contract period, subject to the other
2 provisions of this chapter.

3 b. That the county elects to opt out of county issuance,
4 effective at the end of the present digitized photolicensing
5 contract period.

6 3. An issuing county may opt out of county issuance only
7 during an opt-out period described under subsection 1.

8 Sec. 9. NEW SECTION. 321M.9 FINANCIAL RESPONSIBILITY.

9 1. FEES TO COUNTIES. Notwithstanding any other provision
10 in the Code to the contrary, the county treasurer of any
11 county authorized to issue motor vehicle licenses under this
12 chapter shall retain for deposit in the county general fund
13 three dollars and seventy-five cents of fees received for each
14 issuance or renewal of motor vehicle licenses and nonoperator
15 identification cards, but shall not retain any moneys for the
16 issuance of any persons with disabilities identification
17 devices. The county treasurer shall remit the balance of fees
18 to the department.

19 2. DIGITIZED PHOTOLICENSING EQUIPMENT.

20 a. The department shall pay for all digitized
21 photolicensing equipment, including that used by the
22 department and authorized for use by issuing counties under
23 this subsection. Moneys from the road use tax fund shall be
24 used, subject to appropriation by the general assembly, for
25 payment of costs associated with the purchase or lease of
26 digitized photolicensing equipment.

27 b. An issuing county shall be entitled to one set of
28 digitized photolicensing equipment, unless the county was
29 served at multiple sites by the department, in which case the
30 county shall be entitled to two sets of digitized
31 photolicensing equipment. A county shall indicate at the time
32 of opting in how many sets of equipment are needed by the
33 county.

34 3. OTHER EQUIPMENT. The department shall pay for all
35 other equipment needed by a county to participate in county

1 issuance, comparable to the equipment provided for issuance
2 activities by a department itinerant team, with the exception
3 of the following:

4 a. Office furniture.

5 b. Computer hardware needed to access department computer
6 databases, facsimile machines used to transmit documents
7 between the department and the county, and similar office
8 equipment of a general nature that is not dedicated solely or
9 primarily to the issuance process.

10 Sec. 10. NEW SECTION. 321M.10 SUPERVISORY AUTHORITY OF
11 DEPARTMENT.

12 1. The department shall retain all supervisory authority
13 over the county treasurers who shall be subject to the
14 supervision of the department and shall be considered agents
15 of the department when performing motor vehicle licensing
16 functions.

17 2. Approximately one supervisor shall be assigned from the
18 department to every six issuance sites participating in county
19 issuance.

20 3. Approximately one technical computer support employee
21 shall be assigned from the department to every twenty-four
22 counties participating in county issuance.

23 4. The department shall provide issuing counties access to
24 computer databases at a level equal to that provided to
25 comparable department employees.

26 5. The department may adopt rules pursuant to chapter 17A
27 as necessary to administer this chapter. The department may
28 also develop operating standards as necessary to administer
29 this chapter. The department shall consult with the Iowa
30 county treasurers association in developing operating
31 standards and proposed rules.

32 Sec. 11. NEW SECTION. 321M.11 GOOD FAITH EFFORTS
33 REQUIRED.

34 The department and issuing counties shall use their best
35 good faith efforts to work in cooperation in implementing and

1 maintaining an effective system of county issuance.

2 The department and all persons involved with administration
3 of this chapter, department procedures, and related
4 administrative rules shall use their best good faith efforts
5 to ensure that the application of the laws, rules, and
6 procedures related to county issuance shall not be used to
7 impede county issuance.

8 Sec. 12. Section 48A.7, Code 1997, is amended to read as
9 follows:

10 48A.7 REGISTRATION IN PERSON.

11 An eligible elector may register to vote by appearing
12 personally and completing a voter registration form at the
13 office of the commissioner in the county in which the person
14 resides, at a motor vehicle driver's license station,
15 including any county treasurer's office that is participating
16 in county issuance of motor vehicle licenses under chapter
17 321M, or at any voter registration agency. A separate
18 registration form shall be signed by each individual
19 registrant.

20 Sec. 13. Section 48A.9, subsection 4, Code 1997, is
21 amended to read as follows:

22 4. Registration forms submitted to voter registration
23 agencies, or to motor vehicle driver's license stations, and
24 to county treasurer's offices participating in county issuance
25 of motor vehicle licenses under chapter 321M shall be
26 considered on time if they are received no later than five
27 p.m. on the day registration closes for that election.
28 Offices or agencies other than the county commissioner's
29 office are not required to be open for voter registration
30 purposes at times other than their usual office hours.

31 Sec. 14. Section 48A.18, Code 1997, is amended by adding
32 the following new subsection:

33 NEW SUBSECTION. 5. A county treasurer's office
34 participating in county issuance of motor vehicle licenses
35 pursuant to chapter 321M shall participate in voter

1 registration under this section to the same extent as a
2 license facility of the state department of transportation.

3 Sec. 15. Section 48A.21, Code 1997, is amended to read as
4 follows:

5 48A.21 TRANSMISSION OF FORMS FROM AGENCIES AND DRIVER'S
6 LICENSE STATIONS.

7 The state registrar of voters shall adopt administrative
8 rules regulating the transmission of completed voter
9 registration forms from voter registration agencies and from
10 driver's license stations, including county treasurer's
11 offices participating in county issuance of motor vehicle
12 licenses under chapter 321M. All completed voter registration
13 applications in the possession of a voter registration agency,
14 or a driver's license station, or a county treasurer's office
15 that is participating in county issuance of motor vehicle
16 licenses at five p.m. on the last work day of each week shall
17 be transmitted to the location designated by the state
18 registrar of voters by rule. Procedures or requirements for
19 more frequent transmissions may be specified by rule.

20 Sec. 16. Section 48A.27, subsection 1, Code Supplement
21 1997, is amended to read as follows:

22 1. Any voter registration form received by any voter
23 registration agency, driver's license station, including
24 county treasurer's offices participating in county issuance of
25 motor vehicle licenses under chapter 321M, or the commissioner
26 shall be considered as updating the registrant's previous
27 registration.

28 Sec. 17. Section 48A.27, subsection 2, paragraph a,
29 subparagraph (4), Code Supplement 1997, is amended to read as
30 follows:

31 (4) A change of address form to the office of driver
32 services of the state department of transportation, or to a
33 county treasurer's office that is participating in county
34 issuance of motor vehicle licenses under chapter 321M.

35 Sec. 18. Section 321.151, Code 1997, is amended to read as

1 follows:

2 321.151 DUTY AND LIABILITY OF TREASURER.

3 The county treasurer shall collect the registration fee and
4 penalties on each vehicle registered by the county treasurer
5 and shall be responsible on the county treasurer's bond for
6 such amount. The county treasurer shall remit such amount to
7 the treasurer of state as herein provided in this chapter.
8 Fees collected pursuant to participation in county issuance of
9 motor vehicle licenses under chapter 321M shall be governed by
10 the provisions of that chapter.

11 Sec. 19. Section 321.152, Code 1997, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. This section does not apply to
14 fees collected or retained by a county treasurer pursuant to
15 participation in county issuance of motor vehicle licenses
16 under chapter 321M.

17 Sec. 20. Section 321.153, Code 1997, is amended by adding
18 the following new unnumbered paragraph:

19 NEW UNNUMBERED PARAGRAPH. This section does not apply to
20 fees collected or retained by a county treasurer pursuant to
21 participation in county issuance of motor vehicle licenses
22 under chapter 321M.

23 Sec. 21. NEW SECTION. 331.557A DUTIES RELATING TO
24 ISSUANCE OF MOTOR VEHICLE LICENSES.

25 The treasurer of any county participating in county
26 issuance of motor vehicle licenses under chapter 321M shall:

27 1. Issue, renew, and replace lost or damaged nonoperator
28 identification cards and motor vehicle licenses, including
29 commercial driver's licenses, according to the provisions of
30 chapter 321M.

31 2. Issue persons with disabilities parking permits under
32 chapter 321L.

33 3. Collect fees associated with nonoperator identification
34 cards and motor vehicle licenses, including commercial
35 driver's licenses, and pay to the state amounts in excess of

1 the amount the treasurer is permitted to retain for deposit in
2 the county general fund for license issuance.

3 4. Participate in voter registration according to the
4 terms of chapter 48A, and submit completed voter registration
5 forms to the state registrar of voters.

6 5. Attend initial training as required by chapter 321M,
7 and participate in continuing education as offered by the
8 state department of transportation.

9 6. Comply with the terms of any applicable agreements
10 created pursuant to chapter 28E, and state department of
11 transportation operating standards for license issuance.

12 Sec. 22. Section 321.179, Code Supplement 1997, is
13 repealed.

14 Sec. 23. 1995 Iowa Acts, chapter 220, section 27, is
15 repealed.

16 Sec. 24. DISPLACED DEPARTMENTAL EMPLOYEES. State
17 department of transportation employees, who are members of a
18 collective bargaining unit and who are displaced as a result
19 of the implementation of this Act, shall be covered by and
20 dealt with according to the provisions of the applicable
21 collective bargaining agreement relating to contracting,
22 subcontracting, outsourcing, privatization, and layoffs.

23 Sec. 25. REQUEST FOR PROPOSALS AND RESPONSES. The state
24 department of transportation shall issue a request for
25 proposals for the digitized photolicensing equipment contract
26 period beginning January 1, 2000, on a schedule that shall
27 make available responses to the request for proposals, and an
28 analysis of the response from the successful bidder, to the
29 first session of the Seventy-eighth General Assembly no later
30 than January 2, 1999. The proposal shall require responses on
31 two options. One option shall be issuance of motor vehicle
32 licenses by Adams, Cass, Fremont, Mills, Montgomery, and Page
33 counties with the department authorized to issue motor vehicle
34 licenses in all remaining ninety-three counties. Option two
35 shall be issuance of motor vehicle licenses by Adams, Cass,

1 Fremont, Mills, Montgomery, and Page counties, and up to
2 forty-two additional counties who have met the conditions of
3 section 3 of this Act, with the department authorized to issue
4 motor vehicle licenses in the remaining fifty-one counties.
5 The first session of the Seventy-eighth General Assembly may
6 use the results of the responses in making a determination on
7 expanding county issuance of motor vehicle licenses and shall
8 do so before March 1, 1999.

9 Sec. 26. CODE EDITOR DIRECTIVE. The Code Editor is
10 instructed to change all references to "motor vehicle license"
11 contained in chapter 321M and in this bill to "driver's
12 license" if Senate File 2113 is enacted by the Seventy-seventh
13 General Assembly, 1998 Session. This directive includes
14 authority to change plural forms of the terms, and to
15 reorganize definitions in section 321M.1, as enacted by this
16 Act, so that the subsections remain in alphabetical order
17 following any change of a defined term according to this
18 directive.

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HOUSE FILE 2424

S-5389

1 Amend House File 2424, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 9, line 13, by striking the word
4 "seventy-five" and inserting the following: "twenty-
5 five".

By MIKE CONNOLLY

S-5389 FILED MARCH 26, 1998

*W/D 3/31/98
(P. 971)*

HOUSE FILE 2424

S-5251

1 Amend House File 2424, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 14, line 24, by striking the word "shall"
4 and inserting the following: ", in conjunction with
5 the auditor of state, shall prepare, and the
6 department shall".
7 2. Page 15, line 8, by inserting after the figure
8 "1999." the following: "If the general assembly does
9 not act in response to such information before March
10 1, 1999, then the department of transportation shall
11 proceed with implementation of county issuance as
12 detailed in this Act."

By RICHARD F. DRAKE

S-5251 FILED MARCH 16, 1998

*Adopted
3/31/98
(P. 971)*

Vande Hoef, Ch
Weidman
Arnold
Mertz
Reynolds-Knight

HSB 574

LOCAL GOVERNMENT
Succeeded By
HOUSE FILE SF/HF 2424
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL
BY CHAIRPERSON VANDE HOEF)

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

A BILL FOR

1 An Act providing for the expansion of the system of issuance of
2 motor vehicle licenses by county treasurers.

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

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1 Section 1. NEW SECTION. 321M.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "Cluster" means a group of four to six contiguous
5 counties serving a population area comparable to an area
6 served by a department itinerant team, that is subject to an
7 agreement among the participating counties that is executed
8 pursuant to chapter 28E.

9 2. "Commercial driver's license" means a motor vehicle
10 license valid for the operation of a commercial motor vehicle,
11 as regulated by chapter 321.

12 3. "County issuance" means the system or process of
13 issuing motor vehicle licenses, nonoperator identification
14 cards, and persons with disabilities identification devices,
15 including all related testing, to the same extent that such
16 items are issued by the department.

17 4. "Department" means the state department of
18 transportation.

19 5. "Digitized photolicensing equipment" means the machines
20 and related materials, obtained pursuant to contract, the use
21 of which results in the on-site production of motor vehicle
22 licenses and nonoperator identification cards.

23 6. "Digitized photolicensing equipment contract period"
24 means the period of time that the contract for the digitized
25 photolicensing equipment is in effect, including any contract
26 extensions elected by the department under the terms of the
27 contract.

28 7. "Initial opt-in period" means the first opportunity for
29 a county to indicate its interest in being authorized to
30 participate in county issuance.

31 8. "Issuing county" means a county that is participating
32 in county issuance.

33 9. "Itinerant team" means a traveling team of department
34 personnel assigned to license issuance activities in a
35 specified geographic area.

1 10. "Motor vehicle" means a vehicle which is self-
2 propelled, including but not limited to automobiles, cars,
3 motor trucks, semitrailers, motorcycles, and similar vehicles
4 regulated under chapter 321.

5 11. "Motor vehicle license" means any license or permit
6 issued to a person to operate a motor vehicle on the highways
7 of this state, including but not limited to a driver's,
8 commercial driver's, temporary restricted, or temporary
9 license and an instruction, chauffeur's instruction,
10 commercial driver's instruction, temporary restricted, or
11 temporary permit.

12 12. "Nonoperator identification card" means the card
13 issued pursuant to section 321.190 that contains information
14 pertaining to the personal characteristics of the applicant
15 but does not convey to the person issued the card any
16 operating privileges for any motor vehicle.

17 13. "Opt in" means a county's indication of its interest
18 in being authorized to participate in county issuance, or to
19 continue participating in county issuance.

20 14. "Opt-in period" means a time period when a county may
21 indicate its interest in being authorized to participate in
22 county issuance, or to continue participating in county
23 issuance.

24 15. "Opt out" means the choice of a county that is
25 authorized to issue licenses to terminate that authorization
26 and its participation in county issuance.

27 16. "Opt-out period" means a time period when a county
28 that is authorized to issue licenses may terminate that
29 authorization and its future participation in county issuance.

30 17. "Persons with disabilities identification devices"
31 means those devices issued pursuant to chapter 321L.

32 Sec. 2. NEW SECTION. 321M.2 RELATION TO OTHER LAWS.

33 Notwithstanding provisions of chapter 321 or 321L that
34 grant sole authority to the department for the issuance of
35 motor vehicle licenses, nonoperator identification cards, and

1 persons with disabilities identification devices, certain
2 counties shall be authorized to issue motor vehicle licenses,
3 nonoperator identification cards, and persons with
4 disabilities identification devices, according to the
5 requirements of this chapter.

6 Sec. 3. NEW SECTION. 321M.3 AUTHORIZATION TO ISSUE
7 LICENSES -- INITIAL OPT-IN.

8 1. Adams, Cass, Fremont, Mills, Montgomery, and Page
9 counties shall be authorized to issue motor vehicle licenses,
10 nonoperator identification cards, and persons with
11 disabilities identification devices on a permanent basis,
12 provided that such counties continue to meet the department's
13 standards for issuance.

14 a. Any county desiring to opt out of county issuance
15 effective with the beginning of the next digitized
16 photolicensing equipment contract period may do so if the
17 cluster, minus the county opting out, is approved by the
18 department, or if one of the alternatives for continued
19 service by the remaining counties in the cluster is arranged
20 pursuant to section 321M.4.

21 b. A county shall submit in writing to the department its
22 election either to continue participation in county issuance,
23 or to opt out, during the opt-out period established by the
24 department prior to the beginning of the next digitized
25 photolicensing equipment contract period.

26 2. No more than forty-two additional counties shall be
27 authorized to issue motor vehicle licenses, nonoperator
28 identification cards, and persons with disabilities
29 identification devices, effective with the beginning of the
30 next digitized photolicensing equipment contract period.

31 a. A county that is served by a permanent department
32 facility is not eligible to opt in to county issuance.

33 b. An initial opt-in period shall be designated by the
34 department for an eligible county to indicate its desire to
35 participate in county issuance at the time when the next

1 contract for digitized photolicensing equipment is
2 implemented. The department may designate an opt-in period at
3 a time sufficiently in advance of the time for submission of
4 request for proposals related to the next digitized
5 photolicensing equipment contract period, so that the
6 department may accurately estimate the number of sets of
7 equipment that will be needed under the new contract.

8 c. Initial participation by a county in county issuance
9 requires prior approval in writing by the county treasurer and
10 the board of supervisors.

11 d. If more than forty-two counties indicate an interest in
12 participating in county issuance, the department shall give
13 preference to the first forty-two counties that are approved
14 as proposed clusters according to section 321M.4, provided
15 that such counties have also filed the written authorizations
16 required under paragraph "c".

17 3. A county may opt in to county issuance only during the
18 initial opt-in period, unless a county is requested to
19 participate in an existing cluster pursuant to section 321M.4.
20 A county that is so approved by the department to join an
21 existing cluster shall satisfy all requirements under this
22 chapter for a county in an initial opt-in period.

23 Sec. 4. NEW SECTION. 321M.4 CLUSTERING.

24 1. The system of county issuance shall be implemented
25 through the use of clusters.

26 2. A proposed cluster shall replace one department
27 itinerant team. However, the proposed cluster need not be
28 composed of precisely the same counties served by an existing
29 department itinerant team.

30 3. The department shall have authority to approve proposed
31 clusters, in accordance with the following principles:

32 a. Proposed clusters should avoid reducing service
33 availability to any neighboring county not part of the
34 cluster, below service levels offered to such county by the
35 department. This principle applies, but is not limited to,

1 situations where service to the neighboring county by a
2 department itinerant team would become exceedingly difficult,
3 or would result in reduced annual hours of service
4 availability due to the need for changes in itinerant team
5 assignments.

6 b. A cluster may elect to offer service to a neighboring
7 county outside of the proposed cluster, if approval of a
8 cluster by the department is opposed because of difficulties
9 in servicing one or more counties that surround the cluster,
10 or because the cluster would require a reduction in annual
11 hours of service availability by the department to such
12 counties.

13 c. The department shall exercise its approval authority
14 under this section in good faith, and shall consult with the
15 Iowa county treasurers association in making its decision
16 regarding approval of individual clusters.

17 4. Prior to issuing any licenses, an approved cluster
18 shall execute an agreement among participating counties
19 pursuant to chapter 28E, addressing the relative rights and
20 liabilities associated with cluster activity. A copy of this
21 agreement, as well as any subsequent alterations or addendum,
22 shall be filed with the department within thirty days of
23 execution.

24 5. If a county within a cluster opts out of county
25 issuance during a designated opt-out period under section
26 321M.3 or 321M.8, or is otherwise subject to termination of
27 all or part of its county issuance authorization, the
28 remaining counties in the cluster may pursue one or more of
29 the following alternatives:

30 a. The counties may request that one or more counties
31 contiguous to the counties remaining in the cluster join the
32 cluster, in accordance with this section and other provisions
33 of this chapter.

34 b. The counties may elect to provide service to the
35 terminated county, in accordance with this section and other

1 provisions of this chapter.

2 6. If a cluster subject to the provisions of subsection 5
3 is not approved by the department for continued service as a
4 cluster, the individual counties in the cluster shall revert
5 to service by the department.

6 Sec. 5. NEW SECTION. 321M.5 CONTRACT BETWEEN THE
7 DEPARTMENT AND ISSUING COUNTIES.

8 1. The department and each county participating in county
9 issuance shall execute an agreement pursuant to chapter 28E,
10 detailing the relative responsibilities and liabilities of
11 each party to the agreement.

12 2. The agreement required by subsection 1 shall
13 specifically address the following issues, in addition to
14 other issues that may be required by chapter 28E or that may
15 otherwise be deemed necessary for inclusion in the agreement
16 by the parties to the agreement:

17 a. Responsibility for collection of, and accounting for,
18 any fees associated with the licensing process.

19 b. Oversight guidelines.

20 c. Performance standards.

21 d. Progressive discipline standards and measures,
22 including appeals.

23 e. Rights and responsibilities during any extensions of a
24 digitized photolicensing contract.

25 f. A specified opt-out period prior to each future request
26 for proposals for digitized photolicensing equipment
27 contracts, and procedures related to a decision to opt out by
28 a county within a particular cluster.

29 3. An addendum to such an agreement may be executed by the
30 parties, in accordance with chapter 28E.

31 Sec. 6. NEW SECTION. 321M.6 CERTIFICATION OF COMMERCIAL
32 DRIVER'S LICENSE ISSUANCE.

33 1. A county shall be authorized to issue commercial
34 driver's licenses if certified to do so by the department.

35 2. The department shall certify the commercial driver's

1 license issuance in a county authorized to issue licenses
2 pursuant to section 321M.3 if all of the following conditions
3 are met:

4 a. The driving skills test is the same as that which would
5 otherwise be administered by the state.

6 b. The county examiner contractually agrees to comply with
7 the requirements of 49 C.F.R. § 383.75, adopted as of a
8 specific date by rule by the department.

9 c. The department provides supervision over the issuance
10 of commercial driver's licenses, including the administration
11 of written and driving skills tests by the county treasurer.
12 However, the failure of the department to provide appropriate
13 supervision shall not alone be used as a reason to deny
14 certification.

15 d. The county otherwise complies with the procedures for
16 issuance of commercial driver's licenses as provided in
17 chapter 321.

18 3. If a county fails to meet the standards for
19 certification under this section, and fails to correct
20 deficiencies according to the department's operating
21 standards, the county's right to issue commercial driver's
22 licenses shall be terminated, and the county shall cease
23 issuing commercial driver's licenses. Procedures and
24 conditions for recertification shall be addressed in the
25 operating standards for the department.

26 4. The issuance of commercial driver's licenses for
27 residents of a county whose issuance rights have been
28 terminated under subsection 3 may be provided by other
29 counties in the relevant cluster, according to the provisions
30 of section 321M.5. The department is not obligated to provide
31 service in a county for issuance of commercial driver's
32 licenses if the county fails to meet certification standards
33 under this section. However, the department is authorized to
34 make appropriate arrangements for availability of such
35 services as it deems necessary.

1 Sec. 7. NEW SECTION. 321M.7 TRAINING.

2 1. The department shall provide eight weeks of initial
3 training for county personnel participating in county
4 issuance. The maximum class size for this initial training
5 shall be twenty people.

6 2. The department shall also provide individualized
7 additional training for county personnel within each
8 participating county office following initial training.

9 3. The department shall periodically offer continuing
10 education and training opportunities to county personnel.

11 4. The department shall not segregate training sessions
12 for county personnel and department employees.

13 5. New county personnel, including new county treasurers,
14 who will participate in county issuance, shall complete the
15 initial training session prior to engaging in any licensing
16 activities. A county treasurer shall use best efforts to
17 complete initial training as soon as possible. A county
18 treasurer who does not make reasonable attempts to begin
19 initial training within three months of taking office may be
20 subject to having the county issuance program in that county
21 placed on probation.

22 Sec. 8. NEW SECTION. 321M.8 NEW OR SUBSEQUENT CONTRACTS
23 -- OPT-OUT PERIOD.

24 1. If entering into a new digitized photolicensing
25 equipment contract is anticipated by the department, the
26 department shall provide an opt-out period sufficiently prior
27 to the issuance of a request for proposals related to such
28 contract by the department.

29 2. According to the time frame established by the
30 agreement executed pursuant to section 321M.5, during an opt-
31 out period described in subsection 1, each issuing county
32 shall indicate in writing to the department one of the
33 following:

34 a. That the county elects to continue to participate in
35 county issuance for the duration of the next digitized

1 photolicensing contract period, subject to the other
2 provisions of this chapter.

3 b. That the county elects to opt out of county issuance,
4 effective at the end of the present digitized photolicensing
5 contract period.

6 3. An issuing county may opt out of county issuance only
7 during an opt-out period described under subsection 1.

8 Sec. 9. NEW SECTION. 321M.9 FINANCIAL RESPONSIBILITY.

9 1. FEES TO COUNTIES. Notwithstanding any other provision
10 in the Code to the contrary, the county treasurer of any
11 county authorized to issue motor vehicle licenses under this
12 chapter may retain for deposit in the county general fund up
13 to three dollars and seventy-five cents of fees received for
14 each issuance or renewal of motor vehicle licenses and
15 nonoperator identification cards, but shall not retain any
16 moneys for the issuance of any persons with disabilities
17 identification devices. The county treasurer shall remit the
18 balance of fees to the department.

19 2. DIGITIZED PHOTOLICENSING EQUIPMENT.

20 a. The department shall pay for all digitized
21 photolicensing equipment, including that used by the
22 department and authorized for use by issuing counties under
23 this subsection. Moneys from the road use tax fund shall be
24 used, subject to appropriation by the general assembly, for
25 payment of costs associated with the purchase of digitized
26 photolicensing equipment.

27 b. An issuing county shall be entitled to one set of
28 digitized photolicensing equipment, unless the county was
29 served at multiple sites by the department, in which case the
30 county shall be entitled to two sets of digitized
31 photolicensing equipment. A county shall indicate at the time
32 of opting in how many sets of equipment are needed by the
33 county.

34 3. OTHER EQUIPMENT. The department shall pay for all
35 other equipment needed by a county to participate in county

1 issuance, comparable to the equipment provided for issuance
2 activities by a department itinerant team, with the exception
3 of the following:

4 a. Office furniture.

5 b. Computers needed to access department computer
6 databases, facsimile machines used to transmit documents
7 between the department and the county, and similar office
8 equipment of a general nature that is not dedicated solely or
9 primarily to the issuance process.

10 Sec. 10. NEW SECTION. 321M.10 SUPERVISORY AUTHORITY OF
11 DEPARTMENT.

12 1. The department shall retain all supervisory authority
13 over the county treasurers who shall be subject to the
14 supervision of the department and shall be considered agents
15 of the department when performing motor vehicle licensing
16 functions.

17 2. Approximately one supervisor shall be assigned from the
18 department to every six counties participating in county
19 issuance.

20 3. Approximately one technical computer support employee
21 shall be assigned from the department to every twenty-four
22 counties participating in county issuance.

23 4. The department shall provide issuing counties access to
24 computer databases at a level equal to that provided to
25 comparable department employees.

26 5. The department may adopt rules pursuant to chapter 17A
27 as necessary to administering this chapter. The department
28 may also develop operating standards as necessary to
29 administer this chapter. The department shall consult with
30 the Iowa county treasurers association in developing operating
31 standards and proposed rules.

32 Sec. 11. NEW SECTION. 321M.11 GOOD FAITH EFFORTS
33 REQUIRED.

34 1. The department and issuing counties shall use their
35 best good faith efforts to work in cooperation in implementing

1 and maintaining an effective system of county issuance.

2 2. The department and all persons involved with
3 administration of this chapter, department procedures, and
4 related administrative rules shall use their best good faith
5 efforts to ensure that the application of the laws, rules, and
6 procedures related to county issuance shall not be used
7 improperly to impede county issuance, harass county personnel,
8 or protect department personnel.

9 3. All issuing counties and county personnel involved in
10 issuance shall use their best good faith efforts to observe
11 and respect department personnel and department-administered
12 law, policy, and procedures related to issuance.

13 Sec. 12. Section 321.179, Code Supplement 1997, is
14 repealed.

15 Sec. 13. 1995 Iowa Acts, chapter 220, section 27, is
16 repealed.

17

EXPLANATION

18 This bill creates new Code chapter 321M, which expands the
19 system of issuance of motor vehicle licenses by county
20 treasurers from six counties (Adams, Cass, Fremont, Mills,
21 Montgomery, and Page), to include up to an additional 42
22 counties. Former provisions related to county issuance are
23 repealed in conjunction with the creation of the new Code
24 chapter. The contents of the new Code chapter are based on
25 the discussions and recommendations of the interim study
26 committee on county issuance of motor vehicle licenses.

27 The new Code chapter contains new Code section 321M.1,
28 devoted to definition of words and terms which are integral to
29 county issuance. Some terms build upon definitions or
30 provisions in other chapters or sections regulating motor
31 vehicles, such as "motor vehicle license" and "persons with
32 disabilities identification device". Other terms, however,
33 are unique to this chapter, such as "initial opt-in period",
34 "itinerant team", and "digitized photolicensing equipment".

35 New Code section 321M.2 provides that county treasurers

1 authorized under Code chapter 321M to issue licenses may do
2 so, notwithstanding other provisions of the Code which grant
3 sole authority to the department of transportation (DOT) to
4 issue licenses.

5 New Code section 321M.3 provides for the continuance of the
6 six counties currently authorized to issue licenses, as well
7 as for a procedure for a voluntary termination of issuance,
8 should any of the six counties choose to do so.

9 New Code section 321M.3 also provides for the initial
10 participation by up to 42 additional counties. Counties
11 served by permanent DOT sites are not eligible for county
12 issuance. Eligible counties which are interested must file
13 with DOT written authorization from both the county treasurer
14 and the board of supervisors prior to participation in license
15 issuance. In the event that more than 42 counties indicate an
16 interest in county issuance, preference will be given to
17 counties that have both filed the appropriate authorizations
18 and have been approved as part of "clusters".

19 New Code section 321M.4 provides that the system of county
20 issuance shall be implemented through the use of "clusters",
21 groups of four to six contiguous counties that serve a
22 population area comparable to that served by each DOT
23 itinerant (travelling) license issuance team. Each cluster
24 will replace a DOT itinerant team, but a proposed cluster need
25 not contain the exact counties served by an existing itinerant
26 team. Clusters must execute an agreement pursuant to Code
27 chapter 28 among participating counties.

28 Counties wishing to issue licenses need to propose
29 clusters, preferably combinations that will not cause DOT
30 service difficulties (when remaining itinerant teams are
31 scheduled and assigned) to counties surrounding the cluster.
32 DOT may oppose a proposed cluster if subsequent DOT service to
33 such counties would be exceptionally difficult, or would
34 result in a substantial reduction of annual service
35 availability to such counties. A proposed cluster that is

1 opposed because of service difficulties to neighboring
2 counties can elect to offer service to the county posing the
3 service difficulty to DOT. Clusters affected by the
4 termination or voluntary discontinuance of county issuance by
5 a participating county have a similar option of providing
6 service in the terminated county, or replacing the terminated
7 county with another contiguous county. Clusters that cannot
8 resolve such problems will revert to service from DOT.

9 New Code section 321M.5 addresses the requirement for a
10 Code chapter 28E agreement between DOT and each of the issuing
11 counties, as well as specific issues that must be addressed by
12 the Code chapter 28E agreement.

13 New Code section 321M.6 addresses issuance of commercial
14 driver's licenses (CDLs) in the counties. CDL issuance must
15 meet federal standards, and the state must certify that
16 issuance of CDLs within the state is in compliance with the
17 federal requirements. Code section 321M.6 requires that
18 counties comply with the federal CDL standards and other
19 provisions under Iowa law relating to CDL issuance. A county
20 that observes these standards shall be certified as part of
21 statewide compliance with federal standards. A county which
22 fails to correct deficiencies in CDL issuance may have its
23 privileges relating to CDL issuance terminated. Other
24 counties in the cluster may then provide CDL services for the
25 terminated county, but DOT has no obligation to offer such
26 services within the terminated county.

27 New Code section 321M.7 addresses training, including an
28 initial eight-week training session, follow-up training on-
29 site, and continuing training. The department may not
30 segregate department employees and county personnel in
31 different training sessions. New county personnel must
32 complete initial training before conducting licensing
33 activity. New county treasurers must use best efforts to
34 complete initial training as soon as possible; the issuance
35 program within a county may be placed on probation if a new

1 treasurer does not make reasonable efforts to begin training
2 within three months of entering office.

3 New Code section 321M.8 provides for an "opt-out period"
4 prior to implementation of a new digitized photolicensing
5 agreement. Digitized photolicensing equipment is the
6 combination of machines and materials that results in the on-
7 site production of the driver's license. Due to the high
8 costs of the equipment, participation in county issuance is
9 timed to coincide with such equipment contract periods. A
10 county can "opt out", or terminate participation in county
11 issuance, only during such specified opt-out periods prior to
12 implementation of a new contract. It may do so by written
13 notification to DOT during the time period set by DOT. A
14 county that wishes to continue participation must indicate in
15 writing to DOT that it wishes to continue. The time period
16 for making such indications may be set at a time sufficiently
17 in advance of the request for proposals associated with the
18 digitized photolicensing equipment so that DOT may accurately
19 estimate how many counties will be participating in county
20 issuance and how many sets of equipment will therefore be
21 needed.

22 New Code section 321M.9 addresses financial responsibility
23 for certain items. The section provides that issuing counties
24 may retain \$3.75 of the license fee for each issuance or
25 renewal of a motor vehicle license or nonoperator
26 identification card. Counties do not retain any fees for
27 issuance of persons with disabilities identification devices
28 (formerly known as handicapped permits). The section requires
29 that DOT purchase all equipment for issuance, including the
30 digitized photolicensing equipment, and sets limitations on
31 the number of sets of equipment allotted to each county and
32 excludes DOT purchase of general office equipment such as
33 computers or fax machines that are not dedicated solely or
34 primarily to issuance activities, and of office furniture.

35 New Code section 321M.10 provides that DOT shall retain all

1 supervisory authority over issuance activities. County
2 treasurers are agents of the DOT when performing licensing
3 functions. The section also addresses approximate supervisor
4 allocation and technical support, requires equal access for
5 county treasurers to the DOT computer databases, and grants
6 DOT authority to adopt rules to implement the chapter.

7 New Code section 321M.11 requires DOT and county treasurers
8 to use good faith efforts in implementing the provisions of
9 the chapter.

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HOUSE FILE 2424

AN ACT
PROVIDING FOR THE EXPANSION OF THE SYSTEM OF ISSUANCE OF MOTOR
VEHICLE LICENSES BY COUNTY TREASURERS.

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

Section 1. NEW SECTION. 321M.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Cluster" means a group of four to six contiguous counties serving a population area comparable to an area served by a department itinerant team, that is subject to an agreement among the participating counties that is executed pursuant to chapter 28E.
2. "Commercial driver's license" means a motor vehicle license valid for the operation of a commercial motor vehicle, as regulated by chapter 321.
3. "County issuance" means the system or process of issuing motor vehicle licenses, nonoperator identification cards, and persons with disabilities identification devices, including all related testing, to the same extent that such items are issued by the department.
4. "Department" means the state department of transportation.
5. "Digitized photolicensing equipment" means the machines and related materials, obtained pursuant to contract, the use of which results in the on-site production of motor vehicle licenses and nonoperator identification cards.
6. "Digitized photolicensing equipment contract period" means the period of time that the contract for the digitized photolicensing equipment is in effect, including any contract extensions elected by the department under the terms of the contract.

7. "Initial opt-in period" means the first opportunity for a county to indicate its interest in being authorized to participate in county issuance.

8. "Issuing county" means a county that is participating in county issuance.

9. "Itinerant team" means a traveling team of department personnel assigned to license issuance activities in a specified geographic area.

10. "Motor vehicle" means a vehicle which is self-propelled, including but not limited to automobiles, cars, motor trucks, semitrailers, motorcycles, and similar vehicles regulated under chapter 321.

11. "Motor vehicle license" means any license or permit issued to a person to operate a motor vehicle on the highways of this state, including but not limited to a driver's, commercial driver's, temporary restricted, or temporary license and an instruction, chauffeur's instruction, commercial driver's instruction, temporary restricted, or temporary permit.

12. "Nonoperator identification card" means the card issued pursuant to section 321.190 that contains information pertaining to the personal characteristics of the applicant but does not convey to the person issued the card any operating privileges for any motor vehicle.

13. "Opt in" means a county's indication of its interest in being authorized to participate in county issuance, or to continue participating in county issuance.

14. "Opt-in period" means a time period when a county may indicate its interest in being authorized to participate in county issuance, or to continue participating in county issuance.

15. "Opt out" means the choice of a county that is authorized to issue licenses to terminate that authorization and its participation in county issuance.

16. "Opt-out period" means a time period when a county that is authorized to issue licenses may terminate that authorization and its future participation in county issuance.

17. "Persons with disabilities identification devices" means those devices issued pursuant to chapter 321L.

Sec. 2. NEW SECTION. 321M.2 RELATION TO OTHER LAWS.

Notwithstanding provisions of chapter 321 or 321L that grant sole authority to the department for the issuance of motor vehicle licenses, nonoperator identification cards, and persons with disabilities identification devices, certain counties shall be authorized to issue motor vehicle licenses, nonoperator identification cards, and persons with disabilities identification devices, according to the requirements of this chapter.

Sec. 3. NEW SECTION. 321M.3 AUTHORIZATION TO ISSUE LICENSES -- INITIAL OPT-IN.

1. Adams, Cass, Premont, Mills, Montgomery, and Page counties shall be authorized to issue motor vehicle licenses, nonoperator identification cards, and persons with disabilities identification devices on a permanent basis, provided that such counties continue to meet the department's standards for issuance.

a. Any county desiring to opt out of county issuance effective with the beginning of the next digitized photolicensing equipment contract period may do so if the cluster, minus the county opting out, is approved by the department, or if one of the alternatives for continued service by the remaining counties in the cluster is arranged pursuant to section 321M.4.

b. A county shall submit in writing to the department its election either to continue participation in county issuance, or to opt out, during the opt-out period established by the department prior to the beginning of the next digitized photolicensing equipment contract period.

2. No more than forty-two additional counties shall be authorized to issue motor vehicle licenses, nonoperator identification cards, and persons with disabilities identification devices, effective with the beginning of the next digitized photolicensing equipment contract period.

a. A county that is served by a permanent department facility is not eligible to opt in to county issuance.

b. An initial opt-in period shall be designated by the department for an eligible county to indicate its desire to participate in county issuance at the time when the next contract for digitized photolicensing equipment is implemented. The department may designate an opt-in period at a time sufficiently in advance of the time for submission of request for proposals related to the next digitized photolicensing equipment contract period, so that the department may accurately estimate the number of sets of equipment that will be needed under the new contract.

c. Initial participation by a county in county issuance requires prior approval in writing by the county treasurer and the board of supervisors.

d. If more than forty-two counties indicate an interest in participating in county issuance, the department shall give preference to the first forty-two counties that are approved as proposed clusters according to section 321M.4, provided that such counties have also filed the written authorizations required under paragraph "c".

3. A county may opt in to county issuance only during the initial opt-in period, unless a county is requested to participate in an existing cluster pursuant to section 321M.4. A county that is so approved by the department to join an existing cluster shall satisfy all requirements under this chapter for a county in an initial opt-in period.

Sec. 4. NEW SECTION. 321M.4 CLUSTERING.

1. The system of county issuance shall be implemented through the use of clusters.

2. A proposed cluster shall replace one department itinerant team. However, the proposed cluster need not be composed of precisely the same counties served by an existing department itinerant team.

3. The department shall have authority to approve proposed clusters, in accordance with the following principles:

a. Proposed clusters should avoid reducing service availability to any neighboring county not part of the cluster, below service levels offered to such county by the department. This principle applies, but is not limited to, situations where service to the neighboring county by a department itinerant team would become exceedingly difficult, or would result in reduced annual hours of service availability due to the need for changes in itinerant team assignments.

b. A cluster may elect to offer service to a neighboring county outside of the proposed cluster, if approval of a cluster by the department is opposed because of difficulties in servicing one or more counties that surround the cluster, or because the cluster would require a reduction in annual hours of service availability by the department to such counties.

c. The department shall exercise its approval authority under this section in good faith, and shall consult with the Iowa county treasurers association in making its decision regarding approval of individual clusters.

4. Prior to issuing any licenses, an approved cluster shall execute an agreement among participating counties pursuant to chapter 28E, addressing the relative rights and liabilities associated with cluster activity. A copy of this agreement, as well as any subsequent alterations or addendum, shall be filed with the department within thirty days of execution.

5. If a county within a cluster opts out of county issuance during a designated opt-out period under section 321M.3 or 321M.8, or is otherwise subject to termination of all or part of its county issuance authorization, the remaining counties in the cluster may pursue one or more of the following alternatives:

a. The counties may request that one or more counties contiguous to the counties remaining in the cluster join the cluster, in accordance with this section and other provisions of this chapter.

b. The counties may elect to provide service to the terminated county, in accordance with this section and other provisions of this chapter.

6. If a cluster subject to the provisions of subsection 5 is not approved by the department for continued service as a cluster, the individual counties in the cluster shall revert to service by the department.

Sec. 5. NEW SECTION. 321M.5 CONTRACT BETWEEN THE DEPARTMENT AND ISSUING COUNTIES.

1. The department and each county participating in county issuance shall execute an agreement pursuant to chapter 28E, detailing the relative responsibilities and liabilities of each party to the agreement.

2. The agreement required by subsection 1 shall specifically address the following issues, in addition to other issues that may be required by chapter 28E or that may otherwise be deemed necessary for inclusion in the agreement by the parties to the agreement:

a. Responsibility for collection of, and accounting for, any fees associated with the licensing process.

b. Oversight guidelines.

c. Performance standards.

d. Progressive discipline standards and measures, including appeals.

e. Rights and responsibilities during any extensions of a digitized photolicensing contract.

f. A specified opt-out period prior to each future request for proposals for digitized photolicensing equipment contracts, and procedures related to a decision to opt out by a county within a particular cluster.

3. An addendum to such an agreement may be executed by the parties, in accordance with chapter 28E.

Sec. 6. NEW SECTION. 321M.6 CERTIFICATION OF COMMERCIAL DRIVER'S LICENSE ISSUANCE.

1. A county shall be authorized to issue commercial driver's licenses if certified to do so by the department.

2. The department shall certify the commercial driver's license issuance in a county authorized to issue licenses pursuant to section 321M.3 if all of the following conditions are met:

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

b. The county examiner contractually agrees to comply with the requirements of 49 C.F.R. § 383.75, adopted as of a specific date by rule by the department.

c. The department provides supervision over the issuance of commercial driver's licenses, including the administration of written and driving skills tests by the county treasurer. However, the failure of the department to provide appropriate supervision shall not alone be used as a reason to deny certification.

d. The county otherwise complies with the procedures for issuance of commercial driver's licenses as provided in chapter 321.

3. If a county fails to meet the standards for certification under this section, and fails to correct deficiencies according to the department's operating standards, the county's right to issue commercial driver's licenses shall be terminated, and the county shall cease issuing commercial driver's licenses. Procedures and conditions for recertification shall be addressed in the operating standards for the department.

4. The issuance of commercial driver's licenses for residents of a county whose issuance rights have been terminated under subsection 3 may be provided by other counties in the relevant cluster, according to the provisions of section 321M.5. The department is not obligated to provide service in a county for issuance of commercial driver's licenses if the county fails to meet certification standards under this section. However, the department shall facilitate appropriate arrangements for availability of such services as it deems necessary.

Sec. 7. NEW SECTION. 321M.7 TRAINING.

1. The department shall provide a minimum of eight weeks of initial training for county personnel participating in county issuance. The maximum class size for this initial training shall be twenty people.

2. The department shall also provide individualized additional training for county personnel within each participating county office following initial training.

3. The department shall periodically offer continuing education and training opportunities to county personnel.

4. The department shall not segregate training sessions for county personnel and department employees.

5. New county personnel, including new county treasurers, who will participate in county issuance, shall complete the initial training session prior to engaging in any licensing activities. A county treasurer shall use best efforts to complete initial training as soon as possible. A county treasurer who does not make reasonable attempts to begin initial training within three months of taking office may be subject to having the county issuance program in that county placed on probation.

Sec. 8. NEW SECTION. 321M.8 NEW OR SUBSEQUENT CONTRACTS -- OPT-OUT PERIOD.

1. If entering into a new digitized photolicensing equipment contract is anticipated by the department, the department shall provide an opt-out period sufficiently prior to the issuance of a request for proposals related to such contract by the department.

2. According to the time frame established by the agreement executed pursuant to section 321M.5, during an opt-out period described in subsection 1, each issuing county shall indicate in writing to the department one of the following:

a. That the county elects to continue to participate in county issuance for the duration of the next digitized photolicensing contract period, subject to the other provisions of this chapter.

b. That the county elects to opt out of county issuance, effective at the end of the present digitized photolicensing contract period.

3. An issuing county may opt out of county issuance only during an opt-out period described under subsection 1.

Sec. 9. NEW SECTION. 321M.9 FINANCIAL RESPONSIBILITY.

1. FEES TO COUNTIES. Notwithstanding any other provision in the Code to the contrary, the county treasurer of any county authorized to issue motor vehicle licenses under this chapter shall retain for deposit in the county general fund three dollars and seventy-five cents of fees received for each issuance or renewal of motor vehicle licenses and nonoperator identification cards, but shall not retain any moneys for the issuance of any persons with disabilities identification devices. The county treasurer shall remit the balance of fees to the department.

2. DIGITIZED PHOTOLICENSING EQUIPMENT.

a. The department shall pay for all digitized photolicensing equipment, including that used by the department and authorized for use by issuing counties under this subsection. Moneys from the road use tax fund shall be used, subject to appropriation by the general assembly, for payment of costs associated with the purchase or lease of digitized photolicensing equipment.

b. An issuing county shall be entitled to one set of digitized photolicensing equipment, unless the county was served at multiple sites by the department, in which case the county shall be entitled to two sets of digitized photolicensing equipment. A county shall indicate at the time of opting in how many sets of equipment are needed by the county.

3. OTHER EQUIPMENT. The department shall pay for all other equipment needed by a county to participate in county issuance, comparable to the equipment provided for issuance activities by a department itinerant team, with the exception of the following:

a. Office furniture.

b. Computer hardware needed to access department computer databases, facsimile machines used to transmit documents between the department and the county, and similar office equipment of a general nature that is not dedicated solely or primarily to the issuance process.

Sec. 10. NEW SECTION. 321M.10 SUPERVISORY AUTHORITY OF DEPARTMENT.

1. The department shall retain all supervisory authority over the county treasurers who shall be subject to the supervision of the department and shall be considered agents of the department when performing motor vehicle licensing functions.

2. Approximately one supervisor shall be assigned from the department to every six issuance sites participating in county issuance.

3. Approximately one technical computer support employee shall be assigned from the department to every twenty-four counties participating in county issuance.

4. The department shall provide issuing counties access to computer databases at a level equal to that provided to comparable department employees.

5. The department may adopt rules pursuant to chapter 17A as necessary to administer this chapter. The department may also develop operating standards as necessary to administer this chapter. The department shall consult with the Iowa county treasurers association in developing operating standards and proposed rules.

Sec. 11. NEW SECTION. 321M.11 GOOD FAITH EFFORTS REQUIRED.

The department and issuing counties shall use their best good faith efforts to work in cooperation in implementing and maintaining an effective system of county issuance.

The department and all persons involved with administration of this chapter, department procedures, and related administrative rules shall use their best good faith efforts to ensure that the application of the laws, rules, and procedures related to county issuance shall not be used to impede county issuance.

Sec. 12. Section 48A.7, Code 1997, is amended to read as follows:

48A.7 REGISTRATION IN PERSON.

An eligible elector may register to vote by appearing personally and completing a voter registration form at the office of the commissioner in the county in which the person resides, at a motor vehicle driver's license station, including any county treasurer's office that is participating in county issuance of motor vehicle licenses under chapter 321M, or at any voter registration agency. A separate registration form shall be signed by each individual registrant.

Sec. 13. Section 48A.9, subsection 4, Code 1997, is amended to read as follows:

4. Registration forms submitted to voter registration agencies, or to motor vehicle driver's license stations, and to county treasurer's offices participating in county issuance of motor vehicle licenses under chapter 321M shall be considered on time if they are received no later than five p.m. on the day registration closes for that election. Offices or agencies other than the county commissioner's office are not required to be open for voter registration purposes at times other than their usual office hours.

Sec. 14. Section 48A.18, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 5. A county treasurer's office participating in county issuance of motor vehicle licenses pursuant to chapter 321M shall participate in voter registration under this section to the same extent as a license facility of the state department of transportation.

Sec. 15. Section 48A.21, Code 1997, is amended to read as follows:

48A.21 TRANSMISSION OF FORMS FROM AGENCIES AND DRIVER'S LICENSE STATIONS.

The state registrar of voters shall adopt administrative rules regulating the transmission of completed voter registration forms from voter registration agencies and from

driver's license stations, including county treasurer's offices participating in county issuance of motor vehicle licenses under chapter 321M. All completed voter registration applications in the possession of a voter registration agency, or a driver's license station, or a county treasurer's office that is participating in county issuance of motor vehicle licenses at five p.m. on the last work day of each week shall be transmitted to the location designated by the state registrar of voters by rule. Procedures or requirements for more frequent transmissions may be specified by rule.

Sec. 16. Section 48A.27, subsection 1, Code Supplement 1997, is amended to read as follows:

1. Any voter registration form received by any voter registration agency, driver's license station, including county treasurer's offices participating in county issuance of motor vehicle licenses under chapter 321M, or the commissioner shall be considered as updating the registrant's previous registration.

Sec. 17. Section 48A.27, subsection 2, paragraph a, subparagraph (4), Code Supplement 1997, is amended to read as follows:

(4) A change of address form to the office of driver services of the state department of transportation, or to a county treasurer's office that is participating in county issuance of motor vehicle licenses under chapter 321M.

Sec. 18. Section 321.151, Code 1997, is amended to read as follows:

321.151 DUTY AND LIABILITY OF TREASURER.

The county treasurer shall collect the registration fee and penalties on each vehicle registered by the county treasurer and shall be responsible on the county treasurer's bond for such amount. The county treasurer shall remit such amount to the treasurer of state as herein provided in this chapter. Fees collected pursuant to participation in county issuance of motor vehicle licenses under chapter 321M shall be governed by the provisions of that chapter.

Sec. 19. Section 321.152, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. This section does not apply to fees collected or retained by a county treasurer pursuant to participation in county issuance of motor vehicle licenses under chapter 321M.

Sec. 20. Section 321.153, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. This section does not apply to fees collected or retained by a county treasurer pursuant to participation in county issuance of motor vehicle licenses under chapter 321M.

Sec. 21. NEW SECTION. 331.557A DUTIES RELATING TO ISSUANCE OF MOTOR VEHICLE LICENSES.

The treasurer of any county participating in county issuance of motor vehicle licenses under chapter 321M shall:

1. Issue, renew, and replace lost or damaged nonoperator identification cards and motor vehicle licenses, including commercial driver's licenses, according to the provisions of chapter 321M.
2. Issue persons with disabilities parking permits under chapter 321L.
3. Collect fees associated with nonoperator identification cards and motor vehicle licenses, including commercial driver's licenses, and pay to the state amounts in excess of the amount the treasurer is permitted to retain for deposit in the county general fund for license issuance.
4. Participate in voter registration according to the terms of chapter 48A, and submit completed voter registration forms to the state registrar of voters.
5. Attend initial training as required by chapter 321M, and participate in continuing education as offered by the state department of transportation.
6. Comply with the terms of any applicable agreements created pursuant to chapter 28E, and state department of transportation operating standards for license issuance.

Sec. 22. Section 321.179, Code Supplement 1997, is repealed.

Sec. 23. 1995 Iowa Acts, chapter 220, section 27, is repealed.

Sec. 24. DISPLACED DEPARTMENTAL EMPLOYEES. State department of transportation employees, who are members of a collective bargaining unit and who are displaced as a result of the implementation of this Act, shall be covered by and dealt with according to the provisions of the applicable collective bargaining agreement relating to contracting, subcontracting, outsourcing, privatization, and layoffs.

Sec. 25. REQUEST FOR PROPOSALS AND RESPONSES. The state department of transportation, in conjunction with the auditor of state, shall prepare, and the department shall issue a request for proposals for the digitized photolicensing equipment contract period beginning January 1, 2000, on a schedule that shall make available responses to the request for proposals, and an analysis of the response from the successful bidder, to the first session of the Seventy-eighth General Assembly no later than January 2, 1999. The proposal shall require responses on two options. One option shall be issuance of motor vehicle licenses by Adams, Cass, Fremont, Mills, Montgomery, and Page counties with the department authorized to issue motor vehicle licenses in all remaining ninety-three counties. Option two shall be issuance of motor vehicle licenses by Adams, Cass, Fremont, Mills, Montgomery, and Page counties, and up to forty-two additional counties who have met the conditions of section 3 of this Act, with the department authorized to issue motor vehicle licenses in the remaining fifty-one counties. The first session of the Seventy-eighth General Assembly may use the results of the responses in making a determination on expanding county issuance of motor vehicle licenses and shall do so before March 1, 1999. If the general assembly does not act in response to such information before March 1, 1999, then the department of transportation shall proceed with implementation of county issuance as detailed in this Act.

Sec. 26. CODE EDITOR DIRECTIVE. The Code Editor is instructed to change all references to "motor vehicle license" contained in chapter 321M and in this bill to "driver's license" if Senate File 2113 is enacted by the Seventy-seventh General Assembly, 1998 Session. This directive includes authority to change plural forms of the terms, and to reorganize definitions in section 321M.1, as enacted by this Act, so that the subsections remain in alphabetical order following any change of a defined term according to this directive.

RON J. CORBETT
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2424, Seventy-seventh General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved April 22, 1998

TERRY E. BRANSTAD
Governor