

FEB 26 1998

COMMERCE AND REGULATION

HOUSE FILE 2464
BY WARNSTADT and WHITEAD

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

A BILL FOR

1 An Act relating to insurance coverage for motor vehicles in this
2 state and providing penalties.

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

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HF 2464

1 Section 1. Section 321.20B, Code Supplement 1997, is
2 amended by striking the section and inserting in lieu thereof
3 the following:

4 321.20B MANDATORY FINANCIAL LIABILITY COVERAGE.

5 1. a. Notwithstanding chapter 321A, which requires
6 certain persons to maintain proof of financial liability
7 coverage, a person who owns a motor vehicle which is required
8 to be registered in this state shall not permit the operation
9 of the motor vehicle on the highways of this state unless
10 financial liability coverage, as defined in section 321.1, is
11 in effect for the motor vehicle. An owner is presumed to know
12 of the operation of the owner's motor vehicle on the highways
13 of this state in violation of this section when the motor
14 vehicle is being operated by a person other than the owner.

15 b. An owner of a motor vehicle who operates the motor
16 vehicle or allows the operation of the motor vehicle in
17 violation of this section commits a serious misdemeanor. The
18 court may impose a fine of up to one thousand dollars, order
19 imprisonment not to exceed six months, or both. Upon
20 conviction, the owner shall have the owner's driver's license
21 and certificate of registration suspended until such time as
22 the owner complies with the requirements of chapter 321A and
23 provides proof of such compliance to the department. The
24 owner, upon providing proof of complying with the requirements
25 of chapter 321A, shall maintain such proof of financial
26 liability coverage with the department for a continuous period
27 of three years.

28 c. This subsection does not apply to a motor vehicle
29 registered in another state. This subsection does not apply
30 to the operator of a motor vehicle owned or leased to the
31 United States, this state, or any political subdivision of
32 this state or to a motor vehicle which is subject to section
33 325A.6 or 327B.6.

34 2. An owner who is unable to produce proof of financial
35 liability coverage upon the request of a law enforcement

1 officer shall be cited by the law enforcement officer for a
2 violation of subsection 1 and allowed ten days after the date
3 of the request to produce proof to the appropriate county
4 attorney that such financial liability coverage was in effect
5 at the time of the request. Upon presentation of such proof,
6 the citation shall be dismissed by the county attorney without
7 cost to the owner.

8 3. The department, upon receiving proof that such
9 financial liability coverage was in effect at the time the
10 person was cited for a violation of subsection 1, shall
11 reinstate the person's driving privileges and reissue the
12 certificate of registration without cost to the person. The
13 department shall also waive the requirement that such person
14 comply with the requirements of chapter 321A.

15 Sec. 2. Section 321.1, subsection 54A, Code Supplement
16 1997, is amended by striking the subsection.

17 Sec. 3. Section 321.492, unnumbered paragraph 2, Code
18 Supplement 1997, is amended by striking the paragraph.

19 Sec. 4. Section 321A.34, subsection 2, Code Supplement
20 1997, is amended to read as follows:

21 2. The department may, upon the application of such a
22 person, issue a certificate of self-insurance if the
23 department is satisfied that the person has and will continue
24 to have the ability to pay judgments obtained against the
25 person for damages arising out of the ownership, maintenance,
26 or use of any vehicle owned by the person. ~~A person issued a
27 certificate of self-insurance pursuant to this section shall
28 maintain a financial liability coverage card as provided in
29 section 321.20B7, subsection 27, paragraph "b".~~

30 Sec. 5. Section 805.8, subsection 2, paragraph ah, Code
31 Supplement 1997, is amended by striking the paragraph.

32 Sec. 6. 1997 Iowa Acts, chapter 139, section 16, is
33 amended by striking the section.

34 EXPLANATION

35 This bill strikes and replaces Code section 321.20B to

1 provide that a person who owns a motor vehicle which is
 2 required to be registered in this state shall not permit the
 3 operation of the motor vehicle on the highways of this state
 4 unless financial liability coverage is in effect for the motor
 5 vehicle. The bill provides that an owner is presumed to know
 6 of the operation of the owner's motor vehicle on the highways
 7 of this state in violation of this Code section when the motor
 8 vehicle is being operated by a person other than the owner.

9 The bill provides that a person who violates this
 10 requirement commits a serious misdemeanor. The court may
 11 impose a fine of up to \$1,000, order imprisonment not to
 12 exceed six months, or both. Upon conviction, the owner shall
 13 have the owner's driver's license and certificate of
 14 registration suspended until such time as the owner complies
 15 with the requirements of Code chapter 321A, relating to motor
 16 vehicle financial responsibility.

17 The bill provides that a person has 10 days after being
 18 cited to show that financial liability coverage was in effect
 19 at the time of the request. Upon presentation of such proof,
 20 the citation shall be dismissed by the county attorney without
 21 cost to the owner, and the department shall reinstate the
 22 person's driving privileges and reissue the certificate of
 23 registration without cost to the person.

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HOUSE FILE 2465

AN ACT

RELATING TO WORKERS' COMPENSATION BY CHANGING THE NAME OF THE DIVISION AND PERSONNEL RESPONSIBLE, PROVIDING FOR THE COMMENCEMENT OF COMPENSATION DURING A HEALING PERIOD, AND PROVIDING FOR REPORTING REQUIREMENTS.

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

Section 1. Section 84A.1, subsections 2 and 3, Code 1997, are amended to read as follows:

2. The chief executive officer of the department is the director who shall be appointed by the governor, subject to confirmation by the senate under the confirmation procedures of section 2.32. The director shall serve at the pleasure of the governor. The governor shall set the salary of the director within the applicable salary range established by the general assembly. The director shall be selected solely on the ability to administer the duties and functions granted to the director and the department and shall devote full time to the duties of the director. If the office of director becomes vacant, the vacancy shall be filled in the same manner as the original appointment was made.

The director of the department shall, subject to the requirements of section 84A.1B, prepare, administer, and control the budget of the department and its divisions and shall approve the employment of all personnel of the department and its divisions.

The director shall direct the administrative and compliance functions and control the docket of the division of industrial services workers' compensation.

3. The department shall include the division of labor services, the division of industrial-services workers' compensation, and other divisions as appropriate.

Sec. 2. Section 84A.5, subsections 4 and 5, Code 1997, are amended to read as follows:

4. The division of industrial-services workers' compensation is responsible for the administration of the laws of this state relating to workers' compensation under chapters 85, 85A, 85B, 86, and 87. The executive head of the division is the industrial workers' compensation commissioner, appointed pursuant to section 86.1.

5. The director shall form a coordinating committee composed of the director, the labor commissioner, the industrial workers' compensation commissioner, and other administrators. The committee shall monitor federal compliance issues relating to coordination of functions among the divisions.

Sec. 3. Section 85.26, subsection 2, Code 1997, is amended to read as follows:

2. An award for payments or an agreement for settlement provided by section 86.13 for benefits under this chapter or chapter 85A or 85B, where the amount has not been commuted, may be reviewed upon commencement of reopening proceedings by the employer or the employee within three years from the date of the last payment of weekly benefits made under the award or agreement. If an award for payments or agreement for settlement as provided by section 86.13 for benefits under this chapter or chapter 85A or 85B has been made and the amount has not been commuted, or if a denial of liability is not filed with the industrial workers' compensation commissioner and notice of the denial is not mailed to the employee, on-forms-prescribed in the form and manner required by the commissioner, within six months of the commencement of weekly compensation benefits, the commissioner may at any time upon proper application make a determination and appropriate order concerning the entitlement of an employee to benefits provided for in section 85.27. The failure to file a denial of liability does not constitute an admission of liability under this chapter or chapter 85A, 85B, or 86.

Sec. 4. Section 85.34, subsection 1, Code Supplement 1997, is amended to read as follows:

1. HEALING PERIOD. If an employee has suffered a personal injury causing permanent partial disability for which compensation is payable as provided in subsection 2 of this section, the employer shall pay to the employee compensation for a healing period, as provided in section 85.37, beginning on the date of first day of disability after the injury, and until the employee has returned to work or it is medically indicated that significant improvement from the injury is not anticipated or until the employee is medically capable of returning to employment substantially similar to the employment in which the employee was engaged at the time of injury, whichever occurs first.

Sec. 5. Section 86.9, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The director of the department of workforce development, in consultation with the commissioner, shall, at the time provided by law, make an annual report to the governor setting forth in appropriate form the business and expense of the division of industrial-services workers' compensation for the preceding year, the number of claims processed by the division and the disposition of the claims, and other matters pertaining to the division which are of public interest, together with recommendations for change or amendment of the laws in this chapter and chapters 85, 85A, 85B, and 87, and the recommendations, if any, shall be transmitted by the governor to the first general assembly in session after the report is filed.

Sec. 6. Section 86.11, Code 1997, is amended to read as follows:

86.11 REPORTS OF INJURIES.

Every employer shall hereafter keep a record of all injuries, fatal or otherwise, alleged by an employee to have been sustained in the course of the employee's employment and

resulting in incapacity for a longer period than one day. If the injury results only in temporary disability, causing incapacity for a longer period than three days except as provided in section 86.36 then within four days thereafter, not counting Sundays and legal holidays, the employer or insurance carrier having had notice or knowledge of the occurrence of such injury and resulting disability, shall file a written report with the industrial workers' compensation commissioner on-forms-to-be-procured-from in the form and manner required by the commissioner for-that-purpose. If such injury to the employee results in permanent total disability, permanent partial disability or death, then the employer or insurance carrier upon notice or knowledge of the occurrence of the employment injury, shall file a report with the industrial workers' compensation commissioner, within four days after having notice or knowledge of the permanent injury to the employee or the employee's death. The report to the industrial workers' compensation commissioner of injury shall be without prejudice to the employer or insurance carrier and shall not be admitted in evidence or used in any trial or hearing before any court, the industrial workers' compensation commissioner or a deputy industrial workers' compensation commissioner except as to the notice under section 85.23.

Sec. 7. Section 86.13, unnumbered paragraph 1, Code 1997, is amended to read as follows:

If an employer or insurance carrier pays weekly compensation benefits to an employee, the employer or insurance carrier shall file with the industrial workers' compensation commissioner on-forms-prescribed in the form and manner required by the industrial workers' compensation commissioner a notice of the commencement of the payments. The payments establish conclusively that the employer and insurance carrier have notice of the injury for which benefits are claimed but the payments do not constitute an admission of liability under this chapter or chapter 85, 85A, or 85B.

Sec. 8. Section 86.44, unnumbered paragraph 2, Code 1997, is amended to read as follows:

For purposes of this section, "mediator" means a chief deputy industrial workers' compensation commissioner or deputy industrial workers' compensation commissioner acting in the capacity to resolve a dispute pursuant to this chapter or chapter 85, 85A, or 85B, or an employee of the division of industrial-services workers' compensation involved during any stage of a process to resolve a dispute.

Sec. 9. Section 96.6, subsection 4, Code 1997, is amended to read as follows:

4. EFFECT OF DETERMINATION. A finding of fact or law, judgment, conclusion, or final order made pursuant to this section by an employee or representative of the department, administrative law judge, or the employment appeal board, is binding only upon the parties to proceedings brought under this chapter, and is not binding upon any other proceedings or action involving the same facts brought by the same or related parties before the division of labor services, division of industrial-services workers' compensation, other state agency, arbitrator, court, or judge of this state or the United States.

Sec. 10. Section 912.3, subsection 4, Code 1997, is amended to read as follows:

4. Request from the department of human services, the department of workforce development and its division of industrial-services workers' compensation, the department of public safety, the county sheriff departments, the municipal police departments, the county attorneys, or other public authorities or agencies reasonable assistance or data necessary to administer the crime victim compensation program.

Sec. 11. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVES TO CODE EDITOR. Sections 84A.5, 85.3, 85.21, 85.22, 85.26, 85.27, 85.35, 85.43, 85.45, 85.47, 85.48, 85.49, 85.53, 85.55, 85.59, 85.62, 85.66, 85.67, 85.70, 85A.7, 85A.15, 85A.19,

85A.20, 85A.21, 85A.22, 85A.24, 85A.25, 85A.27, 85B.5, 85B.13, 85B.15, 86.1, 86.2, 86.3, 86.4, 86.10, 86.11, 86.12, 86.13, 86.17, 86.19, 86.24, 86.26, 86.27, 86.29, 86.38, 86.39, 86.41, 86.42, 86.43, 86.44, 87.1, 87.5, 87.6, 87.7, 87.11, 87.16, 87.17, 87.19, 87.20, 216A.73, and 331.324, Code 1997, and sections 85.34, 85.61, 87.22, and 515B.5, Code Supplement 1997, are amended by striking from the sections the words "industrial commissioner" and inserting in lieu thereof the words "workers' compensation commissioner".

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 2465, Seventy-seventh General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved April 6, 1998

TERRY E. BRANSTAD
Governor