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SENATE FILE 132  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 48.1)

(P.424)

Passed Senate, Date 2-27-97 Passed House, Date 4/9/97 (P.1099)

Vote: Ayes 46 Nays 0 Vote: Ayes 100 Nays 0

Approved May 1, 1997

## A BILL FOR

1 An Act relating to state department of transportation operations,  
2 including regulating hazardous materials transport, regulating  
3 motor vehicle dealers, eliminating requirements that the  
4 department adopt administrative rules in certain instances,  
5 and establishing, making applicable, or enhancing penalties.

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

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S.F. 132

1 Section 1. Section 321.1, Code 1997, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 0A. "Agricultural hazardous material"  
4 means a hazardous material, other than hazardous waste, whose  
5 end use directly supports the production of an agricultural  
6 commodity, including, but not limited to, a fertilizer,  
7 pesticide, soil conditioner, or fuel. "Agricultural hazardous  
8 material" is limited to material in class 3, 8, or 9, division  
9 2.1, 2.2, 5.1, or 6.1, or an ORM-D material as defined in 49  
10 C.F.R. § 171.8.

11 Sec. 2. Section 321.1, subsection 42, paragraph c, Code  
12 1997, is amended to read as follows:

13 c. "New motor vehicle or new car" means a car motor  
14 vehicle subject to registration which has not been sold "at  
15 retail" as defined in chapter 322.

16 Sec. 3. Section 321.25, unnumbered paragraph 2, Code 1997,  
17 is amended to read as follows:

18 The department shall, upon request by any dealer, furnish  
19 "registration applied for" cards free of charge. Only cards  
20 furnished by the department shall be used. Only one card  
21 shall be issued in accordance with this subsection for each  
22 vehicle purchased.

23 Sec. 4. Section 321.50, subsection 4, Code 1997, is  
24 amended by adding the following new unnumbered paragraph:

25 NEW UNNUMBERED PARAGRAPH. However, when a security  
26 interest is discharged for a vehicle with a gross vehicle  
27 weight rating of sixteen thousand pounds or more, the  
28 lienholder shall note the cancellation of a security interest  
29 on the face of the title and may note the cancellation of the  
30 security interest on a form prescribed by the department and  
31 deliver a copy of the form in lieu of the title to the  
32 department or to the treasurer of the county in which the  
33 title was issued. The department or county treasurer shall  
34 note the release of the security interest upon the statewide  
35 computer system and the county's records. A copy of the form,

1 if used, shall be attached to the title by the lienholder and  
2 shall be evidence of the release of the security interest.  
3 The lienholder shall deliver the title to the first  
4 lienholder, or if there is no such person, to the person as  
5 designated by the owner, or if there is no such person  
6 designated, to the owner.

7 Sec. 5. Section 321.52, subsection 4, paragraph c,  
8 unnumbered paragraph 2, Code 1997, is amended to read as  
9 follows:

10 ~~The provision of this subsection requiring a salvage theft~~  
11 ~~examination by a peace officer specially certified or~~  
12 ~~recertified by the Iowa law enforcement academy to do salvage~~  
13 ~~theft examinations shall become effective July 1, 1989.~~  
14 ~~Salvage theft examinations conducted before July 1, 1989~~  
15 ~~shall be made by peace officers authorized to do so by the~~  
16 ~~state department of transportation or the department of public~~  
17 ~~safety who are qualified, as determined by those agencies, to~~  
18 ~~conduct salvage theft examinations.~~ The state department of  
19 transportation shall adopt rules in accordance with chapter  
20 17A to carry out this section, ~~including transition rules~~  
21 ~~allowing for salvage theft examinations prior to July 1, 1989.~~

22 Sec. 6. Section 321.69, subsection 9, Code 1997, is  
23 amended to read as follows:

24 9. This section does not apply to new motor vehicles,  
25 motor trucks and truck tractors with a gross vehicle weight  
26 rating of sixteen thousand pounds or more, vehicles more than  
27 nine model years old, motorcycles, motorized bicycles, and  
28 special mobile equipment. The section does apply to motor  
29 homes.

30 Sec. 7. Section 321.104, subsection 4, Code 1997, is  
31 amended to read as follows:

32 4. To ~~purport to~~ sell, offer for sale, or transfer a motor  
33 vehicle, trailer, or semitrailer, except as provided in  
34 section 321.47 or 321.48, without obtaining a certificate of  
35 title in the name of the seller or transferor or without

1 delivering to the purchaser or transferee a certificate of  
2 title or a manufacturer's or importer's certificate duly  
3 assigned to the purchaser or transferee as provided in this  
4 chapter.

5 Sec. 8. NEW SECTION. 321.174A OPERATION OF MOTOR  
6 VEHICLES WITH EXPIRED LICENSE.

7 A person shall not operate a motor vehicle upon a highway  
8 in this state after the expiration date of the person's motor  
9 vehicle license.

10 Sec. 9. Section 321.208A, Code 1997, is amended to read as  
11 follows:

12 321.208A OPERATION IN VIOLATION OF OUT-OF-SERVICE ORDER --  
13 PENALTY.

14 A person required to hold a commercial driver's license to  
15 operate a commercial motor vehicle shall not operate a  
16 commercial motor vehicle on the highways of this state in  
17 violation of an out-of-service order issued by a peace officer  
18 for a violation of the out-of-service rules adopted by the  
19 department. An employer shall not allow an employee to drive  
20 a commercial motor vehicle in violation of such out-of-service  
21 order. ~~The department shall adopt out-of-service rules which~~  
22 ~~shall be consistent with 49-C.F.R.-§-392.5 adopted as of a~~  
23 ~~specific date by the department.~~ A person who violates this  
24 section shall be subject to a penalty of one hundred dollars.

25 Sec. 10. Section 321.236, subsection 12, Code 1997, is  
26 amended to read as follows:

27 12. Designating highways or portions of highways as snow  
28 routes. When conditions of snow or ice exist on the traffic  
29 surface of a designated snow route, it is unlawful for the  
30 driver of a vehicle to impede or block traffic if the driving  
31 wheels of the vehicle are not equipped with snow tires, tire  
32 chains, or a nonslip differential. ~~"Snow-tires" as used in~~  
33 ~~this subsection means tires designed for use when there are~~  
34 ~~conditions of snow or ice on the highways, and meeting the~~  
35 ~~standards which shall be promulgated by rule of the director~~

1 of-transportation--The-standards-promulgated-by-the-director  
2 shall-require-that-snow-tires-be-so-designed-to-provide  
3 adequate-traction-to-maintain-reasonable-movement-of-the-motor  
4 vehicle-on-highways-under-snow-conditions-

5 Any A person charged with impeding or blocking traffic for  
6 lack of snow tires, chains, or nonslip differential shall have  
7 said the charge dismissed upon a showing to the court that the  
8 person's motor vehicle was equipped with snow tires, chains,  
9 or a nonslip differential.

10 Sec. 11. Section 321.266, subsection 4, Code 1997, is  
11 amended to read as follows:

12 4. Notwithstanding section 455B.386, a carrier  
13 transporting hazardous material upon a public highway in this  
14 state, in the case of an accident involving the transportation  
15 of the hazardous material, shall immediately notify the police  
16 radio broadcasting system established pursuant to section  
17 693.1 or shall notify a peace officer of the county or city in  
18 which the accident occurs. When a local law enforcement  
19 agency is informed of the accident, the agency shall notify  
20 the Iowa highway safety patrol and the state department of  
21 transportation office of motor vehicle enforcement. A person  
22 who violates a provision of this subsection is guilty of a  
23 serious misdemeanor.

24 Sec. 12. Section 321.309, Code 1997, is amended to read as  
25 follows:

26 321.309 TOWING -- CONVOYS -- DRAWBARS.

27 No A person shall not pull or tow by motor vehicle, for  
28 hire, another motor vehicle over any highway outside the  
29 limits of any incorporated city, except in case of temporary  
30 movement of a disabled motor vehicle to the place where  
31 repairs will be made, unless such the person has complied with  
32 the provisions of sections 321.57 and 321.58. Provided,  
33 however, if such the person is a nonresident of the state of  
34 Iowa and has complied with the laws of the state of that  
35 person's residence governing licensing and registration as a

1 transporter of motor vehicles the person shall not be required  
2 to pay the fee provided in section 321.58 but only to submit  
3 proof of the person's status as a bona fide manufacturer or  
4 transporter as may reasonably be required by the department.

5 Every A person pulling or towing by motor vehicle another  
6 motor vehicle in convoy or caravan shall maintain a distance  
7 of at least five hundred feet between the units of ~~said~~ the  
8 convoy or caravan.

9 ~~The drawbar or towing arm between a motor vehicle pulling~~  
10 ~~or towing another motor vehicle shall be of a type approved by~~  
11 ~~the director, except in case of the temporary movement of a~~  
12 ~~disabled vehicle in an emergency situation.~~

13 Sec. 13. Section 321.317, subsection 1, Code 1997, is  
14 amended to read as follows:

15 1. The signals required under the provisions of this  
16 chapter may be given either by means of the hand and arm as  
17 provided in section 321.318, or by a mechanical or electrical  
18 directional signal device or light ~~of a type approved by the~~  
19 ~~department and~~ conforming to the provisions of this chapter  
20 relating thereto.

21 Sec. 14. Section 321.317, subsection 3, Code 1997, is  
22 amended to read as follows:

23 3. It is unlawful for any person to sell or offer for sale  
24 or operate on the highways of the state any vehicle subject to  
25 registration under the provisions of this chapter which has  
26 never been registered in this or any other state prior to  
27 January 1, 1954, unless the vehicle is equipped with a  
28 directional signal device of a type ~~approved by the department~~  
29 ~~and is~~ in compliance with the provisions of subsection 2 of  
30 ~~this section~~. Motorcycles, motorized bicycles and  
31 semitrailers and trailers less than forty inches in width are  
32 exempt from the provisions of this section.

33 Sec. 15. Section 321.373, subsection 7, Code 1997, is  
34 amended to read as follows:

35 7. A school bus may be equipped with a white flashing

1 strobe light mounted on the roof of the bus to afford optimum  
2 visibility during periods of inclement weather. The light  
3 shall be ~~of-a-type-approved-by-the-department-of~~  
4 ~~transportation-and-shall-be~~ installed and operated in  
5 accordance with rules promulgated by the department of  
6 education. Each new school bus put into initial service after  
7 January 1, 1977, shall be equipped with such a light.

8 Sec. 16. Section 321.383, subsection 2, Code 1997, is  
9 amended to read as follows:

10 2. When operated on a highway in this state at a speed of  
11 thirty miles per hour or less, every farm tractor, or tractor  
12 with towed equipment, self-propelled implement of husbandry,  
13 road construction or maintenance vehicle, road grader, horse-  
14 drawn vehicle, or any other vehicle principally designed for  
15 use off the highway and any such tractor, implement, vehicle,  
16 or grader when manufactured for sale or sold at retail after  
17 December 31, 1971, shall be identified with a reflective  
18 device ~~of-a-type-approved-by-the-director~~ in accordance with  
19 the standards of the American society of agricultural  
20 engineers; however, this provision shall not apply to such  
21 vehicles when traveling in any escorted parade. The  
22 reflective device shall be visible from the rear ~~and-mounted~~  
23 ~~in-a-manner-approved-by-the-director~~. ~~The-director,-when~~  
24 ~~approving-the-device,-shall-be-guided-as-far-as-practicable-by~~  
25 ~~the-standards-of-the-American-society-of-agricultural~~  
26 ~~engineers~~. A vehicle other than those specified in this  
27 section shall not display a reflective device. On vehicles  
28 operating at speeds above thirty miles per hour, the  
29 reflective device shall be removed or hidden from view.

30 Sec. 17. Section 321.397, Code 1997, is amended to read as  
31 follows:

32 321.397 LAMPS ON BICYCLES.

33 Every bicycle shall be equipped with a lamp on the front  
34 exhibiting a white light, at the times specified in section  
35 321.384 visible from a distance of at least three hundred feet

1 to the front and with a lamp on the rear exhibiting a red  
2 light visible from a distance of three hundred feet to the  
3 rear; except that a red reflector ~~meeting the requirements of~~  
4 ~~this chapter~~ may be used in lieu of a rear light.

5 Sec. 18. Section 321.423, subsection 6, Code 1997, is  
6 amended to read as follows:

7 6. AMBER FLASHING LIGHT. A farm tractor, farm tractor  
8 with towed equipment, self-propelled implement of husbandry,  
9 road construction or maintenance vehicle, road grader, or  
10 other vehicle principally designed for use off the highway  
11 which, when operated on a primary or secondary road, is  
12 operated at a speed of twenty-five miles an hour or less,  
13 shall be equipped with and display an amber flashing light  
14 visible from the rear at any time from sunset to sunrise. If  
15 the amber flashing light is obstructed by the towed equipment,  
16 the towed equipment shall also be equipped with and display an  
17 amber flashing light as required under this subsection. All  
18 vehicles specified in this subsection which are manufactured  
19 for sale or sold in this state shall be equipped with an amber  
20 flashing light in accordance with the standards of the  
21 American society of agricultural engineers. ~~The type, number,~~  
22 ~~dimensions, and method of mounting of the lights shall be~~  
23 ~~determined by the director. -- The director, when approving the~~  
24 ~~light, shall be guided as far as practicable by the standards~~  
25 ~~of the American society of agricultural engineers.~~

26 Sec. 19. Section 321.424, Code 1997, is amended to read as  
27 follows:

28 321.424 SALE OF LIGHTS -- APPROVAL.

29 On and after July 4, 1955, no a person shall not have for  
30 sale, sell, or offer for sale for use upon or as a part of the  
31 equipment of a motor vehicle, trailer, or semitrailer, or use  
32 upon any such vehicle any headlamp, auxiliary, or fog lamp,  
33 rear lamp, signal lamp, or reflector, which reflector is  
34 required hereunder, or parts of any of the foregoing which  
35 tend to change the original design or performance, unless of a



1 type which has been submitted to the director and approved by  
2 the director.

3 ~~The foregoing provisions of this section shall not apply to~~  
4 ~~equipment in actual use when this section is adopted or~~  
5 ~~replacement parts therefor.~~

6 No A person shall not have for sale, sell, or offer for  
7 sale for use upon or as a part of the equipment of a motor  
8 vehicle, trailer, or semitrailer any ~~lamp or device mentioned~~  
9 ~~in this section which has been approved by the director~~  
10 headlamp, auxiliary or fog lamp, rear lamp, signal lamp, or  
11 reflector, unless such lamp or device bears thereon the  
12 trademark or name under which it is approved so as to be  
13 legible when installed.

14 ~~No person shall use upon any motor vehicle, trailer, or~~  
15 ~~semitrailer any lamps mentioned in this section unless said~~  
16 ~~lamps are mounted, adjusted and aimed in accordance with~~  
17 ~~instructions of the director.~~

18 Sec. 20. Section 321.430, subsection 3, Code 1997, is  
19 amended to read as follows:

20 3. Every trailer or semitrailer of a gross weight of three  
21 thousand pounds or more, and every trailer coach or travel  
22 trailer of a gross weight of three thousand pounds or more  
23 intended for use for human habitation, when operated on the  
24 highways of this state, shall be equipped with brakes adequate  
25 to control the movement of and to stop and hold such vehicle,  
26 and so designed as to be applied by the driver of the towing  
27 motor vehicle from its cab, or with self-actuating brakes, and  
28 weight equalizing hitch with a sway control ~~of a type approved~~  
29 ~~by the director of transportation.~~ Every semitrailer, travel  
30 trailer, or trailer coach of a gross weight of three thousand  
31 pounds or more shall be equipped with a separate, auxiliary  
32 means of applying the brakes on the semitrailer, travel  
33 trailer, or trailer coach from the cab of the towing vehicle.  
34 Trailers or semitrailers with a truck or truck tractor need  
35 only comply with the brake requirements.

1 Sec. 21. Section 321.444, subsection 3, Code 1997, is  
2 amended by striking the subsection.

3 Sec. 22. Section 321.445, subsection 1, Code 1997, is  
4 amended to read as follows:

5 1. Except for motorcycles or motorized bicycles, 1966  
6 model year or newer motor vehicles subject to registration in  
7 Iowa shall be equipped with safety belts and safety harnesses  
8 ~~of a type and installed in a manner approved by rules adopted~~  
9 ~~by the department pursuant to chapter 17A. The department~~  
10 ~~shall adopt rules regarding the types of safety belts and~~  
11 ~~safety harnesses required to be installed in motor vehicles~~  
12 ~~and the manner in which they are installed. The rules shall~~  
13 which conform with federal motor vehicle safety standard  
14 numbers 209 and 210 as published in 49 C.F.R. § 571.209-  
15 571.210 and with prior federal motor vehicle safety standards  
16 for seat belt assemblies and seat belt assembly anchorages  
17 applicable for the motor vehicle's model year. The department  
18 may adopt rules which comply with changes in the applicable  
19 federal motor vehicle safety standards with regard to the type  
20 of safety belts and safety harnesses and their manner of  
21 installation.

22 Sec. 23. Section 321.450, unnumbered paragraph 2, Code  
23 1997, is amended to read as follows:

24 Notwithstanding other provisions of this section, rules  
25 adopted under this section concerning physical and medical  
26 qualifications for drivers of commercial vehicles engaged in  
27 intrastate commerce shall not be construed as disqualifying  
28 any individual who was employed as a driver of commercial  
29 vehicles engaged in intrastate commerce ~~prior to January 1,~~  
30 1988, and whose physical or medical condition existed, prior  
31 to July 29, 1996.

32 Sec. 24. Section 321.450, Code 1997, is amended by adding  
33 the following new unnumbered paragraph:

34 NEW UNNUMBERED PARAGRAPH. Notwithstanding other provisions  
35 of this section, rules adopted under this section shall not

1 apply to a farmer or employees of a farmer when transporting  
2 an agricultural hazardous material between the sites in the  
3 farmer's agricultural operations unless the material is being  
4 transported on the interstate highway system. As used in this  
5 paragraph, "farmer" means a person engaged in the production  
6 or raising of crops, poultry, or livestock, "farmer" does not  
7 include a person who is a commercial applicator of  
8 agricultural chemicals or fertilizers.

9 Sec. 25. Section 321.462, unnumbered paragraph 2, Code  
10 1997, is amended by striking the unnumbered paragraph.

11 Sec. 26. Section 321.493, subsection 1, Code 1997, is  
12 amended to read as follows:

13 1. a. In Subject to paragraph "b", in all cases where  
14 damage is done by any motor vehicle by reason of negligence of  
15 the driver, and driven with the consent of the owner, the  
16 owner of the motor vehicle shall be liable for such damage.  
17 For purposes of this subsection, "owner" means the person to  
18 whom the certificate of title for the vehicle has been issued  
19 or assigned or to whom a manufacturer's or importer's  
20 certificate of origin for the vehicle has been delivered or  
21 assigned. However, if the vehicle is leased, "owner" means  
22 the person to whom the vehicle is leased, not the person to  
23 whom the certificate of title for the vehicle has been issued  
24 or assigned or to whom the manufacturer's or importer's  
25 certificate of origin for the vehicle has been delivered or  
26 assigned. For purposes of this subsection, "leased" means the  
27 transfer of the possession or right to possession of a vehicle  
28 to a lessee for a valuable consideration for a continuous  
29 period of twelve months or more, pursuant to a written  
30 agreement.

31 b. The motor vehicle liability insurance of the owner of  
32 the motor vehicle shall be secondary and, notwithstanding any  
33 provision of any applicable insurance policy or contract to  
34 the contrary, any motor vehicle liability insurance of the  
35 driver of the motor vehicle or of any other person vicariously

1 liable for the negligence of the driver of the motor vehicle  
2 shall be primary. As used in this paragraph, "motor vehicle  
3 liability insurance" means an automobile liability or motor  
4 vehicle liability policy insuring against liability for  
5 property damage, bodily injury, or death arising out of the  
6 ownership, maintenance, or use of a motor vehicle.

7 Sec. 27. Section 321H.2, subsection 9, Code 1997, is  
8 amended to read as follows:

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

14 Sec. 28. Section 321H.3, subsection 1, Code 1997, is  
15 amended to read as follows:

16 1. Selling or offering for sale used bodies, parts of  
17 bodies, frames, or component parts of more than six used  
18 vehicles subject to registration under chapter 321 in a  
19 calendar year; or

20 Sec. 29. Section 321H.3, subsection 4, Code 1997, is  
21 amended to read as follows:

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

29 Sec. 30. Section 321H.8, Code 1997, is amended to read as  
30 follows:

31 321H.8 PENALTIES.

32 A person convicted of violating a provision of this chapter  
33 is guilty of a ~~simple~~ serious misdemeanor.

34 Sec. 31. Section 322.2, Code 1997, is amended by adding  
35 the following new subsection:

1 NEW SUBSECTION. 6A. "Engaged in the business" means doing  
2 any of the following acts for the purpose of the sale of motor  
3 vehicles at retail: acquiring, selling, exchanging, holding,  
4 offering, displaying, brokering, accepting on consignment,  
5 conducting a retail auction, or acting as an agent for the  
6 purpose of doing any of those acts. A person selling at  
7 retail more than six motor vehicles during a twelve-month  
8 period may be presumed to be engaged in the business.

9 Sec. 32. Section 322.3, subsection 11, Code 1997, is  
10 amended to read as follows:

11 11. A person who is engaged in the business of selling  
12 motor vehicles at retail shall not sell, offer for sale,  
13 display, represent, or advertise that the person intends to  
14 sell motor vehicles from a location other than the person's  
15 place of business, except as provided in section 322.5.

16 Sec. 33. Section 322.14, unnumbered paragraph 1, Code  
17 1997, is amended to read as follows:

18 Any person violating any of the provisions of this chapter  
19 where a penalty is not specifically provided for shall be  
20 deemed guilty of a simple serious misdemeanor.

21 Sec. 34. Section 322.29, Code 1997, is amended to read as  
22 follows:

23 322.29 ISSUANCE OF LICENSE -- FEES.

24 Application for license shall be made to the department by  
25 a manufacturer, distributor, or wholesaler, ~~factory-branch,~~  
26 ~~distributor-branch,-factory-representative-or-distributor~~  
27 ~~representative~~ in a form and containing information as the  
28 department requires and shall be accompanied by the required  
29 license fee. Licenses shall be granted or refused within  
30 thirty days after application, and shall expire, unless sooner  
31 revoked or suspended, on December 31 of the calendar year for  
32 which they are granted.

33 License fees for each calendar year, or part thereof, shall  
34 be as follows effective January 1, ~~1980~~ 1998:

35 1. For a motor vehicle manufacturer, thirty-five dollars.

1 2. For a new motor vehicle distributor or wholesaler,  
2 twenty dollars.

3 3. For a used motor vehicle distributor or wholesaler, ten  
4 dollars.

5 ~~4.--For each factory branch of a motor vehicle manufacturer~~  
6 ~~in this state, ten dollars.~~

7 ~~5.--For a factory representative or distributor branch or~~  
8 ~~representative, five dollars.~~

9 A license shall not be issued to a person as a distributor  
10 or wholesaler for a new motor vehicle model unless the  
11 distributor or wholesaler has written authorization from the  
12 manufacturer as a distributor or wholesaler of the motor  
13 vehicle model. ~~A license shall not be issued to a factory~~  
14 ~~representative unless the person is employed by a licensed~~  
15 ~~manufacturer.--A license shall not be issued to a distributor~~  
16 ~~representative unless the person is employed by a licensed~~  
17 ~~distributor or wholesaler.--A license shall not be issued to a~~  
18 ~~factory branch unless the motor vehicle manufacturer~~  
19 ~~maintaining the branch is a licensed manufacturer nor shall a~~  
20 ~~license be issued to a distributor branch unless the~~  
21 ~~distributor maintaining the branch is a licensed distributor~~  
22 ~~or wholesaler.~~

23 A person who rebuilds new completed motor vehicles by  
24 fabricating, altering, adding, or replacing essential parts,  
25 components, or equipment for the purpose of building an  
26 ambulance, rescue vehicle, or fire vehicle as defined in  
27 chapter 321 may be issued a license as a wholesaler of new  
28 motor vehicles of the make and model rebuilt.

29 ~~Every factory representative or distributor representative~~  
30 ~~shall carry a license when engaged in business, and display~~  
31 ~~the license upon request.--The license shall name the~~  
32 ~~employer, and in case of a change of employer, the~~  
33 ~~representative shall immediately mail the license to the~~  
34 ~~department which shall endorse the change on the license~~  
35 ~~without charge.~~

1 Sec. 35. Section 322.31, Code 1997, is amended to read as  
2 follows:

3 322.31 DENIAL OF LICENSE.

4 The department may deny the application of any person for a  
5 license as a manufacturer, distributor, or wholesaler, ~~factory~~  
6 ~~branch,-distributor-branch,-factory-representative-or~~  
7 ~~distributor-representative~~ if after reasonable notice and a  
8 hearing the department determines that such applicant has  
9 violated any provision of this chapter and may revoke or  
10 suspend any such license that has been issued if the  
11 department shall determine after reasonable notice and a  
12 hearing that such licensee has violated any provision of this  
13 chapter.

14 Sec. 36. Section 322A.15, Code 1997, is amended by adding  
15 the following new unnumbered paragraph:

16 NEW UNNUMBERED PARAGRAPH. Good cause does not include a  
17 realignment, relocation, or reduction of dealerships.

18 Sec. 37. Section 322C.4, subsection 1, paragraph e, Code  
19 1997, is amended to read as follows:

20 e. If the applicant is a party to a contract, agreement or  
21 understanding with a manufacturer or distributor of travel  
22 trailers or is about to become a party to a contract,  
23 agreement, or understanding, the applicant shall state the  
24 name of each manufacturer and distributor and the make or  
25 makes of new ~~motor-vehicles~~ travel trailers, if any, which are  
26 the subject matter of the contract, agreement or  
27 understanding.

28 Sec. 38. Section 331.361, subsection 2, Code 1997, is  
29 amended by adding the following new paragraph:

30 NEW PARAGRAPH. d. If an interest in real property is  
31 being sold, exchanged, or donated to the state department of  
32 transportation for public purposes, the requirements of  
33 paragraphs "a" and "b" are waived.

34 Sec. 39. Section 364.7, Code 1997, is amended by adding  
35 the following new subsection:

1 NEW SUBSECTION. 4. If an interest in real property is  
2 being sold, exchanged or donated to the state department of  
3 transportation for public purposes, the requirements of  
4 subsections 1 and 2 are waived.

5 Sec. 40. Section 428A.4, unnumbered paragraph 1, Code  
6 1997, is amended to read as follows:

7 The county recorder shall refuse to record any deed,  
8 instrument, or writing, taxable under section 428A.1 for which  
9 payment of the tax determined on the full amount of the  
10 consideration in the transaction has not been paid except any  
11 deed, instrument, or writing in which the state of Iowa or any  
12 agency, instrumentality, or governmental or political  
13 subdivision thereof is the grantee as the result of  
14 acquisition of lands, whether by contract or condemnation, for  
15 public purposes through an exercise of the power of eminent  
16 domain. However, if the deed, instrument, or writing, is  
17 exempt under section 428A.2, the county recorder shall not  
18 refuse to record the document if there is filed with or  
19 endorsed on it a statement signed by either the grantor or  
20 grantee or an authorized agent, that the instrument or writing  
21 is excepted from the tax under section 428A.2. The validity  
22 of an instrument as between the parties, and as to any person  
23 who would otherwise be bound by the instrument, is not  
24 affected by the failure to comply with this section. If an  
25 instrument is accepted for recording or filing contrary to  
26 this section the failure to comply does not destroy or impair  
27 the record as notice.

28 Sec. 41. Section 452A.51, Code 1997, is amended to read as  
29 follows:

30 452A.51 PURPOSE.

31 The purpose of this division is to provide an additional  
32 method of collecting fuel taxes from interstate motor vehicle  
33 operators commensurate with their operations on Iowa highways;  
34 and to permit the state department of transportation to  
35 suspend this collection as to transportation entering Iowa



1 from any other state where it appears that Iowa highway fuel  
2 tax revenue and interstate highway transportation moving out  
3 of Iowa will not be unduly prejudiced thereby. Further, all  
4 motor vehicle operators from jurisdictions not participating  
5 in the international fuel tax agreement are required to comply  
6 with this chapter using the guidelines from the international  
7 fuel tax agreement for Iowa fuel tax compliance reporting  
8 purposes, penalty, interest, refunds, and credential display.

9 Sec. 42. Section 452A.53, unnumbered paragraphs 1, 2, and  
10 3, Code 1997, are amended to read as follows:

11 The advance arrangements referred to in the preceding  
12 section shall include the procuring of a permanent ~~interstate~~  
13 ~~fuel~~ international fuel tax agreement permit or license or  
14 single trip interstate permit.

15 Persons choosing not to make advance arrangements with the  
16 state department of transportation by procuring a permit or  
17 license are not relieved of their responsibility to purchase  
18 motor fuel and special fuel commensurate with their use of the  
19 state's highway system. When there is reasonable cause to  
20 believe that there is evasion of the fuel tax on commercial  
21 motor vehicles, the state department of transportation may  
22 audit persons not holding a permit or license. Audits shall  
23 be conducted pursuant to section 452A.55 and in accordance  
24 with international fuel tax agreement guidelines. The state  
25 department of transportation shall collect all taxes due and  
26 refund any overpayment.

27 A permanent international fuel tax agreement permit or  
28 license may be obtained upon application to the state  
29 department of transportation. A fee of ten dollars shall be  
30 charged for each permit or license issued. The holder of a  
31 permanent permit or license shall have the privilege of  
32 bringing into this state in the fuel supply tanks of  
33 commercial motor vehicles any amount of motor fuel or special  
34 fuel to be used in the operation of the vehicles and for that  
35 privilege shall pay Iowa motor fuel or special fuel taxes as

1 provided in section 452A.54. A single trip interstate permit  
2 may be obtained from the state department of transportation.  
3 A fee of ~~twelve~~ twenty dollars shall be charged for each  
4 individual single trip interstate permit issued. A single  
5 trip interstate permit is subject to the following provisions  
6 and limitations:

7 Sec. 43. Section 452A.54, unnumbered paragraph 2, Code  
8 1997, is amended to read as follows:

9 Notwithstanding any provision of this chapter to the  
10 contrary, except as provided in this section, the holder of a  
11 permanent international fuel tax agreement permit or license  
12 may make application to the state department of transportation  
13 for a refund, not later than the last day of the third month  
14 following the quarter in which the overpayment of Iowa fuel  
15 tax paid on excess purchases of motor fuel or special fuel was  
16 reported as provided in section 452A.8, and which application  
17 is supported by such proof as the state department of  
18 transportation may require. The state department of  
19 transportation shall refund Iowa fuel tax paid on motor fuel  
20 or special fuel purchased in excess of the amount consumed by  
21 such commercial motor vehicles in their operation on the  
22 highways of this state.

23 Sec. 44. Section 452A.54, unnumbered paragraph 4, Code  
24 1997, is amended to read as follows:

25 To determine the amount of fuel taxes due under this  
26 division and to prevent the evasion thereof, the state  
27 department of transportation shall require a quarterly report  
28 on forms prescribed by the state department of transportation.  
29 It shall be filed not later than the last day of the month  
30 following the quarter reported, and each quarter thereafter.  
31 These reports shall be required of all persons who have been  
32 issued a permit or license under this division and shall cover  
33 actual operation and fuel consumption in Iowa on the basis of  
34 the permit or license holder's average consumption of fuel in  
35 Iowa, determined by the total miles traveled and the total

1 fuel purchased and consumed for highway use by the permittee's  
2 or licensee's commercial motor vehicles in the permittee's or  
3 licensee's entire operation in all states to establish an  
4 overall miles per gallon ratio, which ratio shall be used to  
5 compute the gallons used for the miles traveled in Iowa.

6 Sec. 45. Section 452A.55, Code 1997, is amended to read as  
7 follows:

8 452A.55 RECORDS.

9 Every person operating within the purview of this division  
10 shall make and keep for a period of three four years such  
11 records as may reasonably be required by the state department  
12 of transportation for the administration of this division. If  
13 in the normal conduct of the business, the required records  
14 are maintained and kept at an office outside the state of  
15 Iowa, it shall be a sufficient compliance with this section if  
16 the records are made available for audit and examination by  
17 the state department of transportation at the office outside  
18 Iowa.

19 The state department of transportation within a period of  
20 one year from the issuance of a permanent interstate  
21 international fuel tax agreement fuel permit or license may  
22 audit the records of the permittee or licensee for the two  
23 years preceding the issuance of the permit or license. The  
24 state department of transportation shall collect all taxes due  
25 had the permittee or licensee been licensed for the two years  
26 prior to the issuance of the permit or license and shall  
27 refund any overpayment pursuant to section 452A.54. When, as  
28 a result of an audit, fuel taxes unpaid and due the state of  
29 Iowa exceed five hundred dollars, the audit shall be at the  
30 expense of the person whose records are being audited.  
31 However, if an audit of records maintained under this section  
32 is made outside the state of Iowa in a state which requires  
33 payment of the costs for similar audits performed by officials  
34 or employees of the other state when made in Iowa, then all  
35 costs of audits performed outside of Iowa in the other state

1 shall be at the expense of the person whose records are  
2 audited.

3 Sec. 46. Section 558.58, subsection 2, Code 1997, is  
4 amended to read as follows:

5 2. When the person required to pay a fee and a tax  
6 relating to a real estate transaction is a governmental  
7 subdivision or agency, the recorder, at the request of the  
8 governmental subdivision or agency, shall bill the  
9 governmental subdivision or agency for the fees and taxes  
10 required to be paid for documents filed or recorded by it.  
11 The governmental subdivision or agency shall pay the fees and  
12 taxes due within thirty days after the date of filing the  
13 bill.

14 Sec. 47. Section 805.8, subsection 2, paragraph w, Code  
15 1997, is amended to read as follows:

16 w. For failure to have a valid license or permit for  
17 operating a motor vehicle on the highways of this state  
18 pursuant to section 321.174 or for operating a motor vehicle  
19 on the highways of this state with an expired license or  
20 permit under section 321.174A, the scheduled fine is twenty  
21 dollars.

22 Sec. 48. Section 805.8, subsection 2, Code 1997, is  
23 amended by adding the following new paragraph:

24 NEW PARAGRAPH. ad. For violations of section 321.57, the  
25 scheduled fine is fifty dollars. For violations of section  
26 321.62, the scheduled fine is fifty dollars.

27 Sec. 49. Sections 321.27, 321.120, 321.391, 321.424,  
28 321.428, and 321.429, Code 1997, are repealed.

29 EXPLANATION

30 This bill does the following:

31 Code section 321.1, containing definitions applicable to  
32 Code chapter 321, is amended by adding a definition of  
33 agricultural hazardous material and adding to the definition  
34 of new motor vehicle. "Agricultural hazardous material" is a  
35 hazardous material which directly supports the production of

1 an agricultural commodity, other than hazardous waste,  
2 including fertilizer, pesticides, soil conditioners, or fuel,  
3 as found in certain provisions of title 49, Code of Federal  
4 Regulations.

5 "New motor vehicle or new car" is defined as a motor  
6 vehicle subject to registration which has not been sold at  
7 retail.

8 Code section 321.25 is amended to provide that only one  
9 "registration applied for" card will be issued for each motor  
10 vehicle purchased. Currently, there is no reference in the  
11 Code regarding whether multiple cards may be issued.

12 Code section 321.50 is amended to provide that the release  
13 of security interest on a vehicle with a gross weight rating  
14 of 16,000 pounds or more is to be noted on the title or may be  
15 noted on a department form.

16 Code section 321.52, regarding salvage theft examinations,  
17 is amended to eliminate language which is no longer necessary  
18 relating to transition provisions regarding the implementation  
19 of salvage theft examinations.

20 Code section 321.69, regarding damage disclosure  
21 statements, is amended to provide that damage disclosure  
22 statements are not required to be provided to purchasers of  
23 new motor vehicles.

24 Code section 321.104 is amended to require that a person  
25 obtain a certificate of title in the person's name prior to  
26 selling, offering for sale, or transferring a motor vehicle,  
27 trailer, or semitrailer, unless the transaction is exempt  
28 because the person acquiring the vehicle is a dealer or title  
29 is transferred by operation of law. Failure to comply with  
30 this provision is a simple misdemeanor.

31 New Code section 321.174A is created, making it a separate  
32 offense to drive with an expired license. Currently, this  
33 offense is contained within the offense of operating without a  
34 license in Code section 321.174. This offense continues to be  
35 punishable by a \$20 scheduled fine.

1 Code section 321.208A is amended by eliminating language  
2 requiring the department of transportation to adopt out-of-  
3 service rules for commercial driver's license holders which  
4 are consistent with 49 C.F.R. § 392.5. Currently, this  
5 section only imposes a penalty for violators of out-of-service  
6 orders regarding alcohol-related violations.

7 Code section 321.236, regarding local control over motor  
8 vehicles, is amended by eliminating the requirement that the  
9 director of the department of transportation promulgate rules  
10 setting standards for snow tires and to provide that a person  
11 who is charged with impeding traffic due to not having snow  
12 tires, chains, or a nonslip differential shall have the charge  
13 dismissed upon showing that the person's motor vehicle was  
14 equipped with snow tires or chains.

15 Code section 321.266 is amended to provide that when a  
16 local law enforcement agency is notified of a traffic accident  
17 involving hazardous materials, the agency will notify the  
18 state department of transportation. Currently, local law  
19 enforcement agencies are only required to notify the Iowa  
20 highway safety patrol.

21 Code sections 321.309 and 321.462 are amended to eliminate  
22 the requirement that drawbars or towing arms used to pull one  
23 motor vehicle by another or the connection between a truck  
24 tractor and a semitrailer with a gross weight of 3,000 pounds  
25 or more be approved by the director of the state department of  
26 transportation.

27 Code section 321.317 is amended to eliminate the necessity  
28 of approval by the department of transportation of mechanical  
29 or electrical directional signals or lights. Code section  
30 327A.13 is amended to conform with the change to section  
31 321.317.

32 Code section 321.373 is amended to eliminate the  
33 requirement that the department of transportation approve the  
34 type of flashing strobe lights mounted on school buses.

35 Code sections 321.383 and 321.423 are amended to require

1 that reflective devices and amber flashing lights on slow-  
2 moving vehicles be in accordance with the standards of the  
3 American society of agricultural engineers instead of approved  
4 by the director of the state department of transportation.

5 Code section 321.397 is amended to eliminate the  
6 requirement that red reflectors on bicycles meet any  
7 requirements under chapter 321.

8 Code section 321.424 is amended to eliminate the  
9 requirement that motor vehicle lights be approved by and  
10 installed in accordance with the directives of the director of  
11 the state department of transportation and conforms language  
12 in the section with this change.

13 Code section 321.430 is amended to eliminate the  
14 requirement that the director approve weight-equalizing  
15 hitches.

16 Code section 321.444, subsection 3, is stricken. This  
17 subsection required the director to publish a list of approved  
18 types of automobile safety glass, to refuse to register motor  
19 vehicles which did not have an approved type of safety glass,  
20 and to suspend the registration of a motor vehicle not so  
21 equipped.

22 Code section 321.445 eliminates the requirement that the  
23 department of transportation adopt rules regarding seat belts.  
24 The amended section now requires that 1966 model year and  
25 newer motor vehicles be equipped with seat belts conforming to  
26 federal standards.

27 Code section 321.450 is amended to provide that the section  
28 or rules adopted in accordance with the section do not  
29 disqualify a person employed as a driver of commercial  
30 vehicles engaged in commerce within the state prior to July  
31 29, 1996, who had a physical or medical condition which also  
32 existed prior to July 29, 1996, from employment as a driver of  
33 commercial vehicles engaged in intrastate commerce. The  
34 section is also amended to exempt farmers or their employees  
35 from hazardous materials transport rules when transporting

1 agricultural hazardous materials between sites in the farmer's  
2 agricultural operations, unless the material is being  
3 transported on an interstate highway. Farmer is also defined  
4 as a person engaged in the production or raising of crops,  
5 poultry, or livestock, except a commercial applicator of  
6 agricultural chemicals or fertilizers.

7 Code section 321.493, regarding owner's liability, is  
8 amended to provide that the owner's vehicle liability  
9 insurance is secondary to the vehicle liability insurance of  
10 the driver or a person vicariously responsible for the  
11 negligence of the driver.

12 Code section 321H.2 is amended by adding "junking" to the  
13 description of "vehicle salvager".

14 Code section 321H.3 is amended by adding the junking of and  
15 the offering for sale of more than six bodies, parts of  
16 bodies, or frames of used vehicles which are subject to  
17 registration under chapter 321 in a calendar year to the  
18 activities prohibited a person who is not otherwise authorized  
19 to recycle used vehicles.

20 Code section 321H.8 is amended to increase the penalty for  
21 a violation of the vehicle recycling chapter, chapter 321H,  
22 from a simple to a serious misdemeanor.

23 Code section 322.2 (definitions regarding motor vehicle  
24 manufacturers, distributors, and dealers) is amended to add a  
25 definition of "engaged in the business". This is defined as  
26 acquiring, selling, exchanging, holding, offering, displaying,  
27 brokering, accepting on consignment, conducting a retail  
28 auction, or acting as an agent for any of those purposes for  
29 the purpose of the retail sale of motor vehicles. A person  
30 selling more than six motor vehicles during a 12-month period  
31 is presumed to be engaged in the business of selling motor  
32 vehicles.

33 Code section 322.3 is amended to prohibit a person engaged  
34 in the business of selling motor vehicles at retail from  
35 displaying motor vehicles at a location other than the



1 person's place of business unless an exception under section  
2 322.5 applies.

3 Code section 322.14 is amended to increase the penalty for  
4 a violation of chapter 322 when a penalty is not specifically  
5 provided for from a simple to a serious misdemeanor.

6 Code sections 322.29 and 322.31 are amended to eliminate  
7 the licensing of motor vehicle factory or distributor  
8 representatives.

9 Code section 322A.15 is amended to provide that the  
10 realignment, relocation, or reduction of motor vehicle  
11 dealerships cannot constitute good cause for terminating a  
12 dealer franchise.

13 Code section 322C.4, regarding travel trailer dealers'  
14 license applications and fees, is amended to replace a  
15 reference to motor vehicles with the correct reference to  
16 travel trailers.

17 Code sections 331.361 and 364.7 are amended to exempt  
18 sales, exchanges, or donations of real property to the  
19 department of transportation for public purposes by counties  
20 and cities from the requirements that the governing body of  
21 the city or county adopt a resolution and hold a public  
22 hearing regarding the transfer.

23 Code section 428A.4 is amended to waive the requirement  
24 that the real estate transfer tax be paid on the acquisition  
25 of real estate by the state or a political subdivision of the  
26 state before the county recorder will record the transaction.

27 Code section 452A.51 is amended to require that all motor  
28 vehicle operators from jurisdictions not participating in the  
29 international fuel tax agreement comply with chapter 452A  
30 (motor fuel taxes) by using the guidelines from the agreement  
31 for reporting purposes, penalty, interest, and credential  
32 display.

33 Code sections 452A.53 (fuel tax permits), 452A.54 (fuel tax  
34 computation, refund, reporting, and payment), and 452A.55  
35 (records) are amended to provide that permanent fuel permits

1 or licenses must comply with the international fuel tax  
2 agreement. Section 452A.53 is amended to increase the fee for  
3 a single trip interstate permit from \$12 to \$20. Code section  
4 452A.55 is also amended to require records to be kept for a  
5 period of four years; currently records are required to be  
6 kept for three years.

7 Code section 558.58 is amended to provide that a  
8 governmental subdivision or agency which is party to a real  
9 estate transaction may be billed for any fee or tax required  
10 to be paid, with payment being due 30 days from the date of  
11 the bill.

12 Code section 805.8, subsection 2 (citations for traffic  
13 violations), is amended to provide for a \$50 scheduled fine  
14 for violations of section 321.57 (operation under special  
15 plates) and for violations of section 321.62 (transporter or  
16 dealer records). The Code section is also amended to  
17 specifically provide for a \$20 scheduled fine for operating a  
18 motor vehicle with an expired license or permit.

19 Code sections 321.27 (implementation period for 12-month  
20 registration), 321.120 (trucks with solid rubber tires), and  
21 321.391 (approval of reflectors), 321.424, 321.428, and  
22 321.429 (approval of lighting equipment) are repealed.

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SENATE FILE 132  
FISCAL NOTE

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A fiscal note for Senate File 132 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.

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Senate File 132 makes numerous technical changes to sections of the Code of Iowa pertaining to programs administered by the Department of Transportation.

FISCAL IMPACT

Senate File 132 will have a minimal fiscal impact on State revenues and the Department of Transportation.

SOURCE

Department of Transportation

(LSB 1311SV, DLR)

FILED FEBRUARY 17, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 132

S-3072

- 1 Amend Senate File 132 as follows:
- 2 1. Page 15, line 10, by striking the word
- 3 "except" and inserting the following: ", including".
- 4 2. Page 15, line 16, by inserting after the word
- 5 "domain" the following: ", if the tax on the
- 6 transaction has not been paid within thirty days of
- 7 filing under section 558.58".
- 8 3. By renumbering as necessary.

By ALLEN BORLAUG

S-3072 FILED FEBRUARY 20, 1997

*2/27/97 Withdrawn*

*(P. 424)*

## SENATE FILE 132

S-3052

1 Amend Senate File 132 as follows:  
 2 1. By striking page 10, line 31, through page 11,  
 3 line 6, and inserting the following:  
 4 "b. Notwithstanding any provision of any  
 5 applicable insurance policy or contract to the  
 6 contrary, the motor vehicle liability insurance of the  
 7 driver of the motor vehicle or of any other person  
 8 vicariously liable for the negligence of the driver of  
 9 the motor vehicle shall be primary and the motor  
 10 vehicle liability insurance of the owner to whom  
 11 liability is imputed under this section shall be  
 12 secondary. As used in this paragraph, "motor vehicle  
 13 liability insurance" means a liability policy of any  
 14 kind, providing coverage against liability for  
 15 property damage, bodily injury, or death arising out  
 16 of the ownership, maintenance, or use of a motor  
 17 vehicle."

By ROD HALVORSON

S-3052 FILED FEBRUARY 18, 1997

*Withdrawn 2-27-97 (P.423)*

## SENATE FILE 132

S-3048

1 Amend Senate File 132 as follows:  
 2 1. Page 2, line 24, by inserting after the word  
 3 "vehicles" the following: "with a true mileage, as  
 4 defined in section 321.71, of one thousand miles or  
 5 less".

By ALLEN BORLAUG

S-3048 FILED FEBRUARY 17, 1997

*Adopted 2-27-97 (P.423)*

## SENATE FILE 132

S-3050

1 Amend Senate File 132 as follows:  
 2 1. By striking page 10, line 31, through page 11,  
 3 line 6, and inserting the following:  
 4 "b. Notwithstanding any provision of any  
 5 applicable insurance policy or contract to the  
 6 contrary, the motor vehicle liability insurance of the  
 7 driver of the motor vehicle or of any other person  
 8 vicariously liable for the negligence of the driver of  
 9 the motor vehicle shall be primary and the motor  
 10 vehicle liability insurance of the owner to whom  
 11 liability is imputed under this section shall be  
 12 secondary. As used in this paragraph, "motor vehicle  
 13 liability insurance" means a liability policy of any  
 14 kind, including, but not limited to, a policy insuring  
 15 against liability for property damage, bodily injury,  
 16 or death arising out of the ownership, maintenance, or  
 17 use of a motor vehicle."

By ROD HALVORSON

S-3050 FILED FEBRUARY 17, 1997

*Withdrawn 2/27/97 (P.423)*

1 Amend Senate File 132 as follows:

2 1. Page 1, by inserting after line 15 the  
3 following:

4 "Sec. \_\_\_\_\_. Section 321.1, Code 1997, is amended by  
5 adding the following new subsection:

6 NEW SUBSECTION: 78A. For the purposes of this  
7 subsection, "street rod vehicle" means a motor vehicle  
8 manufactured in 1948 or earlier which has been  
9 customized for safe road use through modifications to  
10 the body, drive train, suspension, brake systems, or  
11 other components."

12 2. Page 1, by inserting after line 22 the  
13 following:

14 "Sec. \_\_\_\_\_. Section 321.34, subsection 1, Code  
15 1997, is amended to read as follows:

16 1. PLATES ISSUED. The county treasurer upon  
17 receiving application, accompanied by proper fee, for  
18 registration of a vehicle shall issue to the owner one  
19 registration plate for a street rod vehicle,  
20 motorcycle, motorized bicycle, truck tractor, trailer,  
21 or semitrailer and two registration plates for every  
22 other motor vehicle. The registration plates,  
23 including special registration plates, shall be  
24 assigned to the owner of a vehicle. When the owner of  
25 a registered vehicle transfers or assigns ownership of  
26 the vehicle to another person, the owner shall remove  
27 the registration plates from the vehicle. The owner  
28 shall forward the plates to the county treasurer where  
29 the vehicle is registered or the owner may have the  
30 plates assigned to another vehicle within thirty days  
31 after transfer, upon payment of the fees required by  
32 law. The owner shall immediately affix registration  
33 plates retained by the owner to another vehicle owned  
34 or acquired by the owner, providing the owner complies  
35 with section 321.46. The department shall adopt rules  
36 providing for the assignment of registration plates to  
37 the transferee of a vehicle for which a credit is  
38 allowed under section 321.46, subsection 6."

39 3. Page 7, by inserting after line 4 the  
40 following:

41 "Sec. \_\_\_\_\_. Section 321.422, Code 1997, is amended  
42 to read as follows:

43 321.422 RED LIGHT IN FRONT.

44 No A person shall not drive or move any vehicle or  
45 equipment upon any highway with any lamp or device  
46 thereon displaying or reflecting a red light visible  
47 from directly in front thereof. This section shall  
48 not apply to authorized emergency vehicles, or school  
49 buses and vehicles as provided in section 321.423,  
50 subsection 6. No A person shall not display any color

S-3078

Page 2

1 of light other than red on the rear of any vehicle,  
2 except that stop lights and directional signals may be  
3 red, yellow, or amber. However, a person may display  
4 blue dot lights on the rear of a street rod vehicle in  
5 place of the vehicle's regular stop lights or  
6 directional signals. For the purposes of this  
7 chapter, blue dot lights are defined as a red lamp  
8 containing a blue or purple insert that is not more  
9 than one inch in diameter."

10 4. Title page, line 3, by inserting after the  
11 word "dealers," the following: "regarding street rod  
12 vehicle lights and the issuing of license plates for  
13 street rod vehicles,".

14 5. By renumbering as necessary.

By MARY LUNDBY

*Withdrawn 2/27/97 (P. 423)*

S-3078 FILED FEBRUARY 24, 1997

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SENATE FILE 132

S-3079

1 Amend Senate File 132 as follows:

2 1. Page 11, line 10, by striking the word  
3 "junking" and inserting the following: "recycling".

4 2. Page 11, line 25, by striking the word  
5 "junking" and inserting the following: "recycling".

By ALLEN BORLAUG

S-3079 FILED FEBRUARY 25, 1997 (P. 424)

*Withdrawn 2-27-97*

SENATE FILE 132

S-3080

1 Amend Senate File 132 as follows:

2 1. Page 1, by inserting after line 22 the  
3 following:

4 "Sec. \_\_\_\_ . Section 321.34, subsection 9, Code  
5 1997, is amended to read as follows:

6 9. LEASED VEHICLES. Registration plates under  
7 this section, including handicapped special plates,  
8 may be issued to the lessee of a motor vehicle if the  
9 lessee provides evidence of a lease for a period of  
10 more than sixty days and if the lessee complies with  
11 the requirements, under this section, for issuance of  
12 the specific registration plates."

13 2. By renumbering as necessary.

By JIM LIND

(P. 423) *Withdrawn 2/27/97*  
S-3080 FILED FEBRUARY 25, 1997

S-3092

- 1 Amend Senate File 132 as follows:  
 2 1. Page 1, by inserting after line 22 the  
 3 following:  
 4 "Sec. \_\_\_\_ . Section 321.34, subsection 9, Code  
 5 1997, is amended to read as follows:  
 6 9. LEASED VEHICLES. Registration plates under  
 7 this section, including disabled veteran plates  
 8 specified in section 321.166, may be issued to the  
 9 lessee of a motor vehicle if the lessee provides  
 10 evidence of a lease for a period of more than sixty  
 11 days and if the lessee complies with the requirements,  
 12 under this section, for issuance of the specific  
 13 registration plates."  
 14 2. Page 3, by inserting after line 4 the  
 15 following:  
 16 "Sec. \_\_\_\_ . Section 321.105, unnumbered paragraph  
 17 5, Code 1997, is amended to read as follows:  
 18 Seriously disabled veterans who have been are  
 19 eligible to be provided with an automobile or other  
 20 vehicle by the United States government under the  
 21 provisions of sections 1901 to 1903, Title 38 of the  
 22 United States Code, {38 U.S.C. § 1901 et seq.  
 23 (1970)+, shall be exempt from payment of any  
 24 automobile registration fee provided in this chapter,  
 25 and shall be provided, without fee, with a  
 26 registration plate. The disabled veteran, to be able  
 27 to claim the above benefit, must be a resident of the  
 28 state of Iowa and must produce a certificate of title  
 29 to the automobile owned and registered in this state  
 30 in the name of said veteran."  
 31 3. By renumbering as necessary.

By JIM LIND

S-3092 FILED FEBRUARY 27, 1997

ADOPTED  
2-27-97 (P. 423)

SENATE FILE 132

S-3091

- 1 Amend Senate File 132 as follows:  
 2 1. By striking page 10, line 31, through page 11,  
 3 line 6, and inserting the following:  
 4 "b. The owner of a vehicle with a gross vehicle  
 5 weight rating of seven thousand five hundred pounds or  
 6 more who rents the vehicle for less than a year under  
 7 an agreement which requires the person renting the  
 8 vehicle to obtain an insurance policy covering at  
 9 least the minimum levels of financial responsibility  
 10 prescribed by law, shall not be deemed to be the owner  
 11 of the vehicle for the purpose of determining  
 12 financial responsibility for the operation of the  
 13 vehicle or for the acts of the operator in connection  
 14 with the vehicle's operation."

By ALLEN BORLAUG

S-3091 FILED FEBRUARY 27, 1997

ADOPTED  
2-27-97 (P. 424)

SENATE FILE 132

S-3096

- 1 Amend Senate File 132 as follows:  
 2 1. Page 11, line 10, by striking the word  
 3 "junking" and inserting the following: "recycling".

By ALLEN BORLAUG

S-3096 FILED FEBRUARY 27, 1997

ADOPTED

*Adopted*  
4-27-97 (P. 424)



H- 3/2/97 Transportation  
H- 4/2/97 Do Pass

SENATE FILE 132  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 48.1)

(AS AMENDED AND PASSED BY THE SENATE FEBRUARY 27, 1997)  
\_\_\_\_\_ - New Language by the Senate

Passed Senate, Date <sup>(P. 1157)</sup> 4-14-97 Passed House, Date 4/9/97 (p. 1099)  
Vote: Ayes 50 Nays 0 Vote: Ayes 100 Nays 0  
Approved May 1, 1997

A BILL FOR

S.F. 132

1 An Act relating to state department of transportation operations,  
2 including regulating hazardous materials transport, regulating  
3 motor vehicle dealers, eliminating requirements that the  
4 department adopt administrative rules in certain instances,  
5 and establishing, making applicable, or enhancing penalties.

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

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1 Section 1. Section 321.1, Code 1997, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 0A. "Agricultural hazardous material"  
4 means a hazardous material, other than hazardous waste, whose  
5 end use directly supports the production of an agricultural  
6 commodity, including, but not limited to, a fertilizer,  
7 pesticide, soil conditioner, or fuel. "Agricultural hazardous  
8 material" is limited to material in class 3, 8, or 9, division  
9 2.1, 2.2, 5.1, or 6.1, or an ORM-D material as defined in  
10 C.F.R. § 171.8.

11 Sec. 2. Section 321.1, subsection 42, paragraph c, Code  
12 1997, is amended to read as follows:

13 c. "New motor vehicle or new car" means a car motor  
14 vehicle subject to registration which has not been sold "at  
15 retail" as defined in chapter 322.

16 Sec. 3. Section 321.25, unnumbered paragraph 2, Code 1997,  
17 is amended to read as follows:

18 The department shall, upon request by any dealer, furnish  
19 "registration applied for" cards free of charge. Only cards  
20 furnished by the department shall be used. Only one card  
21 shall be issued in accordance with this subsection for each  
22 vehicle purchased.

23 Sec. 4. Section 321.34, subsection 9, Code 1997, is  
24 amended to read as follows:

25 9. LEASED VEHICLES. Registration plates under this  
26 section, including disabled veteran plates specified in  
27 section 321.166, may be issued to the lessee of a motor  
28 vehicle if the lessee provides evidence of a lease for a  
29 period of more than sixty days and if the lessee complies with  
30 the requirements, under this section, for issuance of the  
31 specific registration plates.

32 Sec. 5. Section 321.50, subsection 4, Code 1997, is  
33 amended by adding the following new unnumbered paragraph:

34 NEW UNNUMBERED PARAGRAPH. However, when a security  
35 interest is discharged for a vehicle with a gross vehicle

1 weight rating of sixteen thousand pounds or more, the  
2 lienholder shall note the cancellation of a security interest  
3 on the face of the title and may note the cancellation of the  
4 security interest on a form prescribed by the department and  
5 deliver a copy of the form in lieu of the title to the  
6 department or to the treasurer of the county in which the  
7 title was issued. The department or county treasurer shall  
8 note the release of the security interest upon the statewide  
9 computer system and the county's records. A copy of the form,  
10 if used, shall be attached to the title by the lienholder and  
11 shall be evidence of the release of the security interest.  
12 The lienholder shall deliver the title to the first  
13 lienholder, or if there is no such person, to the person as  
14 designated by the owner, or if there is no such person  
15 designated, to the owner.

16 Sec. 6. Section 321.52, subsection 4, paragraph c,  
17 unnumbered paragraph 2, Code 1997, is amended to read as  
18 follows:

19 ~~The provision of this subsection requiring a salvage theft~~  
20 ~~examination by a peace officer specially certified or~~  
21 ~~recertified by the Iowa law enforcement academy to do salvage~~  
22 ~~theft examinations shall become effective July 17, 1989.~~  
23 ~~Salvage theft examinations conducted before July 17, 1989,~~  
24 ~~shall be made by peace officers authorized to do so by the~~  
25 ~~state department of transportation or the department of public~~  
26 ~~safety who are qualified, as determined by these agencies, to~~  
27 ~~conduct salvage theft examinations. The state department of~~  
28 ~~transportation shall adopt rules in accordance with chapter~~  
29 ~~17A to carry out this section, including transition rules~~  
30 ~~allowing for salvage theft examinations prior to July 17, 1989.~~

31 Sec. 7. Section 321.69, subsection 9, Code 1997, is  
32 amended to read as follows:

33 9. This section does not apply to new motor vehicles with  
34 a true mileage, as defined in section 321.71, of one thousand  
35 miles or less, motor trucks and truck tractors with a gross

1 vehicle weight rating of sixteen thousand pounds or more,  
2 vehicles more than nine model years old, motorcycles,  
3 motorized bicycles, and special mobile equipment. The section  
4 does apply to motor homes.

5 Sec. 8. Section 321.104, subsection 4, Code 1997, is  
6 amended to read as follows:

7 4. To purport to sell, offer for sale, or transfer a motor  
8 vehicle, trailer, or semitrailer, except as provided in  
9 section 321.47 or 321.48, without obtaining a certificate of  
10 title in the name of the seller or transferor or without  
11 delivering to the purchaser or transferee a certificate of  
12 title or a manufacturer's or importer's certificate duly  
13 assigned to the purchaser or transferee as provided in this  
14 chapter.

15 Sec. 9. Section 321.105, unnumbered paragraph 5, Code  
16 1997, is amended to read as follows:

17 Seriously disabled veterans who have been are eligible to  
18 be provided with an automobile or other vehicle by the United  
19 States government under the provisions of sections 1901 to  
20 1903, Title 38 of the United States Code, §38 U.S.C. § 1901 et  
21 seq. (1970)†, shall be exempt from payment of any automobile  
22 registration fee provided in this chapter, and shall be  
23 provided, without fee, with a registration plate. The  
24 disabled veteran, to be able to claim the above benefit, must  
25 be a resident of the state of Iowa and must produce a  
26 certificate of title to the automobile owned and registered in  
27 this state in the name of said veteran.

28 Sec. 10. NEW SECTION. 321.174A OPERATION OF MOTOR  
29 VEHICLES WITH EXPIRED LICENSE.

30 A person shall not operate a motor vehicle upon a highway  
31 in this state after the expiration date of the person's motor  
32 vehicle license.

33 Sec. 11. Section 321.208A, Code 1997, is amended to read  
34 as follows:

35 321.208A OPERATION IN VIOLATION OF OUT-OF-SERVICE ORDER --

## 1 PENALTY.

2 A person required to hold a commercial driver's license to  
3 operate a commercial motor vehicle shall not operate a  
4 commercial motor vehicle on the highways of this state in  
5 violation of an out-of-service order issued by a peace officer  
6 for a violation of the out-of-service rules adopted by the  
7 department. An employer shall not allow an employee to drive  
8 a commercial motor vehicle in violation of such out-of-service  
9 order. ~~The department shall adopt out-of-service rules which~~  
10 ~~shall be consistent with 49-C.F.R.-§-392.5 adopted as of a~~  
11 ~~specific date by the department.~~ A person who violates this  
12 section shall be subject to a penalty of one hundred dollars.

13 Sec. 12. Section 321.236, subsection 12, Code 1997, is  
14 amended to read as follows:

15 12. Designating highways or portions of highways as snow  
16 routes. When conditions of snow or ice exist on the traffic  
17 surface of a designated snow route, it is unlawful for the  
18 driver of a vehicle to impede or block traffic if the driving  
19 wheels of the vehicle are not equipped with snow tires, tire  
20 chains, or a nonslip differential. ~~"Snow tires" as used in~~  
21 ~~this subsection means tires designed for use when there are~~  
22 ~~conditions of snow or ice on the highways, and meeting the~~  
23 ~~standards which shall be promulgated by rule of the director~~  
24 ~~of transportation. The standards promulgated by the director~~  
25 ~~shall require that snow tires be so designed to provide~~  
26 ~~adequate traction to maintain reasonable movement of the motor~~  
27 ~~vehicle on highways under snow conditions.~~

28 Any A person charged with impeding or blocking traffic for  
29 lack of snow tires, chains, or nonslip differential shall have  
30 said the charge dismissed upon a showing to the court that the  
31 person's motor vehicle was equipped with snow tires, chains,  
32 or a nonslip differential.

33 Sec. 13. Section 321.266, subsection 4, Code 1997, is  
34 amended to read as follows:

35 4. Notwithstanding section 455B.386, a carrier

1 transporting hazardous material upon a public highway in this  
2 state, in the case of an accident involving the transportation  
3 of the hazardous material, shall immediately notify the police  
4 radio broadcasting system established pursuant to section  
5 693.1 or shall notify a peace officer of the county or city in  
6 which the accident occurs. When a local law enforcement  
7 agency is informed of the accident, the agency shall notify  
8 the Iowa highway safety patrol and the state department of  
9 transportation office of motor vehicle enforcement. A person  
10 who violates a provision of this subsection is guilty of a  
11 serious misdemeanor.

12 Sec. 14. Section 321.309, Code 1997, is amended to read as  
13 follows:

14 321.309 TOWING -- CONVOYS -- DRAWBARS.

15 No A person shall not pull or tow by motor vehicle, for  
16 hire, another motor vehicle over any highway outside the  
17 limits of any incorporated city, except in case of temporary  
18 movement of a disabled motor vehicle to the place where  
19 repairs will be made, unless such the person has complied with  
20 the provisions of sections 321.57 and 321.58. Provided,  
21 however, if such the person is a nonresident of the state of  
22 Iowa and has complied with the laws of the state of that  
23 person's residence governing licensing and registration as a  
24 transporter of motor vehicles the person shall not be required  
25 to pay the fee provided in section 321.58 but only to submit  
26 proof of the person's status as a bona fide manufacturer or  
27 transporter as may reasonably be required by the department.

28 Every A person pulling or towing by motor vehicle another  
29 motor vehicle in convoy or caravan shall maintain a distance  
30 of at least five hundred feet between the units of said the  
31 convoy or caravan.

32 ~~The drawbar or towing arm between a motor vehicle pulling~~  
33 ~~or towing another motor vehicle shall be of a type approved by~~  
34 ~~the director, except in case of the temporary movement of a~~  
35 ~~disabled vehicle in an emergency situation.~~

1 Sec. 15. Section 321.317, subsection 1, Code 1997, is  
2 amended to read as follows:

3 1. The signals required under the provisions of this  
4 chapter may be given either by means of the hand and arm as  
5 provided in section 321.318, or by a mechanical or electrical  
6 directional signal device or light ~~of-a-type-approved-by-the~~  
7 ~~department-and~~ conforming to the provisions of this chapter  
8 ~~relating-thereto.~~

9 Sec. 16. Section 321.317, subsection 3, Code 1997, is  
10 amended to read as follows:

11 3. It is unlawful for any person to sell or offer for sale  
12 or operate on the highways of the state any vehicle subject to  
13 registration under the provisions of this chapter which has  
14 never been registered in this or any other state prior to  
15 January 1, 1954, unless the vehicle is equipped with a  
16 directional signal device of a type ~~approved-by-the-department~~  
17 ~~and-is~~ in compliance with the provisions of subsection 2 of  
18 ~~this-section.~~ Motorcycles, motorized bicycles and  
19 semitrailers and trailers less than forty inches in width are  
20 exempt from the provisions of this section.

21 Sec. 17. Section 321.373, subsection 7, Code 1997, is  
22 amended to read as follows:

23 7. A school bus may be equipped with a white flashing  
24 strobe light mounted on the roof of the bus to afford optimum  
25 visibility during periods of inclement weather. The light  
26 shall be ~~of-a-type-approved-by-the-department-of~~  
27 ~~transportation-and-shall-be~~ installed and operated in  
28 accordance with rules promulgated by the department of  
29 education. Each new school bus put into initial service after  
30 January 1, 1977, shall be equipped with such a light.

31 Sec. 18. Section 321.383, subsection 2, Code 1997, is  
32 amended to read as follows:

33 2. When operated on a highway in this state at a speed of  
34 thirty miles per hour or less, every farm tractor, or tractor  
35 with towed equipment, self-propelled implement of husbandry,

1 road construction or maintenance vehicle, road grader, horse-  
2 drawn vehicle, or any other vehicle principally designed for  
3 use off the highway and any such tractor, implement, vehicle,  
4 or grader when manufactured for sale or sold at retail after  
5 December 31, 1971, shall be identified with a reflective  
6 ~~device of-a-type-approved-by-the-director~~ in accordance with  
7 the standards of the American society of agricultural  
8 engineers; however, this provision shall not apply to such  
9 vehicles when traveling in any escorted parade. The  
10 reflective device shall be visible from the rear and-mounted  
11 ~~in-a-manner-approved-by-the-director~~. The-director,-when  
12 ~~approving-the-device,-shall-be-guided-as-far-as-practicable-by~~  
13 ~~the-standards-of-the-American-society-of-agricultural~~  
14 ~~engineers~~. A vehicle other than those specified in this  
15 section shall not display a reflective device. On vehicles  
16 operating at speeds above thirty miles per hour, the  
17 reflective device shall be removed or hidden from view.

18 Sec. 19. Section 321.397, Code 1997, is amended to read as  
19 follows:

20 321.397 LAMPS ON BICYCLES.

21 Every bicycle shall be equipped with a lamp on the front  
22 exhibiting a white light, at the times specified in section  
23 321.384 visible from a distance of at least three hundred feet  
24 to the front and with a lamp on the rear exhibiting a red  
25 light visible from a distance of three hundred feet to the  
26 rear; except that a red reflector ~~meeting-the-requirements-of~~  
27 ~~this-chapter~~ may be used in lieu of a rear light.

28 Sec. 20. Section 321.423, subsection 6, Code 1997, is  
29 amended to read as follows:

30 6. AMBER FLASHING LIGHT. A farm tractor, farm tractor  
31 with towed equipment, self-propelled implement of husbandry,  
32 road construction or maintenance vehicle, road grader, or  
33 other vehicle principally designed for use off the highway  
34 which, when operated on a primary or secondary road, is  
35 operated at a speed of twenty-five miles an hour or less,



1 shall be equipped with and display an amber flashing light  
2 visible from the rear at any time from sunset to sunrise. If  
3 the amber flashing light is obstructed by the towed equipment,  
4 the towed equipment shall also be equipped with and display an  
5 amber flashing light as required under this subsection. All  
6 vehicles specified in this subsection which are manufactured  
7 for sale or sold in this state shall be equipped with an amber  
8 flashing light in accordance with the standards of the  
9 American society of agricultural engineers. ~~The-type,-number,-~~  
10 ~~dimensions,-and-method-of-mounting-of-the-lights-shall-be~~  
11 ~~determined-by-the-director.-The-director,-when-approving-the~~  
12 ~~light,-shall-be-guided-as-far-as-practicable-by-the-standards~~  
13 ~~of-the-American-society-of-agricultural-engineers.~~

14 Sec. 21. Section 321.424, Code 1997, is amended to read as  
15 follows:

16 321.424 SALE OF LIGHTS -- APPROVAL.

17 On and after July 4, 1955, ~~no~~ a person shall not have for  
18 sale, sell, or offer for sale for use upon or as a part of the  
19 equipment of a motor vehicle, trailer, or semitrailer, or use  
20 upon any such vehicle any headlamp, auxiliary, or fog lamp,  
21 rear lamp, signal lamp, or reflector, which reflector is  
22 required hereunder, or parts of any of the foregoing which  
23 tend to change the original design or performance, unless of a  
24 type which has been submitted to the director and approved by  
25 the director.

26 ~~The-foregoing-provisions-of-this-section-shall-not-apply-to~~  
27 ~~equipment-in-actual-use-when-this-section-is-adopted-or~~  
28 ~~replacement-parts-therefor.~~

29 No A person shall not have for sale, sell, or offer for  
30 sale for use upon or as a part of the equipment of a motor  
31 vehicle, trailer, or semitrailer any lamp-or-device-mentioned  
32 in-this-section-which-has-been-approved-by-the-director  
33 headlamp, auxiliary or fog lamp, rear lamp, signal lamp, or  
34 reflector, unless such lamp or device bears thereon the  
35 trademark or name under which it is approved so as to be

1 legible when installed.

2 ~~No person shall use upon any motor vehicle, trailer, or~~  
3 ~~semitrailer any lamps mentioned in this section unless said~~  
4 ~~lamps are mounted, adjusted and aimed in accordance with~~  
5 ~~instructions of the director.~~

6 Sec. 22. Section 321.430, subsection 3, Code 1997, is  
7 amended to read as follows:

8 3. Every trailer or semitrailer of a gross weight of three  
9 thousand pounds or more, and every trailer coach or travel  
10 trailer of a gross weight of three thousand pounds or more  
11 intended for use for human habitation, when operated on the  
12 highways of this state, shall be equipped with brakes adequate  
13 to control the movement of and to stop and hold such vehicle,  
14 and so designed as to be applied by the driver of the towing  
15 motor vehicle from its cab, or with self-actuating brakes, and  
16 weight equalizing hitch with a sway control ~~of a type approved~~  
17 ~~by the director of transportation.~~ Every semitrailer, travel  
18 trailer, or trailer coach of a gross weight of three thousand  
19 pounds or more shall be equipped with a separate, auxiliary  
20 means of applying the brakes on the semitrailer, travel  
21 trailer, or trailer coach from the cab of the towing vehicle.  
22 Trailers or semitrailers with a truck or truck tractor need  
23 only comply with the brake requirements.

24 Sec. 23. Section 321.444, subsection 3, Code 1997, is  
25 amended by striking the subsection.

26 Sec. 24. Section 321.445, subsection 1, Code 1997, is  
27 amended to read as follows:

28 1. Except for motorcycles or motorized bicycles, 1966  
29 model year or newer motor vehicles subject to registration in  
30 Iowa shall be equipped with safety belts and safety harnesses  
31 ~~of a type and installed in a manner approved by rules adopted~~  
32 ~~by the department pursuant to chapter 17A.~~ ~~The department~~  
33 ~~shall adopt rules regarding the types of safety belts and~~  
34 ~~safety harnesses required to be installed in motor vehicles~~  
35 ~~and the manner in which they are installed.~~ ~~The rules shall~~

1 which conform with federal motor vehicle safety standard  
2 numbers 209 and 210 as published in 49 C.F.R. § 571.209-  
3 571.210 and with prior federal motor vehicle safety standards  
4 for seat belt assemblies and seat belt assembly anchorages  
5 applicable for the motor vehicle's model year. The department  
6 may adopt rules which comply with changes in the applicable  
7 federal motor vehicle safety standards with regard to the type  
8 of safety belts and safety harnesses and their manner of  
9 installation.

10 Sec. 25. Section 321.450, unnumbered paragraph 2, Code  
11 1997, is amended to read as follows:

12 Notwithstanding other provisions of this section, rules  
13 adopted under this section concerning physical and medical  
14 qualifications for drivers of commercial vehicles engaged in  
15 intrastate commerce shall not be construed as disqualifying  
16 any individual who was employed as a driver of commercial  
17 vehicles engaged in intrastate commerce ~~prior to January 1,~~  
18 1988, and whose physical or medical condition existed, prior  
19 to July 29, 1996.

20 Sec. 26. Section 321.450, Code 1997, is amended by adding  
21 the following new unnumbered paragraph:

22 NEW UNNUMBERED PARAGRAPH. Notwithstanding other provisions  
23 of this section, rules adopted under this section shall not  
24 apply to a farmer or employees of a farmer when transporting  
25 an agricultural hazardous material between the sites in the  
26 farmer's agricultural operations unless the material is being  
27 transported on the interstate highway system. As used in this  
28 paragraph, "farmer" means a person engaged in the production  
29 or raising of crops, poultry, or livestock, "farmer" does not  
30 include a person who is a commercial applicator of  
31 agricultural chemicals or fertilizers.

32 Sec. 27. Section 321.462, unnumbered paragraph 2, Code  
33 1997, is amended by striking the unnumbered paragraph.

34 Sec. 28. Section 321.493, subsection 1, Code 1997, is  
35 amended to read as follows:

1 1. a. In Subject to paragraph "b", in all cases where  
2 damage is done by any motor vehicle by reason of negligence of  
3 the driver, and driven with the consent of the owner, the  
4 owner of the motor vehicle shall be liable for such damage.  
5 For purposes of this subsection, "owner" means the person to  
6 whom the certificate of title for the vehicle has been issued  
7 or assigned or to whom a manufacturer's or importer's  
8 certificate of origin for the vehicle has been delivered or  
9 assigned. However, if the vehicle is leased, "owner" means  
10 the person to whom the vehicle is leased, not the person to  
11 whom the certificate of title for the vehicle has been issued  
12 or assigned or to whom the manufacturer's or importer's  
13 certificate of origin for the vehicle has been delivered or  
14 assigned. For purposes of this subsection, "leased" means the  
15 transfer of the possession or right to possession of a vehicle  
16 to a lessee for a valuable consideration for a continuous  
17 period of twelve months or more, pursuant to a written  
18 agreement.

19 b. The owner of a vehicle with a gross vehicle weight  
20 rating of seven thousand five hundred pounds or more who rents  
21 the vehicle for less than a year under an agreement which  
22 requires the person renting the vehicle to obtain an insurance  
23 policy covering at least the minimum levels of financial  
24 responsibility prescribed by law, shall not be deemed to be  
25 the owner of the vehicle for the purpose of determining  
26 financial responsibility for the operation of the vehicle or  
27 for the acts of the operator in connection with the vehicle's  
28 operation.

29 Sec. 29. Section 321H.2, subsection 9, Code 1997, is  
30 amended to read as follows:

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

1 Sec. 30. Section 321H.3, subsection 1, Code 1997, is  
2 amended to read as follows:

3 1. Selling or offering for sale used bodies, parts of  
4 bodies, frames, or component parts of more than six used  
5 vehicles subject to registration under chapter 321 in a  
6 calendar year; or

7 Sec. 31. Section 321H.3, subsection 4, Code 1997, is  
8 amended to read as follows:

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

16 Sec. 32. Section 321H.8, Code 1997, is amended to read as  
17 follows:

18 321H.8 PENALTIES.

19 A person convicted of violating a provision of this chapter  
20 is guilty of a ~~simple~~ serious misdemeanor.

21 Sec. 33. Section 322.2, Code 1997, is amended by adding  
22 the following new subsection:

23 NEW SUBSECTION. 6A. "Engaged in the business" means doing  
24 any of the following acts for the purpose of the sale of motor  
25 vehicles at retail: acquiring, selling, exchanging, holding,  
26 offering, displaying, brokering, accepting on consignment,  
27 conducting a retail auction, or acting as an agent for the  
28 purpose of doing any of those acts. A person selling at  
29 retail more than six motor vehicles during a twelve-month  
30 period may be presumed to be engaged in the business.

31 Sec. 34. Section 322.3, subsection 11, Code 1997, is  
32 amended to read as follows:

33 11. A person who is engaged in the business of selling  
34 motor vehicles at retail shall not sell, offer for sale,  
35 display, represent, or advertise that the person intends to

1 sell motor vehicles from a location other than the person's  
2 place of business, except as provided in section 322.5.

3 Sec. 35. Section 322.14, unnumbered paragraph 1, Code  
4 1997, is amended to read as follows:

5 Any person violating any of the provisions of this chapter  
6 where a penalty is not specifically provided for shall be  
7 deemed guilty of a ~~simple~~ serious misdemeanor.

8 Sec. 36. Section 322.29, Code 1997, is amended to read as  
9 follows:

10 322.29 ISSUANCE OF LICENSE -- FEES.

11 Application for license shall be made to the department by  
12 a manufacturer, distributor, or wholesaler, ~~factory-branch,~~  
13 ~~distributor-branch,~~ ~~factory-representative-or-distributor~~  
14 ~~representative~~ in a form and containing information as the  
15 department requires and shall be accompanied by the required  
16 license fee. Licenses shall be granted or refused within  
17 thirty days after application, and shall expire, unless sooner  
18 revoked or suspended, on December 31 of the calendar year for  
19 which they are granted.

20 License fees for each calendar year, or part thereof, shall  
21 be as follows effective January 1, ~~1988~~ 1998:

22 1. For a motor vehicle manufacturer, thirty-five dollars.

23 2. For a new motor vehicle distributor or wholesaler,  
24 twenty dollars.

25 3. For a used motor vehicle distributor or wholesaler, ten  
26 dollars.

27 ~~4.--For-each-factory-branch-of-a-motor-vehicle-manufacturer~~  
28 ~~in-this-state,-ten-dollars-~~

29 ~~5.--For-a-factory-representative-or-distributor-branch-or~~  
30 ~~representative,-five-dollars-~~

31 A license shall not be issued to a person as a distributor  
32 or wholesaler for a new motor vehicle model unless the  
33 distributor or wholesaler has written authorization from the  
34 manufacturer as a distributor or wholesaler of the motor  
35 vehicle model. ~~A-license-shall-not-be-issued-to-a-factory~~

1 representative-unless-the-person-is-employed-by-a-licensed  
2 manufacturer.--A-license-shall-not-be-issued-to-a-distributor  
3 representative-unless-the-person-is-employed-by-a-licensed  
4 distributor-or-wholesaler.--A-license-shall-not-be-issued-to-a  
5 factory-branch-unless-the-motor-vehicle-manufacturer  
6 maintaining-the-branch-is-a-licensed-manufacturer-nor-shall-a  
7 license-be-issued-to-a-distributor-branch-unless-the  
8 distributor-maintaining-the-branch-is-a-licensed-distributor  
9 or-wholesaler.

10 A person who rebuilds new completed motor vehicles by  
11 fabricating, altering, adding, or replacing essential parts,  
12 components, or equipment for the purpose of building an  
13 ambulance, rescue vehicle, or fire vehicle as defined in  
14 chapter 321 may be issued a license as a wholesaler of new  
15 motor vehicles of the make and model rebuilt.

16 ~~Every-factory-representative-or-distributor-representative~~  
17 ~~shall-carry-a-license-when-engaged-in-business, and display~~  
18 ~~the-license-upon-request.--The-license-shall-name-the~~  
19 ~~employer, and in case of a change of employer, the~~  
20 ~~representative-shall-immediately-mail-the-license-to-the~~  
21 ~~department-which-shall-endorse-the-change-on-the-license~~  
22 ~~without-charge.~~

23 Sec. 37. Section 322.31, Code 1997, is amended to read as  
24 follows:

25 322.31 DENIAL OF LICENSE.

26 The department may deny the application of any person for a  
27 license as a manufacturer, distributor, or wholesaler, factory  
28 branch, distributor-branch, factory-representative-or  
29 distributor-representative if after reasonable notice and a  
30 hearing the department determines that such applicant has  
31 violated any provision of this chapter and may revoke or  
32 suspend any such license that has been issued if the  
33 department shall determine after reasonable notice and a  
34 hearing that such licensee has violated any provision of this  
35 chapter.

1 Sec. 38. Section 322A.15, Code 1997, is amended by adding  
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. Good cause does not include a  
4 realignment, relocation, or reduction of dealerships.

5 Sec. 39. Section 322C.4, subsection 1, paragraph e, Code  
6 1997, is amended to read as follows:

7 e. If the applicant is a party to a contract, agreement or  
8 understanding with a manufacturer or distributor of travel  
9 trailers or is about to become a party to a contract,  
10 agreement, or understanding, the applicant shall state the  
11 name of each manufacturer and distributor and the make or  
12 makes of new ~~motor-vehicles~~ travel trailers, if any, which are  
13 the subject matter of the contract, agreement or  
14 understanding.

15 Sec. 40. Section 331.361, subsection 2, Code 1997, is  
16 amended by adding the following new paragraph:

17 NEW PARAGRAPH. d. If an interest in real property is  
18 being sold, exchanged, or donated to the state department of  
19 transportation for public purposes, the requirements of  
20 paragraphs "a" and "b" are waived.

21 Sec. 41. Section 364.7, Code 1997, is amended by adding  
22 the following new subsection:

23 NEW SUBSECTION. 4. If an interest in real property is  
24 being sold, exchanged or donated to the state department of  
25 transportation for public purposes, the requirements of  
26 subsections 1 and 2 are waived.

27 Sec. 42. Section 428A.4, unnumbered paragraph 1, Code  
28 1997, is amended to read as follows:

29 The county recorder shall refuse to record any deed,  
30 instrument, or writing, taxable under section 428A.1 for which  
31 payment of the tax determined on the full amount of the  
32 consideration in the transaction has not been paid except any  
33 deed, instrument, or writing in which the state of Iowa or any  
34 agency, instrumentality, or governmental or political  
35 subdivision thereof is the grantee as the result of



1 acquisition of lands, whether by contract or condemnation, for  
2 public purposes through an exercise of the power of eminent  
3 domain. However, if the deed, instrument, or writing, is  
4 exempt under section 428A.2, the county recorder shall not  
5 refuse to record the document if there is filed with or  
6 endorsed on it a statement signed by either the grantor or  
7 grantee or an authorized agent, that the instrument or writing  
8 is excepted from the tax under section 428A.2. The validity  
9 of an instrument as between the parties, and as to any person  
10 who would otherwise be bound by the instrument, is not  
11 affected by the failure to comply with this section. If an  
12 instrument is accepted for recording or filing contrary to  
13 this section the failure to comply does not destroy or impair  
14 the record as notice.

15 Sec. 43. Section 452A.51, Code 1997, is amended to read as  
16 follows:

17 452A.51 PURPOSE.

18 The purpose of this division is to provide an additional  
19 method of collecting fuel taxes from interstate motor vehicle  
20 operators commensurate with their operations on Iowa highways;  
21 and to permit the state department of transportation to  
22 suspend this collection as to transportation entering Iowa  
23 from any other state where it appears that Iowa highway fuel  
24 tax revenue and interstate highway transportation moving out  
25 of Iowa will not be unduly prejudiced thereby. Further, all  
26 motor vehicle operators from jurisdictions not participating  
27 in the international fuel tax agreement are required to comply  
28 with this chapter using the guidelines from the international  
29 fuel tax agreement for Iowa fuel tax compliance reporting  
30 purposes, penalty, interest, refunds, and credential display.

31 Sec. 44. Section 452A.53, unnumbered paragraphs 1, 2, and  
32 3, Code 1997, are amended to read as follows:

33 The advance arrangements referred to in the preceding  
34 section shall include the procuring of a permanent interstate  
35 fuel international fuel tax agreement permit or license or

1 single trip interstate permit.

2 Persons choosing not to make advance arrangements with the  
3 state department of transportation by procuring a permit or  
4 license are not relieved of their responsibility to purchase  
5 motor fuel and special fuel commensurate with their use of the  
6 state's highway system. When there is reasonable cause to  
7 believe that there is evasion of the fuel tax on commercial  
8 motor vehicles, the state department of transportation may  
9 audit persons not holding a permit or license. Audits shall  
10 be conducted pursuant to section 452A.55 and in accordance  
11 with international fuel tax agreement guidelines. The state  
12 department of transportation shall collect all taxes due and  
13 refund any overpayment.

14 A permanent international fuel tax agreement permit or  
15 license may be obtained upon application to the state  
16 department of transportation. A fee of ten dollars shall be  
17 charged for each permit or license issued. The holder of a  
18 permanent permit or license shall have the privilege of  
19 bringing into this state in the fuel supply tanks of  
20 commercial motor vehicles any amount of motor fuel or special  
21 fuel to be used in the operation of the vehicles and for that  
22 privilege shall pay Iowa motor fuel or special fuel taxes as  
23 provided in section 452A.54. A single trip interstate permit  
24 may be obtained from the state department of transportation.  
25 A fee of ~~twelve~~ twenty dollars shall be charged for each  
26 individual single trip interstate permit issued. A single  
27 trip interstate permit is subject to the following provisions  
28 and limitations:

29 Sec. 45. Section 452A.54, unnumbered paragraph 2, Code  
30 1997, is amended to read as follows:

31 Notwithstanding any provision of this chapter to the  
32 contrary, except as provided in this section, the holder of a  
33 permanent international fuel tax agreement permit or license  
34 may make application to the state department of transportation  
35 for a refund, not later than the last day of the third month

1 following the quarter in which the overpayment of Iowa fuel  
2 tax paid on excess purchases of motor fuel or special fuel was  
3 reported as provided in section 452A.8, and which application  
4 is supported by such proof as the state department of  
5 transportation may require. The state department of  
6 transportation shall refund Iowa fuel tax paid on motor fuel  
7 or special fuel purchased in excess of the amount consumed by  
8 such commercial motor vehicles in their operation on the  
9 highways of this state.

10 Sec. 46. Section 452A.54, unnumbered paragraph 4, Code  
11 1997, is amended to read as follows:

12 To determine the amount of fuel taxes due under this  
13 division and to prevent the evasion thereof, the state  
14 department of transportation shall require a quarterly report  
15 on forms prescribed by the state department of transportation.  
16 It shall be filed not later than the last day of the month  
17 following the quarter reported, and each quarter thereafter.  
18 These reports shall be required of all persons who have been  
19 issued a permit or license under this division and shall cover  
20 actual operation and fuel consumption in Iowa on the basis of  
21 the permit or license holder's average consumption of fuel in  
22 Iowa, determined by the total miles traveled and the total  
23 fuel purchased and consumed for highway use by the permittee's  
24 or licensee's commercial motor vehicles in the permittee's or  
25 licensee's entire operation in all states to establish an  
26 overall miles per gallon ratio, which ratio shall be used to  
27 compute the gallons used for the miles traveled in Iowa.

28 Sec. 47. Section 452A.55, Code 1997, is amended to read as  
29 follows:

30 452A.55 RECORDS.

31 Every person operating within the purview of this division  
32 shall make and keep for a period of ~~three~~ four years such  
33 records as may reasonably be required by the state department  
34 of transportation for the administration of this division. If  
35 in the normal conduct of the business, the required records

1 are maintained and kept at an office outside the state of  
2 Iowa, it shall be a sufficient compliance with this section if  
3 the records are made available for audit and examination by  
4 the state department of transportation at the office outside  
5 Iowa.

6 The state department of transportation within a period of  
7 one year from the issuance of a permanent interstate  
8 international fuel tax agreement fuel permit or license may  
9 audit the records of the permittee or licensee for the two  
10 years preceding the issuance of the permit or license. The  
11 state department of transportation shall collect all taxes due  
12 had the permittee or licensee been licensed for the two years  
13 prior to the issuance of the permit or license and shall  
14 refund any overpayment pursuant to section 452A.54. When, as  
15 a result of an audit, fuel taxes unpaid and due the state of  
16 Iowa exceed five hundred dollars, the audit shall be at the  
17 expense of the person whose records are being audited.  
18 However, if an audit of records maintained under this section  
19 is made outside the state of Iowa in a state which requires  
20 payment of the costs for similar audits performed by officials  
21 or employees of the other state when made in Iowa, then all  
22 costs of audits performed outside of Iowa in the other state  
23 shall be at the expense of the person whose records are  
24 audited.

25 Sec. 48. Section 558.58, subsection 2, Code 1997, is  
26 amended to read as follows:

27 2. When the person required to pay a fee and a tax  
28 relating to a real estate transaction is a governmental  
29 subdivision or agency, the recorder, at the request of the  
30 governmental subdivision or agency, shall bill the  
31 governmental subdivision or agency for the fees and taxes  
32 required to be paid for documents filed or recorded by it.  
33 The governmental subdivision or agency shall pay the fees and  
34 taxes due within thirty days after the date of fixing the  
35 bill.

1     Sec. 49. Section 805.8, subsection 2, paragraph w, Code  
2 1997, is amended to read as follows:

3     w. For failure to have a valid license or permit for  
4 operating a motor vehicle on the highways of this state  
5 pursuant to section 321.174 or for operating a motor vehicle  
6 on the highways of this state with an expired license or  
7 permit under section 321.174A, the scheduled fine is twenty  
8 dollars.

9     Sec. 50. Section 805.8, subsection 2, Code 1997, is  
10 amended by adding the following new paragraph:

11     NEW PARAGRAPH. ad. For violations of section 321.57, the  
12 scheduled fine is fifty dollars. For violations of section  
13 321.62, the scheduled fine is fifty dollars.

14     Sec. 51. Sections 321.27, 321.120, 321.391, 321.424,  
15 321.428, and 321.429, Code 1997, are repealed.

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## SENATE FILE 132

H-1537

- 1 Amend Senate File 132, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. By striking page 15, line 27, through page 16,
- 4 line 14.
- 5 2. Page 19, by striking lines 25 through 35.
- 6 3. By renumbering as necessary.

By CARROLL of Poweshiek

H-1537 FILED APRIL 2, 1997

*Adopted 4/9/97 (p. 1099)*

## SENATE FILE 132

H-1539

- 1 Amend Senate File 132, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 1, line 27, by striking the figure
- 4 "321.166" and inserting the following: "321.105".
- 5 2. Page 3, lines 17 and 18, by striking the words
- 6 "~~have-been~~ are eligible to be" and inserting the
- 7 following: "have been".
- 8 3. Page 3, line 31, by striking the words "after
- 9 the expiration date of the person's" and inserting the
- 10 following: "with an expired".
- 11 4. Page 11, line 22, by striking the words "the
- 12 person renting the vehicle to obtain".
- 13 5. Page 12, by striking lines 7 through 15.
- 14 6. Page 20, lines 5 through 7, by striking the
- 15 words "or for operating a motor vehicle on the
- 16 highways of this state with an expired license or
- 17 permit under section 321.174A".
- 18 7. Page 20, line 7, by striking the word "twenty"
- 19 and inserting the following: "twenty one hundred".
- 20 8. Page 20, line 10, by striking the word
- 21 "paragraph" and inserting the following:
- 22 "paragraphs".
- 23 9. Page 20, by inserting after line 13, the
- 24 following:
- 25 "NEW PARAGRAPH. ae. For operating a motor vehicle
- 26 on the highways of this state with an expired motor
- 27 vehicle license pursuant to section 321.174A, the
- 28 scheduled fine is twenty dollars."
- 29 10. By renumbering as necessary.

By COMMITTEE ON TRANSPORTATION  
WELTER of Jones, Chairperson

H-1539 FILED APRIL 2, 1997

*Adopted 4/9/97 (p. 1097)*

SENATE FILE 132

H-1519

1 Amend Senate File 132, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 15, by striking lines 15 through 26.

4 2. By renumbering as necessary.

By CARROLL of Poweshiek

HUSER of Polk

ARNOLD of Lucas

VANDE HOEF of Osceola

CORMACK of Webster

H-1519 FILED APRIL 1, 1997

*Adopted 4/9/97 (p. 1099)*

SENATE FILE 132

H-1469

1 Amend Senate File 132, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 11, by inserting after line 28, the  
4 following:

5 "Sec. \_\_\_\_ . Section 321.560, Code 1997, is amended  
6 by adding the following new unnumbered paragraph:

7 A person who is determined to be a habitual  
8 offender while the person's license is already revoked  
9 for being a habitual offender under section 321.555  
10 shall not be issued a license to operate a motor  
11 vehicle in this state for a period of not less than  
12 two years nor more than six years. The revocation  
13 period may commence either on the date of the final  
14 decision of the department under section 17A.19 or the  
15 date on which the district court upholds the final  
16 decision of the department, whichever occurs later, or  
17 on the date the previous revocation expires."

18 2. By renumbering as necessary.

By KREIMAN of Davis

H-1469 FILED MARCH 31, 1997

*Adopted 4/9/97 (p. 1099)*

## SENATE FILE 132

H-1597

1 Amend Senate File 132, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 4, by inserting after line 32 the  
4 following:

5 "Sec. \_\_\_\_ . Section 321.249, Code 1997, is amended  
6 to read as follows:

7 321.249 SCHOOL ZONES.

8 Cities and counties shall have the power to  
9 establish school zones and provide for the stopping of  
10 all motor vehicles approaching said the school zones,  
11 when movable stop signs have been placed in the  
12 streets in such the cities and highways in counties at  
13 the limits of the zones, this notwithstanding the  
14 provisions of any statute to the contrary. All  
15 traffic-control devices provided for school zones  
16 shall conform to specifications included in the manual  
17 of traffic-control devices adopted by the department,  
18 except the provision prohibiting the use of portable  
19 or part-time stop signs."

20 2. By renumbering as necessary.

By NELSON of Marshall  
WEIDMAN of Cass

H-1597 FILED APRIL 8, 1997

*Adopted 4/9/97 (p. 1098)*

## SENATE FILE 132

H-1619

1 Amend Senate File 132, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, by inserting after line 15 the  
4 following:

5 "Sec. \_\_\_\_ . Section 321.11, unnumbered paragraph 3,  
6 Code 1997, is amended to read as follows:

7 Notwithstanding other provisions of this section to  
8 the contrary, the department shall not release  
9 personal information to a person, other than to an  
10 officer or employee of a law enforcement agency or a  
11 licensed private investigation agency or a licensed  
12 security service or a licensed employee of either, if  
13 the information is requested by the presentation of a  
14 registration plate number. However, a law enforcement  
15 agency may release the name, address, and telephone  
16 number of a motor vehicle registrant to a person  
17 requesting the information by the presentation of a  
18 registration plate number if the law enforcement  
19 agency believes that the information is necessary to  
20 prevent an unlawful act. A person seeking the  
21 information shall state in writing the nature of the  
22 unlawful act that the person is attempting to  
23 prevent."

24 2. By renumbering as necessary.

By HEATON of Henry  
MAY of Worth

H-1619 FILED APRIL 8, 1997

*Adopted 4/9/97 (p. 1098)*



## SENATE FILE 132

H-1565

1 Amend Senate File 132, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 20, by inserting after line 15 the  
4 following:  
5 "Sec. \_\_\_\_ . STUDY.  
6 1. The director of transportation or the  
7 director's designee shall convene a committee to study  
8 emergency response activities and associated costs of  
9 responding to hazardous incidents involving the  
10 transportation of hazardous substances on the highways  
11 of this state.  
12 2. The committee shall include all of the  
13 following:  
14 a. The commissioner of public safety or the  
15 commissioner's designee.  
16 b. The director of the department of natural  
17 resources or the director's designee.  
18 c. A representative selected by the Iowa firemen's  
19 association.  
20 d. A representative selected by the Iowa  
21 association of professional fire fighters.  
22 e. A representative selected by the petroleum  
23 marketers of Iowa.  
24 f. A representative selected by the Iowa motor  
25 truck association.  
26 g. A representative selected by the agribusiness  
27 association of Iowa.  
28 h. A representative selected by the Iowa propane  
29 gas association.  
30 i. A representative selected by the Iowa state  
31 association of counties.  
32 j. A representative of the Iowa hazardous  
33 materials task force.  
34 k. The chairperson of the state emergency response  
35 commission or the chairperson's designee.  
36 3. The committee shall study and develop  
37 recommendations on appropriate response levels to  
38 incidents involving hazardous materials, duration of  
39 response, incident command system at the scene of an  
40 incident involving the transportation of hazardous  
41 materials on the highways of this state, and measures  
42 to control the costs of responding to such incidents.  
43 By January 1, 1998, the committee shall submit a  
44 report to the general assembly which shall include,  
45 but not be limited to, recommendations by the  
46 committee relating to the areas of study enumerated in  
47 this subsection."  
48 2. By renumbering as necessary.

By WELTER of Jones

H-1565 FILED APRIL 7, 1997

*w/d 4/9/97 (p.1099)*

HOUSE AMENDMENT TO  
SENATE FILE 132

S-3443

1 Amend Senate File 132, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, by inserting after line 15 the  
4 following:

5 "Sec. \_\_\_\_ . Section 321.11, unnumbered paragraph 3,  
6 Code 1997, is amended to read as follows:

7 Notwithstanding other provisions of this section to  
8 the contrary, the department shall not release  
9 personal information to a person, other than to an  
10 officer or employee of a law enforcement agency or a  
11 licensed private investigation agency or a licensed  
12 security service or a licensed employee of either, if  
13 the information is requested by the presentation of a  
14 registration plate number. However, a law enforcement  
15 agency may release the name, address, and telephone  
16 number of a motor vehicle registrant to a person  
17 requesting the information by the presentation of a  
18 registration plate number if the law enforcement  
19 agency believes that the information is necessary to  
20 prevent an unlawful act. A person seeking the  
21 information shall state in writing the nature of the  
22 unlawful act that the person is attempting to  
23 prevent."

24 2. Page 1, line 27, by striking the figure  
25 "321.166" and inserting the following: "321.105".

26 3. Page 3, lines 17 and 18, by striking the words  
27 "have-been are eligible to be" and inserting the  
28 following: "have been".

29 4. Page 3, line 31, by striking the words "after  
30 the expiration date of the person's" and inserting the  
31 following: "with an expired".

32 5. Page 4, by inserting after line 32 the  
33 following:

34 "Sec. \_\_\_\_ . Section 321.249, Code 1997, is amended  
35 to read as follows:

36 321.249 SCHOOL ZONES.

37 Cities and counties shall have the power to  
38 establish school zones and provide for the stopping of  
39 all motor vehicles approaching said the school zones,  
40 when movable stop signs have been placed in the  
41 streets in such the cities and highways in counties at  
42 the limits of the zones, this notwithstanding the  
43 provisions of any statute to the contrary. All  
44 traffic-control devices provided for school zones  
45 shall conform to specifications included in the manual  
46 of traffic-control devices adopted by the department,  
47 except the provision prohibiting the use of portable  
48 or part-time stop signs."

49 6. Page 11, line 22, by striking the words "the  
50 person renting the vehicle to obtain".

S-3443

S-3443

Page 2

- 1 7. Page 11, by inserting after line 28, the  
2 following:  
3 "Sec. \_\_\_\_\_. Section 321.560, Code 1997, is amended  
4 by adding the following new unnumbered paragraph:  
5 A person who is determined to be a habitual  
6 offender while the person's license is already revoked  
7 for being a habitual offender under section 321.555  
8 shall not be issued a license to operate a motor  
9 vehicle in this state for a period of not less than  
10 two years nor more than six years. The revocation  
11 period may commence either on the date of the final  
12 decision of the department under section 17A.19 or the  
13 date on which the district court upholds the final  
14 decision of the department, whichever occurs later, or  
15 on the date the previous revocation expires."  
16 8. Page 12, by striking lines 7 through 15.  
17 9. Page 15, by striking lines 15 through 26.  
18 10. By striking page 15, line 27, through page  
19 16, line 14.  
20 11. Page 19, by striking lines 25 through 35.  
21 12. Page 20, lines 5 through 7, by striking the  
22 words "or for operating a motor vehicle on the  
23 highways of this state with an expired license or  
24 permit under section 321.174A".  
25 13. Page 20, line 7, by striking the word  
26 "twenty" and inserting the following: "twenty one  
27 hundred".  
28 14. Page 20, line 10, by striking the word  
29 "paragraph" and inserting the following:  
30 "paragraphs".  
31 15. Page 20, by inserting after line 13, the  
32 following:  
33 "NEW PARAGRAPH. ae. For operating a motor vehicle  
34 on the highways of this state with an expired motor  
35 vehicle license pursuant to section 321.174A, the  
36 scheduled fine is twenty dollars."  
37 16. By renumbering, relettering, or redesignating  
38 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-3443 FILED APRIL 9, 1997

*Senate Comm. on*  
*4-14-97*  
*(p. 1156)*

Borlaug, Chair

SSB 48.1

Drake  
Lettings  
McCoy  
Rittner

Transportation  
Succeeded By  
SENATE/HOUSE ~~SF~~ HF 132  
BY (PROPOSED DEPARTMENT OF  
TRANSPORTATION BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to state department of transportation operations,  
2 including regulating hazardous materials transport, regulating  
3 motor vehicle dealers, eliminating requirements that the  
4 department adopt administrative rules in certain instances,  
5 and establishing, making applicable, or enhancing penalties.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.1, Code 1997, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 0A. "Agricultural hazardous material"  
4 means a hazardous material, other than hazardous waste, whose  
5 end use directly supports the production of an agricultural  
6 commodity, including, but not limited to, a fertilizer,  
7 pesticide, soil conditioner, or fuel. "Agricultural hazardous  
8 material" is limited to material in class 3, 8, or 9, division  
9 2.1, 2.2, 5.1, or 6.1, or an ORM-D material as defined in 49  
10 C.F.R. § 171.8.

11 Sec. 2. Section 321.1, subsection 42, paragraph c, Code  
12 1997, is amended to read as follows:

13 c. "New motor vehicle or new car" means a car motor  
14 vehicle subject to registration which has not been sold "at  
15 retail" as defined in chapter 322.

16 Sec. 3. Section 321.25, unnumbered paragraph 2, Code 1997,  
17 is amended to read as follows:

18 The department shall, upon request by any dealer, furnish  
19 "registration applied for" cards free of charge. Only cards  
20 furnished by the department shall be used. Only one card  
21 shall be issued in accordance with this subsection for each  
22 vehicle purchased.

23 Sec. 4. Section 321.50, subsection 4, Code 1997, is  
24 amended by adding the following new unnumbered paragraph:

25 NEW UNNUMBERED PARAGRAPH. However, when a security  
26 interest is discharged for a vehicle with a gross vehicle  
27 weight rating of sixteen thousand pounds or more, the  
28 lienholder shall note the cancellation of a security interest  
29 on the face of the title and may note the cancellation of the  
30 security interest on a form prescribed by the department and  
31 deliver a copy of the form in lieu of the title to the  
32 department or to the treasurer of the county in which the  
33 title was issued. The department or county treasurer shall  
34 note the release of the security interest upon the statewide  
35 computer system and the county's records. A copy of the form,

1 if used, shall be attached to the title by the lienholder and  
2 shall be evidence of the release of the security interest.  
3 The lienholder shall deliver the title to the first  
4 lienholder, or if there is no such person, to the person as  
5 designated by the owner, or if there is no such person  
6 designated, to the owner.

7 Sec. 5. Section 321.52, subsection 4, paragraph c,  
8 unnumbered paragraph 2, Code 1997, is amended to read as  
9 follows:

10 ~~The provision of this subsection requiring a salvage theft~~  
11 ~~examination by a peace officer specially certified or~~  
12 ~~recertified by the Iowa law enforcement academy to do salvage~~  
13 ~~theft examinations shall become effective July 1, 1989.~~  
14 ~~Salvage theft examinations conducted before July 1, 1989,~~  
15 ~~shall be made by peace officers authorized to do so by the~~  
16 ~~state department of transportation or the department of public~~  
17 ~~safety who are qualified, as determined by those agencies, to~~  
18 ~~conduct salvage theft examinations.~~ The state department of  
19 transportation shall adopt rules in accordance with chapter  
20 17A to carry out this section, ~~including transition rules~~  
21 ~~allowing for salvage theft examinations prior to July 1, 1989.~~

22 Sec. 6. Section 321.69, subsection 9, Code 1997, is  
23 amended to read as follows:

24 9. This section does not apply to new motor vehicles,  
25 motor trucks and truck tractors with a gross vehicle weight  
26 rating of sixteen thousand pounds or more, vehicles more than  
27 nine model years old, motorcycles, motorized bicycles, and  
28 special mobile equipment. The section does apply to motor  
29 homes.

30 Sec. 7. Section 321.104, subsection 4, Code 1997, is  
31 amended to read as follows:

32 4. To ~~purport to~~ sell, offer for sale, or transfer a motor  
33 vehicle, trailer, or semitrailer, except as provided in  
34 section 321.47 or 321.48, without obtaining a certificate of  
35 title in the name of the seller or transferor or without

1 delivering to the purchaser or transferee a certificate of  
2 title or a manufacturer's or importer's certificate duly  
3 assigned to the purchaser or transferee as provided in this  
4 chapter.

5 Sec. 8. NEW SECTION. 321.174A OPERATION OF MOTOR  
6 VEHICLES WITH EXPIRED LICENSE.

7 A person shall not operate a motor vehicle upon a highway  
8 in this state after the expiration date of the person's motor  
9 vehicle license.

10 Sec. 9. Section 321.208A, Code 1997, is amended to read as  
11 follows:

12 321.208A OPERATION IN VIOLATION OF OUT-OF-SERVICE ORDER --  
13 PENALTY.

14 A person required to hold a commercial driver's license to  
15 operate a commercial motor vehicle shall not operate a  
16 commercial motor vehicle on the highways of this state in  
17 violation of an out-of-service order issued by a peace officer  
18 for a violation of the out-of-service rules adopted by the  
19 department. An employer shall not allow an employee to drive  
20 a commercial motor vehicle in violation of such out-of-service  
21 order. ~~The department shall adopt out-of-service rules which~~  
22 ~~shall be consistent with 49-C.P.R.-§-392.5 adopted as of a~~  
23 ~~specific date by the department.~~ A person who violates this  
24 section shall be subject to a penalty of one hundred dollars.

25 Sec. 10. Section 321.236, subsection 12, Code 1997, is  
26 amended to read as follows:

27 12. Designating highways or portions of highways as snow  
28 routes. When conditions of snow or ice exist on the traffic  
29 surface of a designated snow route, it is unlawful for the  
30 driver of a vehicle to impede or block traffic if the driving  
31 wheels of the vehicle are not equipped with snow tires, tire  
32 chains, or a nonslip differential. ~~"Snow-tires" as used in~~  
33 ~~this subsection means tires designed for use when there are~~  
34 ~~conditions of snow or ice on the highways, and meeting the~~  
35 ~~standards which shall be promulgated by rule of the director~~

1 of-transportation.--The-standards-promulgated-by-the-director  
2 shall-require-that-snow-tires-be-so-designed-to-provide  
3 adequate-traction-to-maintain-reasonable-movement-of-the-motor  
4 vehicle-on-highways-under-snow-conditions.

5 Any A person charged with impeding or blocking traffic for  
6 lack of snow tires, chains, or nonslip differential shall have  
7 said the charge dismissed upon a showing to the court that the  
8 person's motor vehicle was equipped with snow tires, chains,  
9 or a nonslip differential.

10 Sec. 11. Section 321.266, subsection 4, Code 1997, is  
11 amended to read as follows:

12 4. Notwithstanding section 455B.386, a carrier  
13 transporting hazardous material upon a public highway in this  
14 state, in the case of an accident involving the transportation  
15 of the hazardous material, shall immediately notify the police  
16 radio broadcasting system established pursuant to section  
17 693.1 or shall notify a peace officer of the county or city in  
18 which the accident occurs. When a local law enforcement  
19 agency is informed of the accident, the agency shall notify  
20 the Iowa highway safety patrol and the state department of  
21 transportation office of motor vehicle enforcement. A person  
22 who violates a provision of this subsection is guilty of a  
23 serious misdemeanor.

24 Sec. 12. Section 321.309, Code 1997, is amended to read as  
25 follows:

26 321.309 TOWING -- CONVOYS -- DRAWBARS.

27 No A person shall not pull or tow by motor vehicle, for  
28 hire, another motor vehicle over any highway outside the  
29 limits of any incorporated city, except in case of temporary  
30 movement of a disabled motor vehicle to the place where  
31 repairs will be made, unless such the person has complied with  
32 the provisions of sections 321.57 and 321.58. Provided,  
33 however, if such the person is a nonresident of the state of  
34 Iowa and has complied with the laws of the state of that  
35 person's residence governing licensing and registration as a



1 transporter of motor vehicles the person shall not be required  
2 to pay the fee provided in section 321.58 but only to submit  
3 proof of the person's status as a bona fide manufacturer or  
4 transporter as may reasonably be required by the department.

5 Every A person pulling or towing by motor vehicle another  
6 motor vehicle in convoy or caravan shall maintain a distance  
7 of at least five hundred feet between the units of said the  
8 convoy or caravan.

9 ~~The drawbar or towing arm between a motor vehicle pulling~~  
10 ~~or towing another motor vehicle shall be of a type approved by~~  
11 ~~the director, except in case of the temporary movement of a~~  
12 ~~disabled vehicle in an emergency situation.~~

13 Sec. 13. Section 321.317, subsection 1, Code 1997, is  
14 amended to read as follows:

15 1. The signals required under the provisions of this  
16 chapter may be given either by means of the hand and arm as  
17 provided in section 321.318, or by a mechanical or electrical  
18 directional signal device or light ~~of a type approved by the~~  
19 ~~department and~~ conforming to the provisions of this chapter  
20 relating thereto.

21 Sec. 14. Section 321.317, subsection 3, Code 1997, is  
22 amended to read as follows:

23 3. It is unlawful for any person to sell or offer for sale  
24 or operate on the highways of the state any vehicle subject to  
25 registration under the provisions of this chapter which has  
26 never been registered in this or any other state prior to  
27 January 1, 1954, unless the vehicle is equipped with a  
28 directional signal device of a type ~~approved by the department~~  
29 ~~and is~~ in compliance with the provisions of subsection 2 of  
30 ~~this section~~. Motorcycles, motorized bicycles and  
31 semitrailers and trailers less than forty inches in width are  
32 exempt from the provisions of this section.

33 Sec. 15. Section 321.373, subsection 7, Code 1997, is  
34 amended to read as follows:

35 7. A school bus may be equipped with a white flashing

1 strobe light mounted on the roof of the bus to afford optimum  
2 visibility during periods of inclement weather. The light  
3 shall be ~~of-a-type-approved-by-the-department-of~~  
4 ~~transportation-and-shall-be~~ installed and operated in  
5 accordance with rules promulgated by the department of  
6 education. Each new school bus put into initial service after  
7 January 1, 1977, shall be equipped with such a light.

8 Sec. 16. Section 321.383, subsection 2, Code 1997, is  
9 amended to read as follows:

10 2. When operated on a highway in this state at a speed of  
11 thirty miles per hour or less, every farm tractor, or tractor  
12 with towed equipment, self-propelled implement of husbandry,  
13 road construction or maintenance vehicle, road grader, horse-  
14 drawn vehicle, or any other vehicle principally designed for  
15 use off the highway and any such tractor, implement, vehicle,  
16 or grader when manufactured for sale or sold at retail after  
17 December 31, 1971, shall be identified with a reflective  
18 device ~~of-a-type-approved-by-the-director~~ in accordance with  
19 the standards of the American society of agricultural  
20 engineers; however, this provision shall not apply to such  
21 vehicles when traveling in any escorted parade. The  
22 reflective device shall be visible from the rear ~~and-mounted~~  
23 ~~in-a-manner-approved-by-the-director~~. ~~The-director,-when~~  
24 ~~approving-the-device,-shall-be-guided-as-far-as-practicable-by~~  
25 ~~the-standards-of-the-American-society-of-agricultural~~  
26 ~~engineers-~~ A vehicle other than those specified in this  
27 section shall not display a reflective device. On vehicles  
28 operating at speeds above thirty miles per hour, the  
29 reflective device shall be removed or hidden from view.

30 Sec. 17. Section 321.397, Code 1997, is amended to read as  
31 follows:

32 321.397 LAMPS ON BICYCLES.

33 Every bicycle shall be equipped with a lamp on the front  
34 exhibiting a white light, at the times specified in section  
35 321.384 visible from a distance of at least three hundred feet

1 to the front and with a lamp on the rear exhibiting a red  
2 light visible from a distance of three hundred feet to the  
3 rear; except that a red reflector ~~meeting-the-requirements-of~~  
4 ~~this-chapter~~ may be used in lieu of a rear light.

5 Sec. 18. Section 321.423, subsection 6, Code 1997, is  
6 amended to read as follows:

7 6. AMBER FLASHING LIGHT. A farm tractor, farm tractor  
8 with towed equipment, self-propelled implement of husbandry,  
9 road construction or maintenance vehicle, road grader, or  
10 other vehicle principally designed for use off the highway  
11 which, when operated on a primary or secondary road, is  
12 operated at a speed of twenty-five miles an hour or less,  
13 shall be equipped with and display an amber flashing light  
14 visible from the rear at any time from sunset to sunrise. If  
15 the amber flashing light is obstructed by the towed equipment,  
16 the towed equipment shall also be equipped with and display an  
17 amber flashing light as required under this subsection. All  
18 vehicles specified in this subsection which are manufactured  
19 for sale or sold in this state shall be equipped with an amber  
20 flashing light in accordance with the standards of the  
21 American society of agricultural engineers. ~~The-type,-number,-~~  
22 ~~dimensions,-and-method-of-mounting-of-the-lights-shall-be~~  
23 ~~determined-by-the-director.--The-director,-when-approving-the~~  
24 ~~light,-shall-be-guided-as-far-as-practicable-by-the-standards~~  
25 ~~of-the-American-society-of-agricultural-engineers.~~

26 Sec. 19. Section 321.424, Code 1997, is amended to read as  
27 follows:

28 321.424 SALE OF LIGHTS -- APPROVAL.

29 On and after July 4, 1955, ~~no~~ a person shall not have for  
30 sale, sell, or offer for sale for use upon or as a part of the  
31 equipment of a motor vehicle, trailer, or semitrailer, or use  
32 upon any such vehicle any headlamp, auxiliary, or fog lamp,  
33 rear lamp, signal lamp, or reflector, which reflector is  
34 required hereunder, or parts of any of the foregoing which  
35 tend to change the original design or performance, unless of a

1 type which has been submitted to the director and approved by  
2 the director.

3 ~~The foregoing provisions of this section shall not apply to~~  
4 ~~equipment in actual use when this section is adopted or~~  
5 ~~replacement parts therefor.~~

6 No A person shall not have for sale, sell, or offer for  
7 sale for use upon or as a part of the equipment of a motor  
8 vehicle, trailer, or semitrailer any ~~lamp or device mentioned~~  
9 ~~in this section which has been approved by the director~~  
10 headlamp, auxiliary or fog lamp, rear lamp, signal lamp, or  
11 reflector, unless such lamp or device bears thereon the  
12 trademark or name under which it is approved so as to be  
13 legible when installed.

14 ~~No person shall use upon any motor vehicle, trailer, or~~  
15 ~~semitrailer any lamps mentioned in this section unless said~~  
16 ~~lamps are mounted, adjusted and aimed in accordance with~~  
17 ~~instructions of the director.~~

18 Sec. 20. Section 321.430, subsection 3, Code 1997, is  
19 amended to read as follows:

20 3. Every trailer or semitrailer of a gross weight of three  
21 thousand pounds or more, and every trailer coach or travel  
22 trailer of a gross weight of three thousand pounds or more  
23 intended for use for human habitation, when operated on the  
24 highways of this state, shall be equipped with brakes adequate  
25 to control the movement of and to stop and hold such vehicle,  
26 and so designed as to be applied by the driver of the towing  
27 motor vehicle from its cab, or with self-actuating brakes, and  
28 weight equalizing hitch with a sway control ~~of a type approved~~  
29 ~~by the director of transportation.~~ Every semitrailer, travel  
30 trailer, or trailer coach of a gross weight of three thousand  
31 pounds or more shall be equipped with a separate, auxiliary  
32 means of applying the brakes on the semitrailer, travel  
33 trailer, or trailer coach from the cab of the towing vehicle.  
34 Trailers or semitrailers with a truck or truck tractor need  
35 only comply with the brake requirements.

1 Sec. 21. Section 321.444, subsection 3, Code 1997, is  
2 amended by striking the subsection.

3 Sec. 22. Section 321.445, subsection 1, Code 1997, is  
4 amended to read as follows:

5 1. Except for motorcycles or motorized bicycles, 1966  
6 model year or newer motor vehicles subject to registration in  
7 Iowa shall be equipped with safety belts and safety harnesses  
8 ~~of-a-type-and-installed-in-a-manner-approved-by-rules-adopted~~  
9 ~~by-the-department-pursuant-to-chapter-17A.--The-department~~  
10 ~~shall-adopt-rules-regarding-the-types-of-safety-belts-and~~  
11 ~~safety-harnesses-required-to-be-installed-in-motor-vehicles~~  
12 ~~and-the-manner-in-which-they-are-installed.--The-rules-shall~~  
13 which conform with federal motor vehicle safety standard  
14 numbers 209 and 210 as published in 49 C.F.R. § 571.209-  
15 571.210 and with prior federal motor vehicle safety standards  
16 for seat belt assemblies and seat belt assembly anchorages  
17 applicable for the motor vehicle's model year. The department  
18 may adopt rules which comply with changes in the applicable  
19 federal motor vehicle safety standards with regard to the type  
20 of safety belts and safety harnesses and their manner of  
21 installation.

22 Sec. 23. Section 321.450, unnumbered paragraph 2, Code  
23 1997, is amended to read as follows:

24 Notwithstanding other provisions of this section, rules  
25 adopted under this section concerning physical and medical  
26 qualifications for drivers of commercial vehicles engaged in  
27 intrastate commerce shall not be construed as disqualifying  
28 any individual who was employed as a driver of commercial  
29 vehicles engaged in intrastate commerce ~~prior-to-January-17~~  
30 1988, and whose physical or medical condition existed, prior  
31 to July 29, 1996.

32 Sec. 24. Section 321.450, Code 1997, is amended by adding  
33 the following new unnumbered paragraph:

34 NEW UNNUMBERED PARAGRAPH. Notwithstanding other provisions  
35 of this section, rules adopted under this section shall not

1 apply to a farmer or employees of a farmer when transporting  
2 an agricultural hazardous material between the sites in the  
3 farmer's agricultural operations unless the material is being  
4 transported on the interstate highway system. As used in this  
5 paragraph, "farmer" means a person engaged in the production  
6 or raising of crops, poultry, or livestock, "farmer" does not  
7 include a person who is a commercial applicator of  
8 agricultural chemicals or fertilizers.

9 Sec. 25. Section 321.462, unnumbered paragraph 2, Code  
10 1997, is amended by striking the unnumbered paragraph.

11 Sec. 26. Section 321.493, subsection 1, Code 1997, is  
12 amended to read as follows:

13 1. a. In Subject to paragraph "b", in all cases where  
14 damage is done by any motor vehicle by reason of negligence of  
15 the driver, and driven with the consent of the owner, the  
16 owner of the motor vehicle shall be liable for such damage.  
17 For purposes of this subsection, "owner" means the person to  
18 whom the certificate of title for the vehicle has been issued  
19 or assigned or to whom a manufacturer's or importer's  
20 certificate of origin for the vehicle has been delivered or  
21 assigned. However, if the vehicle is leased, "owner" means  
22 the person to whom the vehicle is leased, not the person to  
23 whom the certificate of title for the vehicle has been issued  
24 or assigned or to whom the manufacturer's or importer's  
25 certificate of origin for the vehicle has been delivered or  
26 assigned. For purposes of this subsection, "leased" means the  
27 transfer of the possession or right to possession of a vehicle  
28 to a lessee for a valuable consideration for a continuous  
29 period of twelve months or more, pursuant to a written  
30 agreement.

31 b. The motor vehicle liability insurance of the owner of  
32 the motor vehicle shall be secondary and, notwithstanding any  
33 provision of any applicable insurance policy or contract to  
34 the contrary, any motor vehicle liability insurance of the  
35 driver of the motor vehicle or of any other person vicariously

1 liable for the negligence of the driver of the motor vehicle  
2 shall be primary. As used in this paragraph, "motor vehicle  
3 liability insurance" means an automobile liability or motor  
4 vehicle liability policy insuring against liability for  
5 property damage, bodily injury, or death arising out of the  
6 ownership, maintenance, or use of a motor vehicle.

7 Sec. 27. Section 321H.2, subsection 9, Code 1997, is  
8 amended to read as follows:

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

14 Sec. 28. Section 321H.3, subsection 1, Code 1997, is  
15 amended to read as follows:

16 1. Selling or offering for sale used bodies, parts of  
17 bodies, frames, or component parts of more than six used  
18 vehicles subject to registration under chapter 321 in a  
19 calendar year; or

20 Sec. 29. Section 321H.3, subsection 4, Code 1997, is  
21 amended to read as follows:

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

29 Sec. 30. Section 321H.8, Code 1997, is amended to read as  
30 follows:

31 321H.8 PENALTIES.

32 A person convicted of violating a provision of this chapter  
33 is guilty of a ~~simple~~ serious misdemeanor.

34 Sec. 31. Section 322.2, Code 1997, is amended by adding  
35 the following new subsection:

1     NEW SUBSECTION. 6A. "Engaged in the business" means doing  
2 any of the following acts for the purpose of the sale of motor  
3 vehicles at retail: acquiring, selling, exchanging, holding,  
4 offering, displaying, brokering, accepting on consignment,  
5 conducting a retail auction, or acting as an agent for the  
6 purpose of doing any of those acts. A person selling at  
7 retail more than six motor vehicles during a twelve-month  
8 period may be presumed to be engaged in the business.

9     Sec. 32. Section 322.3, subsection 11, Code 1997, is  
10 amended to read as follows:

11     11. A person who is engaged in the business of selling  
12 motor vehicles at retail shall not sell, offer for sale,  
13 display, represent, or advertise that the person intends to  
14 sell motor vehicles from a location other than the person's  
15 place of business, except as provided in section 322.5.

16     Sec. 33. Section 322.14, unnumbered paragraph 1, Code  
17 1997, is amended to read as follows:

18     Any person violating any of the provisions of this chapter  
19 where a penalty is not specifically provided for shall be  
20 deemed guilty of a ~~simple~~ serious misdemeanor.

21     Sec. 34. Section 322.29, Code 1997, is amended to read as  
22 follows:

23     322.29   ISSUANCE OF LICENSE -- FEES.

24     Application for license shall be made to the department by  
25 a manufacturer, distributor, or wholesaler, ~~factory-branch~~  
26 ~~distributor-branch~~~~-factory-representative~~~~-or-distributor~~  
27 ~~representative~~ in a form and containing information as the  
28 department requires and shall be accompanied by the required  
29 license fee. Licenses shall be granted or refused within  
30 thirty days after application, and shall expire, unless sooner  
31 revoked or suspended, on December 31 of the calendar year for  
32 which they are granted.

33     License fees for each calendar year, or part thereof, shall  
34 be as follows effective January 1, ~~1988~~ 1998:

35     1. For a motor vehicle manufacturer, thirty-five dollars.



1     2. For a new motor vehicle distributor or wholesaler,  
2 twenty dollars.

3     3. For a used motor vehicle distributor or wholesaler, ten  
4 dollars.

5     ~~4.--For each factory branch of a motor vehicle manufacturer~~  
6 ~~in this state, ten dollars.~~

7     ~~5.--For a factory representative or distributor branch or~~  
8 ~~representative, five dollars.~~

9     A license shall not be issued to a person as a distributor  
10 or wholesaler for a new motor vehicle model unless the  
11 distributor or wholesaler has written authorization from the  
12 manufacturer as a distributor or wholesaler of the motor  
13 vehicle model. ~~A license shall not be issued to a factory~~  
14 ~~representative unless the person is employed by a licensed~~  
15 ~~manufacturer.--A license shall not be issued to a distributor~~  
16 ~~representative unless the person is employed by a licensed~~  
17 ~~distributor or wholesaler.--A license shall not be issued to a~~  
18 ~~factory branch unless the motor vehicle manufacturer~~  
19 ~~maintaining the branch is a licensed manufacturer nor shall a~~  
20 ~~license be issued to a distributor branch unless the~~  
21 ~~distributor maintaining the branch is a licensed distributor~~  
22 ~~or wholesaler.~~

23     A person who rebuilds new completed motor vehicles by  
24 fabricating, altering, adding, or replacing essential parts,  
25 components, or equipment for the purpose of building an  
26 ambulance, rescue vehicle, or fire vehicle as defined in  
27 chapter 321 may be issued a license as a wholesaler of new  
28 motor vehicles of the make and model rebuilt.

29     ~~Every factory representative or distributor representative~~  
30 ~~shall carry a license when engaged in business, and display~~  
31 ~~the license upon request.--The license shall name the~~  
32 ~~employer, and in case of a change of employer, the~~  
33 ~~representative shall immediately mail the license to the~~  
34 ~~department which shall endorse the change on the license~~  
35 ~~without charge.~~

1     Sec. 35. Section 322.31, Code 1997, is amended to read as  
2 follows:

3     322.31 DENIAL OF LICENSE.

4     The department may deny the application of any person for a  
5 license as a manufacturer, distributor, or wholesaler, ~~factory~~  
6 ~~branch,-distributor-branch,-factory-representative-or~~  
7 ~~distributor-representative~~ if after reasonable notice and a  
8 hearing the department determines that such applicant has  
9 violated any provision of this chapter and may revoke or  
10 suspend any such license that has been issued if the  
11 department shall determine after reasonable notice and a  
12 hearing that such licensee has violated any provision of this  
13 chapter.

14     Sec. 36. Section 322A.15, Code 1997, is amended by adding  
15 the following new unnumbered paragraph:

16     NEW UNNUMBERED PARAGRAPH. Good cause does not include a  
17 realignment, relocation, or reduction of dealerships.

18     Sec. 37. Section 322C.4, subsection 1, paragraph e, Code  
19 1997, is amended to read as follows:

20     e. If the applicant is a party to a contract, agreement or  
21 understanding with a manufacturer or distributor of travel  
22 trailers or is about to become a party to a contract,  
23 agreement, or understanding, the applicant shall state the  
24 name of each manufacturer and distributor and the make or  
25 makes of new ~~meter-vehicles~~ travel trailers, if any, which are  
26 the subject matter of the contract, agreement or  
27 understanding.

28     Sec. 38. Section 331.361, subsection 2, Code 1997, is  
29 amended by adding the following new paragraph:

30     NEW PARAGRAPH. d. If an interest in real property is  
31 being sold, exchanged, or donated to the state department of  
32 transportation for public purposes, the requirements of  
33 paragraphs "a" and "b" are waived.

34     Sec. 39. Section 364.7, Code 1997, is amended by adding  
35 the following new subsection:

1 NEW SUBSECTION. 4. If an interest in real property is  
2 being sold, exchanged or donated to the state department of  
3 transportation for public purposes, the requirements of  
4 subsections 1 and 2 are waived.

5 Sec. 40. Section 428A.4, unnumbered paragraph 1, Code  
6 1997, is amended to read as follows:

7 The county recorder shall refuse to record any deed,  
8 instrument, or writing, taxable under section 428A.1 for which  
9 payment of the tax determined on the full amount of the  
10 consideration in the transaction has not been paid except any  
11 deed, instrument, or writing in which the state of Iowa or any  
12 agency, instrumentality, or governmental or political  
13 subdivision thereof is the grantee as the result of  
14 acquisition of lands, whether by contract or condemnation, for  
15 public purposes through an exercise of the power of eminent  
16 domain. However, if the deed, instrument, or writing, is  
17 exempt under section 428A.2, the county recorder shall not  
18 refuse to record the document if there is filed with or  
19 endorsed on it a statement signed by either the grantor or  
20 grantee or an authorized agent, that the instrument or writing  
21 is excepted from the tax under section 428A.2. The validity  
22 of an instrument as between the parties, and as to any person  
23 who would otherwise be bound by the instrument, is not  
24 affected by the failure to comply with this section. If an  
25 instrument is accepted for recording or filing contrary to  
26 this section the failure to comply does not destroy or impair  
27 the record as notice.

28 Sec. 41. Section 452A.51, Code 1997, is amended to read as  
29 follows:

30 452A.51 PURPOSE.

31 The purpose of this division is to provide an additional  
32 method of collecting fuel taxes from interstate motor vehicle  
33 operators commensurate with their operations on Iowa highways;  
34 and to permit the state department of transportation to  
35 suspend this collection as to transportation entering Iowa

1 from any other state where it appears that Iowa highway fuel  
2 tax revenue and interstate highway transportation moving out  
3 of Iowa will not be unduly prejudiced thereby. Further, all  
4 motor vehicle operators from jurisdictions not participating  
5 in the international fuel tax agreement are required to comply  
6 with this chapter using the guidelines from the international  
7 fuel tax agreement for Iowa fuel tax compliance reporting  
8 purposes, penalty, interest, refunds, and credential display.

9 Sec. 42. Section 452A.53, unnumbered paragraphs 1, 2, and  
10 3, Code 1997, are amended to read as follows:

11 The advance arrangements referred to in the preceding  
12 section shall include the procuring of a permanent interstate  
13 fuel international fuel tax agreement permit or license or  
14 single trip interstate permit.

15 Persons choosing not to make advance arrangements with the  
16 state department of transportation by procuring a permit or  
17 license are not relieved of their responsibility to purchase  
18 motor fuel and special fuel commensurate with their use of the  
19 state's highway system. When there is reasonable cause to  
20 believe that there is evasion of the fuel tax on commercial  
21 motor vehicles, the state department of transportation may  
22 audit persons not holding a permit or license. Audits shall  
23 be conducted pursuant to section 452A.55 and in accordance  
24 with international fuel tax agreement guidelines. The state  
25 department of transportation shall collect all taxes due and  
26 refund any overpayment.

27 A permanent international fuel tax agreement permit or  
28 license may be obtained upon application to the state  
29 department of transportation. A fee of ten dollars shall be  
30 charged for each permit or license issued. The holder of a  
31 permanent permit or license shall have the privilege of  
32 bringing into this state in the fuel supply tanks of  
33 commercial motor vehicles any amount of motor fuel or special  
34 fuel to be used in the operation of the vehicles and for that  
35 privilege shall pay Iowa motor fuel or special fuel taxes as

1 provided in section 452A.54. A single trip interstate permit  
2 may be obtained from the state department of transportation.  
3 A fee of ~~twelve~~ twenty dollars shall be charged for each  
4 individual single trip interstate permit issued. A single  
5 trip interstate permit is subject to the following provisions  
6 and limitations:

7 Sec. 43. Section 452A.54, unnumbered paragraph 2, Code  
8 1997, is amended to read as follows:

9 Notwithstanding any provision of this chapter to the  
10 contrary, except as provided in this section, the holder of a  
11 permanent international fuel tax agreement permit or license  
12 may make application to the state department of transportation  
13 for a refund, not later than the last day of the third month  
14 following the quarter in which the overpayment of Iowa fuel  
15 tax paid on excess purchases of motor fuel or special fuel was  
16 reported as provided in section 452A.8, and which application  
17 is supported by such proof as the state department of  
18 transportation may require. The state department of  
19 transportation shall refund Iowa fuel tax paid on motor fuel  
20 or special fuel purchased in excess of the amount consumed by  
21 such commercial motor vehicles in their operation on the  
22 highways of this state.

23 Sec. 44. Section 452A.54, unnumbered paragraph 4, Code  
24 1997, is amended to read as follows:

25 To determine the amount of fuel taxes due under this  
26 division and to prevent the evasion thereof, the state  
27 department of transportation shall require a quarterly report  
28 on forms prescribed by the state department of transportation.  
29 It shall be filed not later than the last day of the month  
30 following the quarter reported, and each quarter thereafter.  
31 These reports shall be required of all persons who have been  
32 issued a permit or license under this division and shall cover  
33 actual operation and fuel consumption in Iowa on the basis of  
34 the permit or license holder's average consumption of fuel in  
35 Iowa, determined by the total miles traveled and the total

1 fuel purchased and consumed for highway use by the permittee's  
2 or licensee's commercial motor vehicles in the permittee's or  
3 licensee's entire operation in all states to establish an  
4 overall miles per gallon ratio, which ratio shall be used to  
5 compute the gallons used for the miles traveled in Iowa.

6 Sec. 45. Section 452A.55, Code 1997, is amended to read as  
7 follows:

8 452A.55 RECORDS.

9 Every person operating within the purview of this division  
10 shall make and keep for a period of ~~three~~ four years such  
11 records as may reasonably be required by the state department  
12 of transportation for the administration of this division. If  
13 in the normal conduct of the business, the required records  
14 are maintained and kept at an office outside the state of  
15 Iowa, it shall be a sufficient compliance with this section if  
16 the records are made available for audit and examination by  
17 the state department of transportation at the office outside  
18 Iowa.

19 The state department of transportation within a period of  
20 one year from the issuance of a permanent ~~interstate~~  
21 international fuel tax agreement fuel permit or license may  
22 audit the records of the permittee or licensee for the two  
23 years preceding the issuance of the permit or license. The  
24 state department of transportation shall collect all taxes due  
25 had the permittee or licensee been licensed for the two years  
26 prior to the issuance of the permit or license and shall  
27 refund any overpayment pursuant to section 452A.54. When, as  
28 a result of an audit, fuel taxes unpaid and due the state of  
29 Iowa exceed five hundred dollars, the audit shall be at the  
30 expense of the person whose records are being audited.  
31 However, if an audit of records maintained under this section  
32 is made outside the state of Iowa in a state which requires  
33 payment of the costs for similar audits performed by officials  
34 or employees of the other state when made in Iowa, then all  
35 costs of audits performed outside of Iowa in the other state

1 shall be at the expense of the person whose records are  
2 audited.

3 Sec. 46. Section 558.58, subsection 2, Code 1997, is  
4 amended to read as follows:

5 2. When the person required to pay a fee and a tax  
6 relating to a real estate transaction is a governmental  
7 subdivision or agency, the recorder, at the request of the  
8 governmental subdivision or agency, shall bill the  
9 governmental subdivision or agency for the fees and taxes  
10 required to be paid for documents filed or recorded by it.  
11 The governmental subdivision or agency shall pay the fees and  
12 taxes due within thirty days after the date of filing the  
13 bill.

14 Sec. 47. Section 805.8, subsection 2, paragraph w, Code  
15 1997, is amended to read as follows:

16 w. For failure to have a valid license or permit for  
17 operating a motor vehicle on the highways of this state  
18 pursuant to section 321.174 or for operating a motor vehicle  
19 on the highways of this state with an expired license or  
20 permit under section 321.174A, the scheduled fine is twenty  
21 dollars.

22 Sec. 48. Section 805.8, subsection 2, Code 1997, is  
23 amended by adding the following new paragraph:

24 NEW PARAGRAPH. ad. For violations of section 321.57, the  
25 scheduled fine is fifty dollars. For violations of section  
26 321.62, the scheduled fine is fifty dollars.

27 Sec. 49. Sections 321.27, 321.120, 321.391, 321.424,  
28 321.428, and 321.429, Code 1997, are repealed.

29 EXPLANATION

30 This bill does the following:

31 Code section 321.1, containing definitions applicable to  
32 Code chapter 321, is amended by adding a definition of  
33 agricultural hazardous material and adding to the definition  
34 of new motor vehicle. "Agricultural hazardous material" is a  
35 hazardous material which directly supports the production of

1 an agricultural commodity, other than hazardous waste,  
2 including fertilizer, pesticides, soil conditioners, or fuel,  
3 as found in certain provisions of title 49, Code of Federal  
4 Regulations.

5 "New motor vehicle or new car" is defined as a motor  
6 vehicle subject to registration which has not been sold at  
7 retail.

8 Code section 321.25 is amended to provide that only one  
9 "registration applied for" card will be issued for each motor  
10 vehicle purchased. Currently, there is no reference in the  
11 Code regarding whether multiple cards may be issued.

12 Code section 321.50 is amended to provide that the release  
13 of security interest on a vehicle with a gross weight rating  
14 of 16,000 pounds or more is to be noted on the title or may be  
15 noted on a department form.

16 Code section 321.52, regarding salvage theft examinations,  
17 is amended to eliminate language which is no longer necessary  
18 relating to transition provisions regarding the implementation  
19 of salvage theft examinations.

20 Code section 321.69, regarding damage disclosure  
21 statements, is amended to provide that damage disclosure  
22 statements are not required to be provided to purchasers of  
23 new motor vehicles.

24 Code section 321.104 is amended to require that a person  
25 obtain a certificate of title in the person's name prior to  
26 selling, offering for sale, or transferring a motor vehicle,  
27 trailer, or semitrailer, unless the transaction is exempt  
28 because the person acquiring the vehicle is a dealer or title  
29 is transferred by operation of law. Failure to comply with  
30 this provision is a simple misdemeanor.

31 New Code section 321.174A is created, making it a separate  
32 offense to drive with an expired license. Currently, this  
33 offense is contained within the offense of operating without a  
34 license in Code section 321.174. This offense continues to be  
35 punishable by a \$20 scheduled fine.



1 Code section 321.208A is amended by eliminating language  
2 requiring the department of transportation to adopt out-of-  
3 service rules for commercial driver's license holders which  
4 are consistent with 49 C.F.R. § 392.5. Currently, this  
5 section only imposes a penalty for violators of out-of-service  
6 orders regarding alcohol-related violations.

7 Code section 321.236, regarding local control over motor  
8 vehicles, is amended by eliminating the requirement that the  
9 director of the department of transportation promulgate rules  
10 setting standards for snow tires and to provide that a person  
11 who is charged with impeding traffic due to not having snow  
12 tires, chains, or a nonslip differential shall have the charge  
13 dismissed upon showing that the person's motor vehicle was  
14 equipped with snow tires or chains.

15 Code section 321.266 is amended to provide that when a  
16 local law enforcement agency is notified of a traffic accident  
17 involving hazardous materials, the agency will notify the  
18 state department of transportation. Currently, local law  
19 enforcement agencies are only required to notify the Iowa  
20 highway safety patrol.

21 Code sections 321.309 and 321.462 are amended to eliminate  
22 the requirement that drawbars or towing arms used to pull one  
23 motor vehicle by another or the connection between a truck  
24 tractor and a semitrailer with a gross weight of 3,000 pounds  
25 or more be approved by the director of the state department of  
26 transportation.

27 Code section 321.317 is amended to eliminate the necessity  
28 of approval by the department of transportation of mechanical  
29 or electrical directional signals or lights. Code section  
30 327A.13 is amended to conform with the change to section  
31 321.317.

32 Code section 321.373 is amended to eliminate the  
33 requirement that the department of transportation approve the  
34 type of flashing strobe lights mounted on school buses.

35 Code sections 321.383 and 321.423 are amended to require

1 that reflective devices and amber flashing lights on slow-  
2 moving vehicles be in accordance with the standards of the  
3 American society of agricultural engineers instead of approved  
4 by the director of the state department of transportation.

5 Code section 321.397 is amended to eliminate the  
6 requirement that red reflectors on bicycles meet any  
7 requirements under chapter 321.

8 Code section 321.424 is amended to eliminate the  
9 requirement that motor vehicle lights be approved by and  
10 installed in accordance with the directives of the director of  
11 the state department of transportation and conforms language  
12 in the section with this change.

13 Code section 321.430 is amended to eliminate the  
14 requirement that the director approve weight-equalizing  
15 hitches.

16 Code section 321.444, subsection 3, is stricken. This  
17 subsection required the director to publish a list of approved  
18 types of automobile safety glass, to refuse to register motor  
19 vehicles which did not have an approved type of safety glass,  
20 and to suspend the registration of a motor vehicle not so  
21 equipped.

22 Code section 321.445 eliminates the requirement that the  
23 department of transportation adopt rules regarding seat belts.  
24 The amended section now requires that 1966 model year and  
25 newer motor vehicles be equipped with seat belts conforming to  
26 federal standards.

27 Code section 321.450 is amended to provide that the section  
28 or rules adopted in accordance with the section do not  
29 disqualify a person employed as a driver of commercial  
30 vehicles engaged in commerce within the state prior to July  
31 29, 1996, who had a physical or medical condition which also  
32 existed prior to July 29, 1996, from employment as a driver of  
33 commercial vehicles engaged in intrastate commerce. The  
34 section is also amended to exempt farmers or their employees  
35 from hazardous materials transport rules when transporting

1 agricultural hazardous materials between sites in the farmer's  
2 agricultural operations, unless the material is being  
3 transported on an interstate highway. Farmer is also defined  
4 as a person engaged in the production or raising of crops,  
5 poultry, or livestock, except a commercial applicator of  
6 agricultural chemicals or fertilizers.

7 Code section 321.493, regarding owner's liability, is  
8 amended to provide that the owner's vehicle liability  
9 insurance is secondary to the vehicle liability insurance of  
10 the driver or a person vicariously responsible for the  
11 negligence of the driver.

12 Code section 321H.2 is amended by adding "junking" to the  
13 description of "vehicle salvager".

14 Code section 321H.3 is amended by adding the junking of and  
15 the offering for sale of more than six bodies, parts of  
16 bodies, or frames of used vehicles which are subject to  
17 registration under chapter 321 in a calendar year to the  
18 activities prohibited a person who is not otherwise authorized  
19 to recycle used vehicles.

20 Code section 321H.8 is amended to increase the penalty for  
21 a violation of the vehicle recycling chapter, chapter 321H,  
22 from a simple to a serious misdemeanor.

23 Code section 322.2 (definitions regarding motor vehicle  
24 manufacturers, distributors, and dealers) is amended to add a  
25 definition of "engaged in the business". This is defined as  
26 acquiring, selling, exchanging, holding, offering, displaying,  
27 brokering, accepting on consignment, conducting a retail  
28 auction, or acting as an agent for any of those purposes for  
29 the purpose of the retail sale of motor vehicles. A person  
30 selling more than six motor vehicles during a 12-month period  
31 is presumed to be engaged in the business of selling motor  
32 vehicles.

33 Code section 322.3 is amended to prohibit a person engaged  
34 in the business of selling motor vehicles at retail from  
35 displaying motor vehicles at a location other than the

1 person's place of business unless an exception under section  
2 322.5 applies.

3 Code section 322.14 is amended to increase the penalty for  
4 a violation of chapter 322 when a penalty is not specifically  
5 provided for from a simple to a serious misdemeanor.

6 Code sections 322.29 and 322.31 are amended to eliminate  
7 the licensing of motor vehicle factory or distributor  
8 representatives.

9 Code section 322A.15 is amended to provide that the  
10 realignment, relocation, or reduction of motor vehicle  
11 dealerships cannot constitute good cause for terminating a  
12 dealer franchise.

13 Code section 322C.4, regarding travel trailer dealers'  
14 license applications and fees, is amended to replace a  
15 reference to motor vehicles with the correct reference to  
16 travel trailers.

17 Code sections 331.361 and 364.7 are amended to exempt  
18 sales, exchanges, or donations of real property to the  
19 department of transportation for public purposes by counties  
20 and cities from the requirements that the governing body of  
21 the city or county adopt a resolution and hold a public  
22 hearing regarding the transfer.

23 Code section 428A.4 is amended to waive the requirement  
24 that the real estate transfer tax be paid on the acquisition  
25 of real estate by the state or a political subdivision of the  
26 state before the county recorder will record the transaction.

27 Code section 452A.51 is amended to require that all motor  
28 vehicle operators from jurisdictions not participating in the  
29 international fuel tax agreement comply with chapter 452A  
30 (motor fuel taxes) by using the guidelines from the agreement  
31 for reporting purposes, penalty, interest, and credential  
32 display.

33 Code sections 452A.53 (fuel tax permits), 452A.54 (fuel tax  
34 computation, refund, reporting, and payment), and 452A.55  
35 (records) are amended to provide that permanent fuel permits

1 or licenses must comply with the international fuel tax  
2 agreement. Section 452A.53 is amended to increase the fee for  
3 a single trip interstate permit from \$12 to \$20. Code section  
4 452A.55 is also amended to require records to be kept for a  
5 period of four years; currently records are required to be  
6 kept for three years.

7 Code section 558.58 is amended to provide that a  
8 governmental subdivision or agency which is party to a real  
9 estate transaction may be billed for any fee or tax required  
10 to be paid, with payment being due 30 days from the date of  
11 the bill.

12 Code section 805.8, subsection 2 (citations for traffic  
13 violations), is amended to provide for a \$50 scheduled fine  
14 for violations of section 321.57 (operation under special  
15 plates) and for violations of section 321.62 (transporter or  
16 dealer records). The Code section is also amended to  
17 specifically provide for a \$20 scheduled fine for operating a  
18 motor vehicle with an expired license or permit.

19 Code sections 321.27 (implementation period for 12-month  
20 registration), 321.120 (trucks with solid rubber tires), and  
21 321.391 (approval of reflectors), 321.424, 321.428, and  
22 321.429 (approval of lighting equipment) are repealed.

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SENATE FILE 132

AN ACT

RELATING TO STATE DEPARTMENT OF TRANSPORTATION OPERATIONS, INCLUDING REGULATING HAZARDOUS MATERIALS TRANSPORT, REGULATING MOTOR VEHICLE DEALERS, ELIMINATING REQUIREMENTS THAT THE DEPARTMENT ADOPT ADMINISTRATIVE RULES IN CERTAIN INSTANCES, AND ESTABLISHING, MAKING APPLICABLE, OR ENHANCING PENALTIES.

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

Section 1. Section 321.1, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 0A. "Agricultural hazardous material" means a hazardous material, other than hazardous waste, whose end use directly supports the production of an agricultural commodity, including, but not limited to, a fertilizer, pesticide, soil conditioner, or fuel. "Agricultural hazardous material" is limited to material in class 3, 8, or 9, division 2.1, 2.2, 5.1, or 6.1, or an ORM-D material as defined in 49 C.F.R. § 171.8.

Sec. 2. Section 321.1, subsection 42, paragraph c, Code 1997, is amended to read as follows:

c. "New motor vehicle or new car" means a car motor vehicle subject to registration which has not been sold "at retail" as defined in chapter 322.

Sec. 3. Section 321.11, unnumbered paragraph 3, Code 1997, is amended to read as follows:

Notwithstanding other provisions of this section to the contrary, the department shall not release personal

information to a person, other than to an officer or employee of a law enforcement agency or a licensed private investigation agency or a licensed security service or a licensed employee of either, if the information is requested by the presentation of a registration plate number. However, a law enforcement agency may release the name, address, and telephone number of a motor vehicle registrant to a person requesting the information by the presentation of a registration plate number if the law enforcement agency believes that the information is necessary to prevent an unlawful act. A person seeking the information shall state in writing the nature of the unlawful act that the person is attempting to prevent.

Sec. 4. Section 321.25, unnumbered paragraph 2, Code 1997, is amended to read as follows:

The department shall, upon request by any dealer, furnish "registration applied for" cards free of charge. Only cards furnished by the department shall be used. Only one card shall be issued in accordance with this subsection for each vehicle purchased.

Sec. 5. Section 321.34, subsection 9, Code 1997, is amended to read as follows:

9. LEASED VEHICLES. Registration plates under this section, including disabled veteran plates specified in section 321.105, may be issued to the lessee of a motor vehicle if the lessee provides evidence of a lease for a period of more than sixty days and if the lessee complies with the requirements, under this section, for issuance of the specific registration plates.

Sec. 6. Section 321.50, subsection 4, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. However, when a security interest is discharged for a vehicle with a gross vehicle weight rating of sixteen thousand pounds or more, the lienholder shall note the cancellation of a security interest on the face of the title and may note the cancellation of the

security interest on a form prescribed by the department and deliver a copy of the form in lieu of the title to the department or to the treasurer of the county in which the title was issued. The department or county treasurer shall note the release of the security interest upon the statewide computer system and the county's records. A copy of the form, if used, shall be attached to the title by the lienholder and shall be evidence of the release of the security interest. The lienholder shall deliver the title to the first lienholder, or if there is no such person, to the person as designated by the owner, or if there is no such person designated, to the owner.

Sec. 7. Section 321.52, subsection 4, paragraph c, unnumbered paragraph 2, Code 1997, is amended to read as follows:

~~The provision of this subsection requiring a salvage theft examination by a peace officer specially certified or recertified by the Iowa law enforcement academy to do salvage theft examinations shall become effective July 17, 1989. Salvage theft examinations conducted before July 17, 1989, shall be made by peace officers authorized to do so by the state department of transportation or the department of public safety who are qualified, as determined by those agencies, to conduct salvage theft examinations. The state department of transportation shall adopt rules in accordance with chapter 17A to carry out this section, including transition rules allowing for salvage theft examinations prior to July 17, 1989.~~

Sec. 8. Section 321.69, subsection 9, Code 1997, is amended to read as follows:

9. This section does not apply to new motor vehicles with a true mileage, as defined in section 321.71, of one thousand miles or less, motor trucks and truck tractors with a gross vehicle weight rating of sixteen thousand pounds or more, vehicles more than nine model years old, motorcycles, motorized bicycles, and special mobile equipment. The section does apply to motor homes.

Sec. 9. Section 321.104, subsection 4, Code 1997, is amended to read as follows:

4. To ~~purport to sell, offer for sale, or transfer a motor vehicle, trailer, or semitrailer, except as provided in section 321.47 or 321.48, without obtaining a certificate of title in the name of the seller or transferor or without delivering to the purchaser or transferee a certificate of title or a manufacturer's or importer's certificate duly assigned to the purchaser or transferee as provided in this chapter.~~

Sec. 10. Section 321.105, unnumbered paragraph 5, Code 1997, is amended to read as follows:

Seriously disabled veterans who have been provided with an automobile or other vehicle by the United States government under the provisions of sections 1901 to 1903, Title 38 of the United States Code, 438 U.S.C. § 1901 et seq. (1970), shall be exempt from payment of any automobile registration fee provided in this chapter, and shall be provided, without fee, with a registration plate. The disabled veteran, to be able to claim the above benefit, must be a resident of the state of Iowa and ~~must produce a certificate of title to the automobile owned and registered in this state in the name of said veteran.~~

Sec. 11. NEW SECTION. 321.174A OPERATION OF MOTOR VEHICLES WITH EXPIRED LICENSE.

A person shall not operate a motor vehicle upon a highway in this state with an expired motor vehicle license.

Sec. 12. Section 321.208A, Code 1997, is amended to read as follows:

321.208A OPERATION IN VIOLATION OF OUT-OF-SERVICE ORDER -- PENALTY.

A person required to hold a commercial driver's license to operate a commercial motor vehicle shall not operate a commercial motor vehicle on the highways of this state in violation of an out-of-service order issued by a peace officer for a violation of the out-of-service rules adopted by the

department. An employer shall not allow an employee to drive a commercial motor vehicle in violation of such out-of-service order. ~~The department shall adopt out-of-service rates which shall be consistent with 49-C.F.R. § 392.5 adopted as of a specific date by the department.~~ A person who violates this section shall be subject to a penalty of one hundred dollars.

Sec. 13. Section 321.236, subsection 12, Code 1997, is amended to read as follows:

12. Designating highways or portions of highways as snow routes. When conditions of snow or ice exist on the traffic surface of a designated snow route, it is unlawful for the driver of a vehicle to impede or block traffic if the driving wheels of the vehicle are not equipped with snow tires, tire chains, or a nonslip differential. ~~"Snow tires" as used in this subsection means tires designed for use when there are conditions of snow or ice on the highways; and meeting the standards which shall be promulgated by rule of the director of transportation. The standards promulgated by the director shall require that snow tires be so designed to provide adequate traction to maintain reasonable movement of the motor vehicle on highways under snow conditions.~~

Any A person charged with impeding or blocking traffic for lack of snow tires, chains, or nonslip differential shall have ~~said~~ the charge dismissed upon a showing to the court that the person's motor vehicle was equipped with snow tires, chains, or a nonslip differential.

Sec. 14. Section 321.249, Code 1997, is amended to read as follows:

#### 321.249 SCHOOL ZONES.

Cities and counties shall have the power to establish school zones and provide for the stopping of all motor vehicles approaching ~~said~~ the school zones, when movable stop signs have been placed in the streets in ~~such~~ the cities and highways in counties at the limits of the zones, ~~this~~ notwithstanding the provisions of any statute to the contrary. All traffic-control devices provided for school zones shall

conform to specifications included in the manual of traffic-control devices adopted by the department, except the provision prohibiting the use of portable or part-time stop signs.

Sec. 15. Section 321.266, subsection 4, Code 1997, is amended to read as follows:

4. Notwithstanding section 455B.386, a carrier transporting hazardous material upon a public highway in this state, in the case of an accident involving the transportation of the hazardous material, shall immediately notify the police radio broadcasting system established pursuant to section 693.1 or shall notify a peace officer of the county or city in which the accident occurs. When a local law enforcement agency is informed of the accident, the agency shall notify the Iowa highway safety patrol and the state department of transportation office of motor vehicle enforcement. A person who violates a provision of this subsection is guilty of a serious misdemeanor.

Sec. 16. Section 321.309, Code 1997, is amended to read as follows:

#### 321.309 TOWING -- CONVOYS -- DRAWBARS.

No A person shall not pull or tow by motor vehicle, for hire, another motor vehicle over any highway outside the limits of any incorporated city, except in case of temporary movement of a disabled motor vehicle to the place where repairs will be made, unless such the person has complied with the provisions of sections 321.57 and 321.58. Provided, however, if such the person is a nonresident of the state of Iowa and has complied with the laws of the state of that person's residence governing licensing and registration as a transporter of motor vehicles the person shall not be required to pay the fee provided in section 321.58 but only to submit proof of the person's status as a bona fide manufacturer or transporter as may reasonably be required by the department.

Every A person pulling or towing by motor vehicle another motor vehicle in convoy or caravan shall maintain a distance



of at least five hundred feet between the units of said the convoy or caravan.

~~The drawbar or towing arm between a motor vehicle pulling or towing another motor vehicle shall be of a type approved by the director, except in case of the temporary movement of a disabled vehicle in an emergency situation:~~

Sec. 17. Section 321.317, subsection 1, Code 1997, is amended to read as follows:

1. The signals required under the provisions of this chapter may be given either by means of the hand and arm as provided in section 321.318, or by a mechanical or electrical directional signal device or light ~~of a type approved by the department~~ and conforming to the provisions of this chapter relating thereto.

Sec. 18. Section 321.317, subsection 3, Code 1997, is amended to read as follows:

3. It is unlawful for any person to sell or offer for sale or operate on the highways of the state any vehicle subject to registration under the provisions of this chapter which has never been registered in this or any other state prior to January 1, 1954, unless the vehicle is equipped with a directional signal device of a type approved by the department and is in compliance with the provisions of subsection 2 of this section. Motorcycles, motorized bicycles and semitrailers and trailers less than forty inches in width are exempt from the provisions of this section.

Sec. 19. Section 321.373, subsection 7, Code 1997, is amended to read as follows:

7. A school bus may be equipped with a white flashing strobe light mounted on the roof of the bus to afford optimum visibility during periods of inclement weather. The light shall be ~~of a type approved by the department of transportation~~ and shall be installed and operated in accordance with rules promulgated by the department of education. Each new school bus put into initial service after January 1, 1977, shall be equipped with such a light.

Sec. 20. Section 321.383, subsection 2, Code 1997, is amended to read as follows:

2. When operated on a highway in this state at a speed of thirty miles per hour or less, every farm tractor, or tractor with towed equipment, self-propelled implement of husbandry, road construction or maintenance vehicle, road grader, horse-drawn vehicle, or any other vehicle principally designed for use off the highway and any such tractor, implement, vehicle, or grader when manufactured for sale or sold at retail after December 31, 1971, shall be identified with a reflective device ~~of a type approved by the director~~ in accordance with the standards of the American society of agricultural engineers; however, this provision shall not apply to such vehicles when traveling in any escorted parade. The reflective device shall be visible from the rear and mounted ~~in a manner approved by the director~~. ~~The director, when approving the device, shall be guided as far as practicable by the standards of the American society of agricultural engineers.~~ A vehicle other than those specified in this section shall not display a reflective device. On vehicles operating at speeds above thirty miles per hour, the reflective device shall be removed or hidden from view.

Sec. 21. Section 321.397, Code 1997, is amended to read as follows:

321.397 LAMPS ON BICYCLES.

Every bicycle shall be equipped with a lamp on the front exhibiting a white light, at the times specified in section 321.384 visible from a distance of at least three hundred feet to the front and with a lamp on the rear exhibiting a red light visible from a distance of three hundred feet to the rear; except that a red reflector ~~meeting the requirements of this chapter~~ may be used in lieu of a rear light.

Sec. 22. Section 321.423, subsection 6, Code 1997, is amended to read as follows:

6. AMBER FLASHING LIGHT. A farm tractor, farm tractor with towed equipment, self-propelled implement of husbandry,

road construction or maintenance vehicle, road grader, or other vehicle principally designed for use off the highway which, when operated on a primary or secondary road, is operated at a speed of twenty-five miles an hour or less, shall be equipped with and display an amber flashing light visible from the rear at any time from sunset to sunrise. If the amber flashing light is obstructed by the towed equipment, the towed equipment shall also be equipped with and display an amber flashing light as required under this subsection. All vehicles specified in this subsection which are manufactured for sale or sold in this state shall be equipped with an amber flashing light in accordance with the standards of the American society of agricultural engineers. ~~The type, number, dimensions, and method of mounting of the lights shall be determined by the director;--The director, when approving the light, shall be guided as far as practicable by the standards of the American society of agricultural engineers.~~

Sec. 23. Section 321.424, Code 1997, is amended to read as follows:

321.424 SALE OF LIGHTS -- APPROVAL.

On and after July 4, 1955, no a person shall not have for sale, sell, or offer for sale for use upon or as a part of the equipment of a motor vehicle, trailer, or semitrailer, or use upon any such vehicle any headlamp, auxiliary, or fog lamp, rear lamp, signal lamp, or reflector, which reflector is required hereunder, or parts of any of the foregoing which tend to change the original design or performance, unless of a type which has been submitted to the director and approved by the director.

~~The foregoing provisions of this section shall not apply to equipment in actual use when this section is adopted or replacement parts therefor.~~

No A person shall not have for sale, sell, or offer for sale for use upon or as a part of the equipment of a motor vehicle, trailer, or semitrailer any lamp or device mentioned in this section which has been approved by the director

headlamp, auxiliary or fog lamp, rear lamp, signal lamp, or reflector, unless such lamp or device bears thereon the trademark or name under which it is approved so as to be legible when installed.

~~No person shall use upon any motor vehicle, trailer, or semitrailer any lamps mentioned in this section unless said lamps are mounted, adjusted and aimed in accordance with instructions of the director.~~

Sec. 24. Section 321.430, subsection 3, Code 1997, is amended to read as follows:

3. Every trailer or semitrailer of a gross weight of three thousand pounds or more, and every trailer coach or travel trailer of a gross weight of three thousand pounds or more intended for use for human habitation, when operated on the highways of this state, shall be equipped with brakes adequate to control the movement of and to stop and hold such vehicle, and so designed as to be applied by the driver of the towing motor vehicle from its cab, or with self-actuating brakes, and weight equalizing hitch with a sway control ~~of a type approved by the director of transportation.~~ Every semitrailer, travel trailer, or trailer coach of a gross weight of three thousand pounds or more shall be equipped with a separate, auxiliary means of applying the brakes on the semitrailer, travel trailer, or trailer coach from the cab of the towing vehicle. Trailers or semitrailers with a truck or truck tractor need only comply with the brake requirements.

Sec. 25. Section 321.444, subsection 3, Code 1997, is amended by striking the subsection.

Sec. 26. Section 321.445, subsection 1, Code 1997, is amended to read as follows:

1. Except for motorcycles or motorized bicycles, 1966 model year or newer motor vehicles subject to registration in Iowa shall be equipped with safety belts and safety harnesses ~~of a type and installed in a manner approved by rules adopted by the department pursuant to chapter 17A.~~ The department shall adopt rules regarding the types of safety belts and

~~safety-harnesses-required-to-be-installed-in-motor-vehicles and-the-manner-in-which-they-are-installed. The rules shall~~ which conform with federal motor vehicle safety standard numbers 209 and 210 as published in 49 C.F.R. § 571.209-571.210 and with prior federal motor vehicle safety standards for seat belt assemblies and seat belt assembly anchorages applicable for the motor vehicle's model year. The department may adopt rules which comply with changes in the applicable federal motor vehicle safety standards with regard to the type of safety belts and safety harnesses and their manner of installation.

Sec. 27. Section 321.450, unnumbered paragraph 2, Code 1997, is amended to read as follows:

Notwithstanding other provisions of this section, rules adopted under this section concerning physical and medical qualifications for drivers of commercial vehicles engaged in intrastate commerce shall not be construed as disqualifying any individual who was employed as a driver of commercial vehicles engaged in intrastate commerce ~~prior to January 17, 1988, and whose physical or medical condition existed, prior to July 29, 1996.~~

Sec. 28. Section 321.450, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding other provisions of this section, rules adopted under this section shall not apply to a farmer or employees of a farmer when transporting an agricultural hazardous material between the sites in the farmer's agricultural operations unless the material is being transported on the interstate highway system. As used in this paragraph, "farmer" means a person engaged in the production or raising of crops, poultry, or livestock, "farmer" does not include a person who is a commercial applicator of agricultural chemicals or fertilizers.

Sec. 29. Section 321.462, unnumbered paragraph 2, Code 1997, is amended by striking the unnumbered paragraph.

Sec. 30. Section 321.493, subsection 1, Code 1997, is amended to read as follows:

1. a. in Subject to paragraph "b", in all cases where damage is done by any motor vehicle by reason of negligence of the driver, and driven with the consent of the owner, the owner of the motor vehicle shall be liable for such damage. For purposes of this subsection, "owner" means the person to whom the certificate of title for the vehicle has been issued or assigned or to whom a manufacturer's or importer's certificate of origin for the vehicle has been delivered or assigned. However, if the vehicle is leased, "owner" means the person to whom the vehicle is leased, not the person to whom the certificate of title for the vehicle has been issued or assigned or to whom the manufacturer's or importer's certificate of origin for the vehicle has been delivered or assigned. For purposes of this subsection, "leased" means the transfer of the possession or right to possession of a vehicle to a lessee for a valuable consideration for a continuous period of twelve months or more, pursuant to a written agreement.

b. The owner of a vehicle with a gross vehicle weight rating of seven thousand five hundred pounds or more who rents the vehicle for less than a year under an agreement which requires an insurance policy covering at least the minimum levels of financial responsibility prescribed by law, shall not be deemed to be the owner of the vehicle for the purpose of determining financial responsibility for the operation of the vehicle or for the acts of the operator in connection with the vehicle's operation.

Sec. 31. Section 321.560, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A person who is determined to be a habitual offender while the person's license is already revoked for being a habitual offender under section 321.555 shall not be issued a license to operate a motor vehicle in this state for a period of not less than two years nor more

than six years. The revocation period may commence either on the date of the final decision of the department under section 17A.19 or the date on which the district court upholds the final decision of the department, whichever occurs later, or on the date the previous revocation expires.

Sec. 32. Section 321H.2, subsection 9, Code 1997, is amended to read as follows:

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

Sec. 33. Section 321H.3, subsection 1, Code 1997, is amended to read as follows:

1. Selling or offering for sale used bodies, parts of bodies, frames, or component parts of more than six used vehicles subject to registration under chapter 321 in a calendar year; or

Sec. 34. Section 321H.8, Code 1997, is amended to read as follows:

#### 321H.8 PENALTIES.

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

Sec. 35. Section 322.2, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. "Engaged in the business" means doing any of the following acts for the purpose of the sale of motor vehicles at retail: acquiring, selling, exchanging, holding, offering, displaying, brokering, accepting on consignment, conducting a retail auction, or acting as an agent for the purpose of doing any of those acts. A person selling at retail more than six motor vehicles during a twelve-month period may be presumed to be engaged in the business.

Sec. 36. Section 322.3, subsection 11, Code 1997, is amended to read as follows:

11. A person who is engaged in the business of selling motor vehicles at retail shall not sell, offer for sale, display, represent, or advertise that the person intends to sell motor vehicles from a location other than the person's place of business, except as provided in section 322.5.

Sec. 37. Section 322.14, unnumbered paragraph 1, Code 1997, is amended to read as follows:

Any person violating any of the provisions of this chapter where a penalty is not specifically provided for shall be deemed guilty of a simple serious misdemeanor.

Sec. 38. Section 322.29, Code 1997, is amended to read as follows:

#### 322.29 ISSUANCE OF LICENSE -- FEES.

Application for license shall be made to the department by a manufacturer, distributor, or wholesaler, ~~factory-branch-distributor-branch-factory-representative-or-distributor-representative~~ in a form and containing information as the department requires and shall be accompanied by the required license fee. Licenses shall be granted or refused within thirty days after application, and shall expire, unless sooner revoked or suspended, on December 31 of the calendar year for which they are granted.

License fees for each calendar year, or part thereof, shall be as follows effective January 1, ~~1988~~ 1998:

1. For a motor vehicle manufacturer, thirty-five dollars.
2. For a new motor vehicle distributor or wholesaler, twenty dollars.
3. For a used motor vehicle distributor or wholesaler, ten dollars.
- ~~4---For-each-factory-branch-of-a-motor-vehicle-manufacturer-in-this-state-ten-dollars-~~
- ~~5---For-a-factory-representative-or-distributor-branch-or-representative-five-dollars-~~

A license shall not be issued to a person as a distributor or wholesaler for a new motor vehicle model unless the distributor or wholesaler has written authorization from the

~~manufacturer as a distributor or wholesaler of the motor vehicle model. A license shall not be issued to a factory representative unless the person is employed by a licensed manufacturer. A license shall not be issued to a distributor representative unless the person is employed by a licensed distributor or wholesaler. A license shall not be issued to a factory branch unless the motor vehicle manufacturer maintaining the branch is a licensed manufacturer nor shall a license be issued to a distributor branch unless the distributor maintaining the branch is a licensed distributor or wholesaler.~~

A person who rebuilds new completed motor vehicles by fabricating, altering, adding, or replacing essential parts, components, or equipment for the purpose of building an ambulance, rescue vehicle, or fire vehicle as defined in chapter 321 may be issued a license as a wholesaler of new motor vehicles of the make and model rebuilt.

~~Every factory representative or distributor representative shall carry a license when engaged in business, and display the license upon request. The license shall name the employer, and in case of a change of employer, the representative shall immediately mail the license to the department which shall endorse the change on the license without charge.~~

Sec. 39. Section 322.31, Code 1997, is amended to read as follows:

322.31 DENIAL OF LICENSE.

The department may deny the application of any person for a license as a manufacturer, distributor, or wholesaler, factory branch, distributor branch, factory representative or distributor representative if after reasonable notice and a hearing the department determines that such applicant has violated any provision of this chapter and may revoke or suspend any such license that has been issued if the department shall determine after reasonable notice and a hearing that such licensee has violated any provision of this chapter.

Sec. 40. Section 322A.15, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Good cause does not include a realignment, relocation, or reduction of dealerships.

Sec. 41. Section 322C.4, subsection 1, paragraph e, Code 1997, is amended to read as follows:

e. If the applicant is a party to a contract, agreement or understanding with a manufacturer or distributor of travel trailers or is about to become a party to a contract, agreement, or understanding, the applicant shall state the name of each manufacturer and distributor and the make or makes of new motor vehicles travel trailers, if any, which are the subject matter of the contract, agreement or understanding.

Sec. 42. Section 452A.51, Code 1997, is amended to read as follows:

452A.51 PURPOSE.

The purpose of this division is to provide an additional method of collecting fuel taxes from interstate motor vehicle operators commensurate with their operations on Iowa highways; and to permit the state department of transportation to suspend this collection as to transportation entering Iowa from any other state where it appears that Iowa highway fuel tax revenue and interstate highway transportation moving out of Iowa will not be unduly prejudiced thereby. Further, all motor vehicle operators from jurisdictions not participating in the international fuel tax agreement are required to comply with this chapter using the guidelines from the international fuel tax agreement for Iowa fuel tax compliance reporting purposes, penalty, interest, refunds, and credential display.

Sec. 43. Section 452A.53, unnumbered paragraphs 1, 2, and 3, Code 1997, are amended to read as follows:

The advance arrangements referred to in the preceding section shall include the procuring of a permanent interstate fuel international fuel tax agreement permit or license or single trip interstate permit.

Persons choosing not to make advance arrangements with the state department of transportation by procuring a permit or license are not relieved of their responsibility to purchase motor fuel and special fuel commensurate with their use of the state's highway system. When there is reasonable cause to believe that there is evasion of the fuel tax on commercial motor vehicles, the state department of transportation may audit persons not holding a permit or license. Audits shall be conducted pursuant to section 452A.55 and in accordance with international fuel tax agreement guidelines. The state department of transportation shall collect all taxes due and refund any overpayment.

A permanent international fuel tax agreement permit or license may be obtained upon application to the state department of transportation. A fee of ten dollars shall be charged for each permit or license issued. The holder of a permanent permit or license shall have the privilege of bringing into this state in the fuel supply tanks of commercial motor vehicles any amount of motor fuel or special fuel to be used in the operation of the vehicles and for that privilege shall pay Iowa motor fuel or special fuel taxes as provided in section 452A.54. A single trip interstate permit may be obtained from the state department of transportation. A fee of twelve twenty dollars shall be charged for each individual single trip interstate permit issued. A single trip interstate permit is subject to the following provisions and limitations:

Sec. 44. Section 452A.54, unnumbered paragraph 2, Code 1997, is amended to read as follows:

Notwithstanding any provision of this chapter to the contrary, except as provided in this section, the holder of a permanent international fuel tax agreement permit or license may make application to the state department of transportation for a refund, not later than the last day of the third month following the quarter in which the overpayment of Iowa fuel tax paid on excess purchases of motor fuel or special fuel was

reported as provided in section 452A.8, and which application is supported by such proof as the state department of transportation may require. The state department of transportation shall refund Iowa fuel tax paid on motor fuel or special fuel purchased in excess of the amount consumed by such commercial motor vehicles in their operation on the highways of this state.

Sec. 45. Section 452A.54, unnumbered paragraph 4, Code 1997, is amended to read as follows:

To determine the amount of fuel taxes due under this division and to prevent the evasion thereof, the state department of transportation shall require a quarterly report on forms prescribed by the state department of transportation. It shall be filed not later than the last day of the month following the quarter reported, and each quarter thereafter. These reports shall be required of all persons who have been issued a permit or license under this division and shall cover actual operation and fuel consumption in Iowa on the basis of the permit or license holder's average consumption of fuel in Iowa, determined by the total miles traveled and the total fuel purchased and consumed for highway use by the permittee's or licensee's commercial motor vehicles in the permittee's or licensee's entire operation in all states to establish an overall miles per gallon ratio, which ratio shall be used to compute the gallons used for the miles traveled in Iowa.

Sec. 46. Section 452A.55, Code 1997, is amended to read as follows:

#### 452A.55 RECORDS.

Every person operating within the purview of this division shall make and keep for a period of three four years such records as may reasonably be required by the state department of transportation for the administration of this division. If in the normal conduct of the business, the required records are maintained and kept at an office outside the state of Iowa, it shall be a sufficient compliance with this section if the records are made available for audit and examination by

the state department of transportation at the office outside Iowa.

The state department of transportation within a period of one year from the issuance of a permanent interstate international fuel tax agreement, fuel permit or license may audit the records of the permittee or licensee for the two years preceding the issuance of the permit or license. The state department of transportation shall collect all taxes due had the permittee or licensee been licensed for the two years prior to the issuance of the permit or license and shall refund any overpayment pursuant to section 452A.54. When, as a result of an audit, fuel taxes unpaid and due the state of Iowa exceed five hundred dollars, the audit shall be at the expense of the person whose records are being audited. However, if an audit of records maintained under this section is made outside the state of Iowa in a state which requires payment of the costs for similar audits performed by officials or employees of the other state when made in Iowa, then all costs of audits performed outside of Iowa in the other state shall be at the expense of the person whose records are audited.

Sec. 47. Section 805.8, subsection 2, paragraph w, Code 1997, is amended to read as follows:

w. For failure to have a valid license or permit for operating a motor vehicle on the highways of this state pursuant to section 321.174, the scheduled fine is twenty one hundred dollars.

Sec. 48. Section 805.8, subsection 2, Code 1997, is amended by adding the following new paragraphs:

NEW PARAGRAPH. ad. For violations of section 321.57, the scheduled fine is fifty dollars. For violations of section 321.62, the scheduled fine is fifty dollars.

NEW PARAGRAPH. ae. For operating a motor vehicle on the highways of this state with an expired motor vehicle license pursuant to section 321.174A, the scheduled fine is twenty dollars.

Sec. 49. Sections 321.27, 321.120, 321.191, 321.424, 321.428, and 321.429, Code 1997, are repealed.

.....  
MARY E. KRAMES  
President of the Senate

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RON J. CORBETT  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 132, Seventy-seventh General Assembly.

.....  
MARY PAT GUNDERSON  
Secretary of the Senate

Approved  , 1997

.....  
TERRY E. BRANSTAD  
Governor