

FILED FEB 5 '03

SENATE FILE

97

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 1003.1)

Passed Senate, Date Passed 2-19-03 Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to highway, aviation, motor vehicle
2 transportation and public transit, including regulation of
3 junkyards along highways and placement of political signs,
4 elimination of the aviation hangar revolving loan fund,
5 applications for certificates of title by motor vehicle
6 dealers, fees charged for driver's licenses and nonoperator's
7 identification cards and making an appropriation, security
8 interests in motor vehicles, charges financed in a motor
9 vehicle retail installment transaction, confidentiality of
10 motor vehicle accident reports, requirements for motor carrier
11 safety rules, exemptions for certain motor vehicle operators
12 from motor carrier safety rules and hazardous materials
13 transportation regulations, load limits for vehicles
14 transporting construction machinery, urban public transit
15 funding, and tariffs charged by motor carriers of household
16 goods, and including effective and retroactive applicability
17 date provisions.

SF 97

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

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1 DIVISION I
2 HIGHWAYS

3 Section 1. Section 306C.1, subsection 5, Code 2003, is
4 amended by striking the subsection.

5 Sec. 2. Section 306C.2, unnumbered paragraph 1, Code 2003,
6 is amended to read as follows:

7 A person shall not establish, operate, or maintain a
8 junkyard, any portion of which is within one thousand feet of
9 the nearest edge of the right of way of any interstate or
10 primary highway, except:

11 Sec. 3. Section 306C.3, Code 2003, is amended to read as
12 follows:

13 306C.3 JUNKYARDS LAWFULLY IN EXISTENCE.

14 Any junkyard located outside a zoned or unzoned industrial
15 area lawfully in existence on July 1, 1972, which is within
16 one thousand feet of the nearest edge of the right of way and
17 visible from the main-traveled portion of any highway on the
18 interstate ~~or-primary~~ system shall be screened, if feasible,
19 by the department, or by the owner under rules and direction
20 of the department, at locations on the highway right of way or
21 in areas acquired for such purposes outside the right of way
22 in order to obscure the junkyard from the main-traveled way of
23 such highways.

24 Sec. 4. Section 306C.8, Code 2003, is amended to read as
25 follows:

26 306C.8 AGREEMENTS WITH THE UNITED STATES AUTHORIZED.

27 The department may enter into agreements with the United
28 States secretary of transportation as provided by Title 23,
29 United States Code, relating to control of junkyards in areas
30 adjacent to the interstate ~~and-primary-systems~~ system, and
31 take action in the name of the state to comply with the terms
32 of such agreements.

33 Sec. 5. Section 306C.10, subsection 13, Code 2003, is
34 amended by striking the subsection.

35 Sec. 6. Section 306C.22, Code 2003, is repealed.

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DIVISION II

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AVIATION

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Sec. 7. Section 330.2, Code 2003, is repealed.

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Sec. 8. LOAN REPAYMENTS. Moneys repaid on loans made from the aviation hangar revolving loan fund shall be credited to the state department of transportation and made available to support general aviation airports.

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DIVISION III

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MOTOR VEHICLES

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Sec. 9. Section 321.24, subsection 3, Code 2003, is amended to read as follows:

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3. The certificate of title shall contain upon its face the identical information required upon the face of the registration receipt. In addition, the certificate of title shall contain a statement of the owner's title, the title number assigned to the owner or owners of the vehicle, the amount of tax paid pursuant to section 423.7, the name and address of the previous owner, and a statement of all security interests and encumbrances as shown in the application, upon the vehicle described, including the nature of the security interest, date of ~~notation~~ delivery, and name and address of the secured party.

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Sec. 10. Section 321.45, subsection 2, paragraph a, Code 2003, is amended to read as follows:

25

a. The perfection of a lien or security interest by ~~notation-on-the-certificate-of-title~~ as provided in section 321.50, or

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Sec. 11. Section 321.48, subsection 2, Code 2003, is amended to read as follows:

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2. A foreign registered vehicle purchased or otherwise acquired by a dealer for the purpose of resale shall be issued a certificate of title for the vehicle by the county treasurer of the dealer's residence upon proper application as provided in this chapter and upon payment of a fee of five dollars and the dealer is exempt from the payment of any and all

1 registration fees for the vehicle. The application for
2 certificate of title shall be made within ~~fifteen~~ thirty days
3 after the vehicle comes within the border of the state.
4 However, a dealer acquiring a vehicle registered in another
5 state which permits Iowa dealers to reassign that state's
6 certificates of title shall not be required to obtain a new
7 registration or a new certificate of title and upon
8 transferring title or interest to another person shall execute
9 an assignment upon the certificate of title for the vehicle to
10 the person to whom the transfer is made and deliver the
11 assigned certificate of title to the person.

12 Sec. 12. Section 321.50, subsections 1, 2, and 3, Code
13 2003, are amended to read as follows:

14 1. A security interest in a vehicle subject to
15 registration under the laws of this state or a mobile home or
16 manufactured home, except trailers whose empty weight is two
17 thousand pounds or less, and except new or used vehicles held
18 by a dealer or manufacturer as inventory for sale, is
19 perfected by the delivery to the county treasurer of the
20 county where the certificate of title was issued or, in the
21 case of a new certificate, to the county treasurer where the
22 certificate will be issued, of an application for certificate
23 of title which lists the security interest, or an application
24 for notation of security interest signed by the owner, or by
25 one owner of a vehicle owned jointly by more than one person,
26 or a certificate of title from another jurisdiction which
27 shows the security interest, and payment of a fee of five
28 dollars for each security interest shown. Upon delivery of
29 the application and payment of the fee, the county treasurer
30 shall note the date of delivery on the application. The date
31 of delivery shall be the date of perfection of the security
32 interest in the vehicle, regardless of the date the security
33 interest is noted on the certificate of title. Up to three
34 security interests may be perfected against a vehicle and
35 shown on an Iowa certificate of title. If the owner or

1 secured party is in possession of the certificate of title, it
2 must also be delivered at this time ~~in-order-to-perfect-the~~
3 ~~security-interest~~. If a vehicle is subject to a security
4 interest when brought into this state, the validity of the
5 security interest and the date of perfection is determined by
6 section 554.9303. Delivery as provided in this subsection is
7 ~~an-indication~~ constitutes perfection of a security interest on
8 a certificate of title for purposes of this chapter and
9 chapter 554.

10 2. Upon receipt of the application and the required fee,
11 if the certificate of title was not delivered to the county
12 treasurer along with the application, the county treasurer
13 shall notify the holder of the certificate of title to deliver
14 to the county treasurer, within five days from the receipt of
15 notice, the certificate of title to permit notation of the
16 security interest. If the holder of the certificate of title
17 ~~shall-fail~~ fails to deliver it within ~~the-said~~ five days, the
18 holder shall be liable to anyone harmed by the holder's
19 failure.

20 3. Upon receipt of the application, the certificate of
21 title, if any, and the required fee, the county treasurer
22 shall note such the security interest, and the date thereof of
23 perfection of the security interest, on the certificate over
24 the signature of such the officer or deputy and the seal of
25 office. The county treasurer shall also note such the
26 security interest and the date thereof of perfection of the
27 security interest in the county records system. Upon receipt
28 of a certificate of title issued by a foreign jurisdiction, on
29 which a security interest has been noted, the county treasurer
30 shall note the security interest and the date the security
31 interest was noted on the foreign certificate of title, if
32 available, or if not, the date of issuance of the foreign
33 certificate of title, on the face of the new certificate of
34 title over the signature of the officer or deputy and the seal
35 of office. The county treasurer shall also note the security

1 interest and the date that was noted on the certificate of
2 title in the county records system. The county treasurer
3 shall then mail the certificate of title to the first secured
4 party as shown thereon.

5 Sec. 13. Section 321.50, subsection 6, Code 2003, is
6 amended by striking the subsection.

7 Sec. 14. Section 321.191, subsections 2, 3, and 4, Code
8 2003, are amended to read as follows:

9 2. NONCOMMERCIAL DRIVER'S LICENSES. The fee for a
10 noncommercial driver's license, other than a class D driver's
11 license or any type of instruction permit, is four dollars per
12 year of license validity, except that for licenses issued
13 during the period beginning July 1, 2003, and ending June 30,
14 2005, the fee is six dollars per year of license validity.

15 3. LICENSES FOR CHAUFFEURS. The fee for a noncommercial
16 class D driver's license is eight dollars per year of license
17 validity, except that for licenses issued during the period
18 beginning July 1, 2003, and ending June 30, 2005, the fee is
19 ten dollars per year of license validity.

20 4. COMMERCIAL DRIVER'S LICENSES. The fee for a commercial
21 driver's license, other than an instruction permit, for the
22 operation of a commercial motor vehicle is eight dollars per
23 year of license validity, except that for licenses issued
24 during the period beginning July 1, 2003, and ending June 30,
25 2005, the fee is ten dollars per year of license validity.

26 Sec. 15. Section 321.191, Code 2003, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 10. TEMPORARY FEES APPROPRIATION. The
29 additional fees collected from the temporary fee increase
30 under subsections 2, 3, and 4 are appropriated to the state
31 department of transportation to be used for costs associated
32 with the rewrite of the driver's license issuance and records
33 system. Moneys in excess of the amount needed to fund the
34 rewrite of the system shall be deposited in the road use tax
35 fund.

1 Sec. 16. NEW SECTION. 321.192 WAIVERS OR REFUNDS OF
2 FEES.

3 1. Notwithstanding the fee requirements for issuance of a
4 driver's license or nonoperator's identification card pursuant
5 to section 321.190 or 321.191, the department may waive or
6 refund fees pursuant to rules adopted by the department. The
7 department may waive payment of, or refund to an applicant,
8 all or a portion of the fees for renewal of a license or
9 identification card or for a duplicate license or
10 identification card if the department determines that the
11 service standard for timely issuance has not been met or an
12 error on the license or identification card requires the
13 applicant to return to the driver's license station. The
14 decision of the department not to waive or refund a fee is
15 final agency action and not subject to review under chapter
16 17A.

17 2. Subsection 1 does not apply to licenses or
18 identification cards issued by a county pursuant to chapter
19 321M.

20 Sec. 17. Section 321.271, Code 2003, is amended to read as
21 follows:

22 321.271 REPORTS CONFIDENTIAL -- WITHOUT PREJUDICE --
23 EXCEPTIONS.

24 1. All accident reports filed by a driver of a vehicle
25 involved in an accident as required under section 321.266
26 shall be in writing. The report shall be without prejudice to
27 the individual so reporting and shall be for the confidential
28 use of the department, except that upon the request of any
29 person involved in the accident, the person's insurance
30 company or its agent, or the attorney for such person, the
31 department shall disclose the identity and address of other
32 persons involved in the accident and may disclose the name of
33 the insurance companies with whom the other persons have
34 liability insurance. The department, upon written request of
35 the person making the report, shall provide the person with a

1 copy of that person's report. The written report filed with
2 the department shall not be admissible in or used in evidence
3 in any civil or criminal case arising out of the facts on
4 which the report is based.

5 2. All written reports filed by a law enforcement officer
6 as required under section 321.266 shall be made available to
7 any party to an accident, the party's insurance company or its
8 agent, the party's attorney, the federal motor carrier safety
9 administration, or the attorney general, on written request to
10 the department and the payment of a fee of four dollars for
11 each copy. If a copy of an investigating officer's report of
12 a motor vehicle accident filed with the department is retained
13 by the law enforcement agency of the officer who filed the
14 report, a copy shall be made available to any party to the
15 accident, the party's insurance company or its agent, the
16 party's attorney, the federal motor carrier safety
17 administration, or the attorney general, on written request
18 and the payment of a fee. However, the attorney general and
19 the federal motor carrier safety administration shall not be
20 required by the department or the law enforcement agency to
21 pay a fee for a copy of a report filed by a law enforcement or
22 investigating officer.

23 3. Notwithstanding subsections 1 and 2, the date, time,
24 specific location, and immediate facts and circumstances
25 surrounding a crime or incident shall not be kept confidential
26 under this section, except in those unusual circumstances
27 where disclosure would plainly and seriously jeopardize an
28 investigation or pose a clear and present danger to the safety
29 of an individual.

30 Sec. 18. Section 321.449, subsection 1, unnumbered
31 paragraph 1, Code 2003, is amended to read as follows:

32 A person shall not operate a commercial vehicle on the
33 highways of this state except in compliance with rules adopted
34 by the department under chapter 17A. The rules shall be
35 consistent with the federal motor carrier safety regulations

1 promulgated under United States Code, Title 49, and found in
2 49 C.F.R. § pts. 385, 390-399 and adopted under chapter 17A.
3 Sec. 19. Section 321.449, subsections 4 and 8, Code 2003,
4 are amended to read as follows:

5 4. Notwithstanding other provisions of this section, rules
6 adopted under this section for drivers of commercial vehicles
7 shall not apply to a driver of a commercial vehicle who is
8 engaged exclusively in intrastate commerce, when the
9 commercial vehicle's gross vehicle weight rating is twenty-six
10 thousand pounds or less, unless the vehicle is used to
11 transport hazardous materials requiring a placard or if the
12 vehicle is designed to transport more than fifteen passengers,
13 including the driver. For the purpose of complying with the
14 hours of service recordkeeping requirements under 49 C.F.R. §
15 395.1(e)(5), a driver's report of daily beginning and ending
16 on-duty time submitted to the motor carrier at the end of each
17 work week shall be considered acceptable motor carrier time
18 records. In addition, rules adopted under this section shall
19 not apply to a driver operating intrastate for a farm
20 operation as defined in section 352.2, or for an agricultural
21 interest when the commercial vehicle is operated between the
22 farm as defined in section 352.2 and another farm, between the
23 farm and a market for farm products, or between the farm and
24 an agribusiness location. A driver or a driver-salesperson
25 for a private carrier, who is not for hire and who is engaged
26 exclusively in intrastate commerce, may drive twelve hours, be
27 on duty sixteen hours in a twenty-four hour period and be on
28 duty seventy hours in seven consecutive days or eighty hours
29 in eight consecutive days. For-hire drivers who are engaged
30 exclusively in intrastate commerce and who operate trucks and
31 truck-tractors exclusively for the movement of construction
32 materials and equipment to and from construction projects may
33 also drive twelve hours, be on duty sixteen hours in a twenty-
34 four-hour period, and be on duty seventy hours in seven
35 consecutive days or eighty hours in eight consecutive days. A

1 driver-salesperson means as defined in 49 C.F.R. § 395.2, as
2 adopted by the department by rule.

3 8. Rules adopted under this section shall not apply to
4 vehicles engaged in intrastate commerce and used in
5 combination, provided the gross vehicle weight rating of the
6 towing unit is ten thousand pounds or less and the gross
7 combination weight rating is twenty-six thousand pounds or
8 less.

9 Sec. 20. Section 321.450, subsection 4, Code 2003, is
10 amended to read as follows:

11 4. Notwithstanding other provisions of this section, rules
12 adopted under this section shall not apply to a farmer or
13 employees of a farmer when transporting an agricultural
14 hazardous material, except class 2 material, between the sites
15 in the farmer's agricultural operations unless the material is
16 being transported on the interstate highway system. As used
17 in this subsection, "farmer" means a person engaged in the
18 production or raising of crops, poultry, or livestock;
19 "farmer" does not include a person who is a commercial
20 applicator of agricultural chemicals or fertilizers.

21 Sec. 21. Section 321E.7, Code 2003, is amended by adding
22 the following new subsection:

23 NEW SUBSECTION. 1A. The gross weight on any one axle of
24 any vehicle or combination of vehicles traveling under a
25 permit issued in accordance with this chapter shall not exceed
26 the maximum axle load prescribed in section 321.463; except
27 that any one axle on a vehicle or combination of vehicles
28 transporting construction machinery shall be allowed a one
29 thousand pound weight tolerance, provided the total gross
30 weight of the vehicle or combination of vehicles does not
31 exceed the gross weight allowed by the permit.

32 Sec. 22. Section 322.19, unnumbered paragraph 5, Code
33 2003, is amended to read as follows:

34 ~~Amount-financed-shall-be~~ For purposes of this chapter,
35 "amount financed" means as defined in section 537.1301.

1 However, notwithstanding section 322.33, subsection 3, the
2 amount financed may also include additional charges for the
3 following, which shall not be included in the finance charge:

4 1. A motor vehicle service contract as defined in section
5 516E.1.

6 2. Voluntary debt cancellation coverage, whether insurance
7 or debt waiver, which may be excluded from the finance charge
8 under the federal Truth in Lending Act as defined in section
9 537.1302.

10 Sec. 23. NEW SECTION. 324A.7 URBAN PUBLIC TRANSIT
11 SYSTEMS -- INTENT.

12 An urban public transit system shall, to the extent
13 practicable, utilize private-sector operators in the planning
14 and provision of transit services.

15 Sec. 24. NEW SECTION. 325A.7A TARIFFS -- APPROVAL BY
16 DEPARTMENT.

17 1. TRANSPORTATION PROHIBITED. A motor carrier of
18 household goods shall not undertake to perform any service
19 for, engage in, or participate in the transportation of
20 personal effects or property between points within this state
21 until the motor carrier's tariff has been filed, posted, and
22 approved by the department.

23 2. CHANGE IN TARIFF. Unless the department orders
24 otherwise, a motor carrier of household goods shall give
25 thirty days' notice to the department and to the public, as
26 provided by rules adopted by the department, prior to making a
27 change in a tariff.

28 3. CHANGES WITHOUT NOTICE. The department, for good cause
29 shown, may allow changes in a tariff without the thirty days'
30 notice required in subsection 2 by issuing an order specifying
31 the changes to be made and the time they shall take effect.

32 4. POWER TO REVISE TARIFF. Any time a tariff is filed
33 with the department, the department may hold a hearing for the
34 purpose of determining that the tariff is just, reasonable,
35 and nondiscriminating. The hearing shall be conducted by the

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1 director or the director's designee.

2 5. SUSPENSION OF TARIFF. Pending the hearing and the
3 decision of the department, the tariff shall not be put into
4 effect; however, this period of suspension of the tariff shall
5 not exceed one hundred twenty days beyond the time the tariff
6 would otherwise have been effective after filing and thirty
7 days' notice.

8 6. DECISION. Following the hearing, the department shall
9 establish the tariff changes proposed by the motor carrier in
10 whole or in part, or establish other changes the department
11 determines to be just, reasonable, and nondiscriminating.

12 Sec. 25. NEW SECTION. 325A.7B AGENCY TARIFFS.

13 1. AUTHORIZATION. Sections 325A.2 and 325A.7 shall not be
14 construed to prohibit the making of rates by two or more motor
15 carriers of household goods.

16 2. AGENCY TARIFFS. The names of the several motor
17 carriers that are parties to an agency tariff shall be
18 specified in the tariff. Unless otherwise required by the
19 department, the agency tariff may be filed by only one of the
20 parties to the agency tariff, or by a tariff filing agent,
21 under a power of attorney granted by each of the parties to
22 the agency tariff not doing the filing and filed with the
23 department on forms prescribed by the department.

24 Sec. 26. The section of this division amending section
25 321.191, subsections 2, 3, and 4, Code 2003, is repealed
26 effective July 1, 2005, and the Code editor shall return the
27 applicable language in those subsections to the language
28 contained in the 2003 Iowa Code.

29 Sec. 27. Section 321.191, subsection 10, as enacted in
30 this Act, is repealed effective July 1, 2005.

31 Sec. 28. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

32 1. The section of this Act amending section 321E.7, being
33 deemed of immediate importance, takes effect upon enactment.

34 2. The sections of this Act enacting sections 325A.7A and
35 325A.7B, being deemed of immediate importance, take effect

1 upon enactment and apply retroactively to January 1, 2002.

2 EXPLANATION

3 This bill amends current law relating to highways,
4 aviation, and motor vehicle regulation.

5 Division I of the bill relates to highways. The bill
6 amends Code chapter 306C to eliminate the authority of the
7 state department of transportation to regulate junkyards along
8 primary highways. The department would continue to regulate
9 junkyards along interstate highways in accordance with federal
10 law.

11 The bill repeals Code section 306C.22, which regulates the
12 placement of political signs on private property. Due to a
13 federal appeals court decision, the state department of
14 transportation has not enforced this Code section since 1998.

15 Division II of the bill repeals Code section 330.2, which
16 establishes the aviation hangar revolving loan fund.
17 Legislation passed in 2002 eliminated the balance of the fund.
18 The bill provides that moneys repaid on outstanding loans from
19 the fund are to be credited to the state department of
20 transportation for support of general aviation airports.

21 Division III of the bill contains provisions relating to
22 motor vehicle regulation. The bill amends provisions relating
23 to security interests in motor vehicles to require that the
24 date of perfection of a security interest is the date the
25 application for the security interest is delivered to the
26 county treasurer. The bill strikes a provision in Code
27 section 321.50 that sets a deadline for delivery of a
28 certificate of title to a county treasurer for notation of a
29 security interest in order for the security interest to be
30 enforceable.

31 The bill extends the time allowed a motor vehicle dealer to
32 apply for a certificate of title for a foreign registered
33 vehicle under Code section 321.48 from 15 to 30 days from the
34 time the vehicle enters the state.

35 The bill amends Code section 321.191 by increasing fees for

1 certain driver's licenses issued during the period beginning
2 July 1, 2003, and ending June 30, 2005. The fee for a
3 noncommercial driver's license, other than a class D license
4 or an instruction permit, is temporarily increased from \$4 to
5 \$6 per year of license validity. The fee for a noncommercial
6 class D driver's license, or chauffeur's license, is
7 temporarily increased from \$8 to \$10 per year of license
8 validity. The fee for a commercial driver's license, other
9 than an instruction permit, is temporarily increased from \$8
10 to \$10 per year of license validity. The revenues from the
11 temporary fee increases are appropriated to the state
12 department of transportation for costs associated with the
13 rewrite of the driver's license issuance and records system.
14 Fees in excess of the amount needed to fund the rewrite of the
15 system are to be deposited in the road use tax fund. The
16 temporary fee increases are repealed effective July 1, 2005.

17 The bill adds language to Code section 321.271 to allow
18 that certain factual crime or incident information in
19 confidential motor vehicle accident reports shall be disclosed
20 if disclosure would not jeopardize an investigation or
21 endanger the safety of an individual.

22 The bill creates new Code section 321.192, which authorizes
23 the state department of transportation to waive payment of, or
24 to refund, all or a portion of fees for renewal or duplication
25 of a driver's license or nonoperator's identification card,
26 pursuant to rules adopted by the department, if the
27 department's standard for timely issuance is not met, or if an
28 applicant is required to return to the driver's license
29 station due to an error on the license or identification card.
30 The provision is only applicable to licenses and cards issued
31 at driver's license stations operated by the department, and
32 not to licenses and cards issued by counties under Code
33 chapter 321M.

34 The bill makes several amendments to Code section 321.449
35 affecting motor carrier safety rules adopted by the state

1 department of transportation. Such rules must be consistent
2 with federal law establishing procedures for determining,
3 rating, and monitoring the safety fitness of motor carriers
4 and establishing a safety assurance program for new entrant
5 motor carriers seeking to conduct interstate operations. The
6 bill exempts from motor carrier safety rules drivers operating
7 intrastate for farm operations or agricultural interests when
8 the vehicle is operated between the farm and another farm,
9 between the farm and a market for farm products, or between
10 the farm and an agribusiness location. In addition, certain
11 vehicles engaged in intrastate commerce and used in
12 combination are exempt from the rules.

13 The bill amends Code section 321.450 pertaining to
14 hazardous materials transportation regulations. Currently,
15 farmers and employees of farmers transporting agricultural
16 hazardous materials are exempt from rules implementing the
17 federal regulations when transporting materials between sites
18 in the farmer's agricultural operations, unless the material
19 is being transported on the interstate highway system. The
20 section is amended to exclude the transportation of class 2
21 hazardous materials from that exemption. Class 2 agricultural
22 hazardous materials are flammable gas and nonflammable,
23 nonpoisonous compressed gas as defined in federal law.

24 The bill creates an exception to gross weight limits in
25 Code section 321E.7 for a vehicle or combination of vehicles
26 transporting construction machinery. Such a vehicle is
27 allowed a 1,000 pound weight tolerance for any one axle,
28 provided the total gross vehicle weight does not exceed that
29 allowed by permit. This exception is effective immediately
30 upon the bill's enactment.

31 The bill amends Code section 322.19 to allow charges for
32 motor vehicle service contracts and voluntary debt
33 cancellation coverage to be financed under a motor vehicle
34 retail installment contract. Such charges may not, however,
35 be included in a finance charge.

1 The bill enacts new Code section 324A.7 to require that
2 urban public transit systems utilize private-sector operators
3 if practicable, in the planning and provision of transit
4 services.

5 The bill enacts new requirements for the establishment,
6 filing, and revision of tariffs charged by motor carriers of
7 household goods in new Code section 325A.7A. Special
8 requirements for the filing of agency tariffs are outlined in
9 new Code section 325A.7B. Both new Code sections are
10 effective upon enactment and apply retroactively to January 1,
11 2002.

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Description

Senate File 97, as amended and passed by the House, provides several transportation-related policy changes to the Department of Transportation (DOT), including but not limited to, the following:

- Eliminates the requirement for the Department to regulate junkyards along primary highways.
- Eliminates the requirement for the Department to regulate the placement of political signs on private property.
- Eliminates the State Aviation Hangar Revolving Loan Fund.
- Allows the DOT to waive or refund fees for a renewal or duplicate license or identification card under certain circumstances.
- Allows for a one-time surcharge fee of \$3.00 for driver's licenses, in addition to the license fee. The surcharge fee would be in effect from July 1, 2003, to June 30, 2008. The DOT will use the additional fees for the following:
 - Costs associated with the rewrite of the driver's license issuance and records system.
 - Reimbursement to county treasurers. For each county issuance or renewal of a driver's license or non-operator identification card, county treasurers will retain an additional \$1.25 in FY 2004 and FY 2005 only.
 - Moneys in excess of the amount needed to fund the system rewrite and to reimburse counties will be deposited into the Road Use Tax Fund.
- Requires the DOT and the Iowa County Treasurers Association to conduct a study of the county driver's license issuance program, including the financial effect the program has had on counties. The Department will report its findings and recommendations to the General Assembly by December 31, 2003.
- Requires the DOT to be consistent with federal law when establishing rules for motor carrier safety.
- Amends regulations relating to transporting agricultural hazardous materials.
- Requires urban public transit systems to utilize private-sector operators, if practicable, in the planning of transit services.

Assumptions

1. In 2002, the Federal Highway Administration formally notified states that they could stop regulating junkyards along primary highways. In 2002, the Iowa Department of Motor Vehicle received approximately 50 Authorized Vehicle Recycler applications. Such applications are required for used vehicle parts dealers or vehicle salvagers, and have the potential for creating junkyards. Most of the 50 sites were not along primary highways, and therefore, fell under local jurisdiction. The cost savings to the DOT for not regulating junkyards along primary highway is not expected to be significant due to local control of the majority of junkyards.
 2. In 1998, the Attorney General's Office ruled that the placement of political signs on private property would not be enforced by the DOT. The Department has not enforced the placement of political signs since then, except in circumstances when a sign obstructs an intersection or interferes with traffic signs or devices.
 3. The Aviation Hangar Revolving Loan Fund was created in FY 2001 and was appropriated \$500,000. In FY 2002, \$360,000 was deappropriated to off-set the General
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Fund balance. The remaining Loan Fund balance of \$140,000 was loaned out and will be paid back in installments of \$14,000 annual payments over ten years at 3.0% interest.

4. The Department would waive or refund driver's license or identification card fees if the license or card has not been issued in a timely manner or the applicant was required to return to the driver's license station due to an error on the license or card issued. The proposed refund would be for licenses issued by the Department only, not by the counties. The refund amount is not expected to be significant.
5. Driver's license fees would increase by \$3.00 (one-time surcharge), in addition to the license fee, for the following driver's licenses: Noncommercial, Noncommercial Chauffeur, and Commercial licenses.
6. The Iowa DOT issues both two-year and five-year licenses. The majority are five-year, persons aged 18 through 69. Those limited to a two-year license are persons with a medical condition or persons under age 18 and over 70.
7. The number of licenses issued in one year for each license type is detailed in the following table. The majority of persons issued two-year licenses are issued renewals only in the third, fourth, and fifth years, and are not issued new licenses in those years:

Number of Driver's Licenses Sold Over Five Years

License Type	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<u>Two-Year License</u>						
Noncommercial Chauffeur & Commercial	3,392	3,392	0	0	0	6,784
Noncommercial	79,383	79,383	0	0	0	158,766
<u>Five-Year License</u>						
Noncommercial Chauffeur & Commercial	78,069	78,069	78,069	78,069	78,069	390,345
Noncommercial	542,184	542,184	542,184	542,184	542,184	2,710,920
Total	<u>703,028</u>	<u>703,028</u>	<u>620,253</u>	<u>620,253</u>	<u>620,253</u>	<u>3,266,815</u>

8. Some drivers are issued more than one license annually.
9. Under the proposed law, counties that issue driver's licenses will retain an additional \$1.25 per issuance in FY 2004 and FY 2005. Under current law, counties retain \$3.75 per issuance.
10. Staff time for driver's license issuance will not be affected.
11. One-time costs associated with rewriting the driver's license issuance and records system are estimated to be \$9.0 million. The \$9.0 million is currently contracted out. Maintaining the system will cost approximately \$500,000 annually.
12. Of the total number of driver's licenses issued annually, approximately 300,000 are issued at the county level.
13. No additional staff will be needed for the county driver's license issuance study.

Fiscal Impact

The estimated fiscal impact of SF 97, as amended and passed by the House, is as follows:

General Aviation Vertical Infrastructure Program Fund

The fund will receive annual payments of \$14,000 in loan repayments over a ten-year period. The total amount of the loans is \$140,000. A 3.0% interest rate will be applied to the amount loaned. The total amount, including interest, to be repaid and deposited in the fund over the ten-year period is \$156,000.

Driver's License System Upgrade

The estimated net fiscal impact of SF 97, as amended and passed by the House, is an increase in revenue of \$50,000 to the Road Use Tax Fund. The estimated fiscal impact of SF 97, as amended and passed by the House, is an increase in revenues of \$750,000 to the counties' General Fund.

Of the \$9.9 million in revenues generated from the one-time surcharge fee for driver's licenses, approximately \$9.0 million will be expended on upgrading the driver's license issuance and records system, and approximately \$800,000 will be retained by the counties. Moneys in excess of the amount needed to fund the system rewrite and the amount retained by counties will be deposited into the Road Use Tax Fund.

RUTF

One-Time Driver's License Fee Increase
Road Use Tax Fund
(Dollars in Millions)

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>Total</u>
<u>Revenues</u>						
Increased License Fees	\$ 2.1	\$ 2.1	\$ 1.9	\$ 1.9	\$ 1.9	\$ 9.9
<u>Expenditures*</u>						
Driver's License Sys. Upgrade	\$ -4.5	\$ -4.5	\$ 0.0	\$ 0.0	\$ 0.0	\$ -9.0
County Treasurers	-0.4	-0.4	0.0	0.0	0.0	-0.8
Net Road Use Tax Fund Impact	\$ -2.8	\$ -2.8	\$ 1.9	\$ 1.9	\$ 1.9	\$ 0.01

* Expenditures do not include annual system maintenance of \$500,000. That amount will be taken from the Motor Vehicle Division's base budget each year.

In addition to the \$9.0 million needed for the driver's license system upgrade, approximately \$500,000 will be needed each year to maintain the system. The \$500,000 will be taken from the Motor Vehicle Division's base budget. That amount is currently built into the budget. The Motor Vehicle Division's base budget includes Road Use Tax Fund and Primary Road Fund moneys.

County Driver's License Issuance Study

Costs associated with the county driver's license issuance study will be absorbed by the Department of Transportation and County Treasurer's Association. No additional staff will be needed.

Junkyard Regulation

The provisions of SF 97, as amended and passed by the House, relating to the regulation of junkyards will not have a significant fiscal impact on the DOT.

Political Signs

The provisions of SF 97, as amended and passed by the House, relating to political signs on private property will not have a significant fiscal impact on the DOT.

Source

Department of Transportation

/s/ Dennis C Prouty

March 17, 2003

Description

Amendment H-1041 to SF 97 provides the following policy changes to the Department of Transportation:

- Allows for a one-time surcharge fee of \$3.00 for driver's licenses, in addition to the license fee. The surcharge fee would be in effect from July 1, 2003, to June 30, 2008. The DOT will use the additional fees for the following:
 - Costs associated with the rewrite of the driver's license issuance and records system.
 - Reimbursement to county treasurers. For each county issuance or renewal of a driver's license or non-operator identification card, county treasurers will retain an additional \$1.25 in FY 2004 and FY 2005 only. Moneys in excess of the amount needed to fund the system rewrite and to reimburse counties will be deposited into the Road Use Tax Fund.
- Requires the DOT and the Iowa County Treasurers Association to conduct a study of the county driver's license issuance program, including the financial effect the program has had on counties. The Department will report its findings and recommendations to the General Assembly by December 31, 2003.

Assumptions

1. Driver's license fees would increase by \$3.00 (one-time surcharge), in addition to the license fee, for the following driver's licenses: Noncommercial, Noncommercial Chauffeur, and Commercial licenses.
2. The Iowa DOT issues both two-year and five-year licenses. The majority are five-year, persons aged 18 through 69. Those limited to a two-year license are persons with a medical condition or persons under age 18 and over 70.
3. The number of licenses issued in one year for each license type is detailed in the following table. The majority of persons issued two-year licenses are issued renewals only in the third, fourth, and fifth years, and are not issued new licenses in those years:

Number of Driver's Licenses Sold Over Five Years

License Type	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<u>Two-Year License</u>						
Noncommercial Chauffeur & Commercial	3,392	3,392	0	0	0	6,784
Noncommercial	79,383	79,383	0	0	0	158,766
<u>Five-Year License</u>						
Noncommercial Chauffeur & Commercial	78,069	78,069	78,069	78,069	78,069	390,315
Noncommercial	542,184	542,184	542,184	542,184	542,184	2,710,920
Total	<u>703,028</u>	<u>703,028</u>	<u>620,253</u>	<u>620,253</u>	<u>620,253</u>	<u>3,268,915</u>

4. Some drivers are issued more than one license annually.
5. Under the proposed law, counties that issue driver's licenses will retain an additional \$1.25 per issuance in FY 2004 and FY 2005. Under current law, counties retain \$3.75 per issuance.

6. Staff time for driver's license issuance will not be affected.
7. One-time costs associated with rewriting the driver's license issuance and records system are estimated to be \$9.0 million. The \$9.0 million is currently contracted out. Maintaining the system will cost approximately \$500,000 annually.
8. Of the total number of driver's licenses issued annually, approximately 300,000 are issued at the county level.
9. No additional staff will be needed for the county driver's license issuance study.

Fiscal Impact

Driver's License System Upgrade

The estimated net fiscal impact of Amendment H-1041 to SF 97 is an increase in revenue of \$50,000 to the Road Use Tax Fund. The estimated fiscal impact of Amendment H-1041 is an increase in revenues of \$750,000 to the counties' General Fund.

Of the \$9.8 million in revenues generated from the one-time surcharge fee for driver's licenses, approximately \$9.0 million will be expended on upgrading the driver's license issuance and records system, and approximately \$800,000 will be retained by the counties. Moneys in excess of the amount needed to fund the system rewrite and the amount retained by counties will be deposited into the Road Use Tax Fund. That amount is estimated to be \$50,000.

One-Time Driver's License Fee Increase Road Use Tax Fund (Dollars in Millions)

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>Total*</u>
Revenues						
Increased License Fees	\$ 2.1	\$ 2.1	\$ 1.9	\$ 1.9	\$ 1.9	\$ 9.9
Expenditures**						
Driver's License Sys. Upgrade	\$ -4.5	\$ -4.5	\$ 0.0	\$ 0.0	\$ 0.0	\$ -9.0
County Treasurers	-0.4	-0.4	0.0	0.0	0.0	-0.8
Net Road Use Tax Fund Impact	<u>\$ -2.8</u>	<u>\$ -2.8</u>	<u>\$ 1.9</u>	<u>\$ 1.9</u>	<u>\$ 1.9</u>	<u>\$ 0.05</u>

* Totals may not add due to rounding.

** Expenditures do not include annual system maintenance of \$500,000. That amount will be taken from the Motor Vehicle Division's base budget each year.

One-Time Driver's License Fee Increase Counties' General Fund (Dollars in Millions)

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>Total*</u>
Revenues						
County Treasurers	\$ 0.4	\$ 0.4	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.8
Expenditures**						
County Treasurers	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Net County General Fund Impact	<u>\$ 0.4</u>	<u>\$ 0.4</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.8</u>

* Totals may not add due to rounding.

** Expenditures at the county level are unknown.

In addition to the \$9.0 million needed for the driver's license system upgrade, approximately \$500,000 will be needed each year to maintain the system. The \$500,000 will be taken from the Motor Vehicle Division's base budget. That amount is currently built into the budget. The Motor Vehicle Division's base budget includes Road Use Tax Fund and Primary Road Fund moneys.

If the DOT does not receive \$9.0 million for the system rewrite, the Department will utilize \$500,000 per year from the Motor Vehicle Division's base budget. Annual maintenance costs, including salaries, of approximately \$500,000 will be taken from the Motor Vehicle Division's base budget once the rewrite is completed.

County Driver's License Issuance Study

Costs associated with the county driver's license issuance study will be absorbed by the Department of Transportation and County Treasurer's Association. No additional staff will be needed.

Source

Department of Transportation

/s/ Dennis C Prouty

March 11, 2003

Description

Senate File 97, as amended and passed by the Senate, provides several transportation-related policy changes to the Department of Transportation (DOT), including but not limited to, the following:

- Eliminates the requirement for the Department to regulate junkyards along primary highways.
- Eliminates the requirement for the Department to regulate the placement of political signs on private property.
- Eliminates the State Aviation Hangar Revolving Loan Fund.
- Allows the DOT to waive or refund fees for a renewal or duplicate license or identification card under certain circumstances.
- Increases the annual fee for driver's licenses by \$1.00. The increase would be in effect from July 1, 2003, to June 30, 2008. On July 1, 2008, the fees would revert to the current level. The DOT will use the additional fees for costs associated with the rewrite of the driver's license issuance and records system. The rewrite is necessary to include new rules and regulations implemented by the Iowa Legislature and Congress. Moneys in excess of the amount needed to fund the system rewrite will be deposited into the Road Use Tax Fund.
- Requires the DOT to be consistent with federal law when establishing rules for motor carrier safety.
- Amends regulations relating to transporting agricultural hazardous materials.
- Requires urban public transit systems to utilize private-sector operators, if practicable, in the planning of transit services.

Assumptions

12. In 2002, the Federal Highway Administration formally notified states that they could stop regulating junkyards along primary highways. In 2002, the Iowa Department of Motor Vehicle received approximately 50 Authorized Vehicle Recycler applications. Such applications are required for used vehicle parts dealers or vehicle salvagers, and have the potential for creating junkyards. Most of the 50 sites were not along primary highways, and therefore, fell under local jurisdiction. The cost savings to the DOT for not regulating junkyards along primary highway is not expected to be significant due to local control of the majority of junkyards.
 13. In 1998, the Attorney General's Office ruled that the placement of political signs on private property would not be enforced by the DOT. The Department has not enforced the placement of political signs since then, except in circumstances when a sign obstructs an intersection or interferes with traffic signs or devices.
 14. The Aviation Hangar Revolving Loan Fund was created in FY 2001 and was appropriated \$500,000. In FY 2002, \$360,000 was deappropriated to off-set the General
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Fund balance. The remaining Loan Fund balance of \$140,000 was loaned out and will be paid back in installments of \$14,000 over ten years at 3.0% interest.

15. The Department would waive or refund driver's license or identification card fees if the license or card has not been issued in a timely manner or the applicant was required to return to the driver's license station due to an error on the license or card issued. The proposed refund would be for licenses issued by the Department only, not by the counties. The refund amount is not expected to be significant.
16. Driver's license fees would increase by \$1.00 annually for the following driver's licenses: Noncommercial, Noncommercial Chauffeur, Commercial, Juvenile, and Miscellaneous, in addition to Duplicate, Substitute, and Voluntary Replacement licenses.
17. The Iowa DOT issues both two-year and five-year licenses. The majority, however, are five-year, as persons aged 18 through 69 are issued five-year licenses. Those limited to a two-year license are persons with a medical condition or persons under age 18 and over 70.
18. The temporary fee increase would not be charged to persons for more than five years of license validity.
19. The number of licenses issued in one year for each license type is:
 - a. Noncommercial Chauffeur and Commercial (two-year license): 3,392
 - b. Noncommercial Chauffeur and Commercial (five-year license): 78,069
 - c. Noncommercial (two-year license): 132,877
 - d. Noncommercial (five-year license): 564,768
 - e. Juvenile and Miscellaneous (two-year license): 36,328
 - f. Duplicate, Substitute, and Voluntary Replacement (per license): 185,864
20. Some drivers are issued more than one license annually.
21. Under the proposed law, license fees would increase as follows:
 - a. Noncommercial Chauffeur and Commercial (two-year license): \$2.00
 - b. Noncommercial Chauffeur and Commercial (five-year license): \$5.00
 - c. Noncommercial (two-year license): \$2.00
 - d. Noncommercial (five-year license): \$5.00
 - e. Juvenile and Miscellaneous (two-year license): \$1.00
 - f. Duplicate, Substitute, and Voluntary Replacement (per license): \$1.00
22. One-time costs associated with rewriting the driver's license issuance and records system are estimated to be \$9.0 million. The \$9.0 million is currently contracted out. Maintaining the system will cost approximately \$500,000 annually.
23. Staff time for driver's license issuance will not be affected.

Fiscal Impact

The estimated fiscal impact of SF 97 is as follows:

General Aviation Vertical Infrastructure Program Fund

The fund will receive annual payments of \$14,000 in loan repayments over a ten-year period. The total amount of the loans is \$140,000. A 3.0% interest rate will be applied to the amount loaned. The total amount, including interest, to be repaid and deposited in the fund over the ten-year period is \$156,000.

Driver's License Fees

The estimated fiscal impact of SF 97, as amended by the Senate, is an increase in revenue of \$3.7 million to the Road Use Tax Fund each year from July 1, 2003, to June 30, 2008. Total revenues are estimated to be \$18.5 million over the five-year period. The revenues will be used

for costs associated with the software rewrite of the driver's license issuance and records system. The one-time cost of upgrading the software is estimated to be \$9.0 million. In addition to the \$9.0 million, approximately \$500,000 will be needed each year to maintain the system. The \$500,000 will be taken from the Motor Vehicle Division's base budget. That amount is currently built into the budget.

Driver's License System Upgrade
Road Use Tax Fund
(Dollars in Millions)

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>Total</u>
<u>Temporary Revenues</u>						
Increased License Fees	\$ 3.7	\$ 3.7	\$ 3.7	\$ 3.7	\$ 3.7	\$ 18.5
<u>Expenditures*</u>						
System Upgrade	\$ 4.5	\$ 4.5	\$ 0.0	\$ 0.0	\$ 0.0	\$ 9.0
Net Fiscal Impact	<u>\$ -0.8</u>	<u>\$ -0.8</u>	<u>\$ 3.7</u>	<u>\$ 3.7</u>	<u>\$ 3.7</u>	<u>\$ 9.5</u>

* Expenditures do not include annual system maintenance of \$500,000. That amount will be taken from the Motor Vehicle Division's base budget each year.

Moneys in excess of the amount needed to fund the system rewrite (estimated to be \$9.5 million) will be deposited into the Road Use Tax Fund.

If the DOT does not receive \$9.0 million for the system rewrite, the Department will utilize \$500,000 per year from the Motor Vehicle Division's base budget. Annual maintenance costs, including salaries, of approximately \$500,000 will be taken from the Motor Vehicle Division's base budget once the rewrite is completed.

Junkyard Regulation

The provisions of SF 97 relating to the regulation of junkyards will not have a significant fiscal impact on the DOT.

Political Signs

The provisions of SF 97 relating to political signs on private property will not have a significant fiscal impact on the DOT.

Source

Department of Transportation

/s/ Dennis C Prouty

March 5, 2003

SF 97 – DOT Omnibus (LSB 2183 SV)

Analyst: Mary Beth Mellick (Phone: (515) 281-8223) (marybeth.mellick@legis.state.ia.us)

Fiscal Note Version – New

Requestor – Senator Mike Connolly

Description

Senate File 97 provides several transportation-related policy changes to the Department of Transportation (DOT), including but not limited to, the following:

- Eliminates the requirement for the Department to regulate junkyards along primary highways.
- Eliminates the requirement for the Department to regulate the placement of political signs on private property.
- Eliminates the State Aviation Hangar Revolving Loan Fund.
- Allows the DOT to waive or refund fees for a renewal or duplicate license or identification card under certain circumstances.
- Increases the annual fee for driver's licenses by \$2.00. The increase would be in effect from July 1, 2003, to June 30, 2005. On July 1, 2005, the fees would revert to the current level. The DOT will use the additional fees for costs associated with the rewrite of the driver's license issuance and records system. The rewrite is necessary to include new rules and regulations implemented by the Iowa Legislature and Congress. Moneys in excess of the amount needed to fund the system rewrite will be deposited into the Road Use Tax Fund.
- Requires the DOT to be consistent with federal law when establishing rules for motor carrier safety.
- Amends regulations relating to transporting agricultural hazardous materials.
- Requires urban public transit systems to utilize private-sector operators, if practicable, in the planning of transit services.

Assumptions

1. In 2002, the Federal Highway Administration formally notified states that they could stop regulating junkyards along primary highways. In 2002, the Iowa Department of Motor Vehicle received approximately 50 Authorized Vehicle Recycler applications. Such applications are required for used vehicle parts dealers or vehicle salvagers, and have the potential for creating junkyards. Most of the 50 sites were not along primary highways, and therefore, fell under local jurisdiction. The cost savings to the DOT for not regulating junkyards along primary highway is not expected to be significant due to local control of the majority of junkyards.
 2. In 1998, the Attorney General's Office ruled that the placement of political signs on private property would not be enforced by the DOT. The Department has not enforced the placement of political signs since then, except in circumstances when a sign obstructs an intersection or interferes with traffic signs or devices.
 3. The Aviation Hangar Revolving Loan Fund was created in FY 2001 and was appropriated \$500,000. In FY 2002, \$360,000 was deappropriated to off-set the General
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Fund balance. The remaining Loan Fund balance of \$140,000 was loaned out and will be paid back in installments of \$14,000 over ten years at 3.0% interest.

4. The Department would waive or refund driver's license or identification card fees if the license or card has not been issued in a timely manner or the applicant was required to return to the driver's license station due to an error on the license or card issued. The proposed refund would be for licenses issued by the Department only, not by the counties. The refund amount is not expected to be significant.
5. Driver's license fees would increase by \$2.00 annually for Noncommercial, Noncommercial Chauffeur, and Commercial driver's licenses.
6. The Iowa DOT issues both two-year and five-year licenses. The majority, however, are five-year, as persons aged 18 through 69 are issued five-year licenses. Those limited to a two-year license are persons with a medical condition or persons under age 18 and over 70.
7. The number of licenses issued in one year for each license type is:
 - a. Noncommercial Chauffeur and Commercial (two-year license): 3,392
 - b. Noncommercial Chauffeur and Commercial (five-year license): 78,069
 - c. Noncommercial (two-year license): 132,877
 - d. Noncommercial (five-year license): 564,768
8. Some drivers are issued more than one license annually.
9. Under the proposed law, license fees would increase as follows:
 - a. Noncommercial Chauffeur and Commercial (two-year license): \$4.00
 - b. Noncommercial Chauffeur and Commercial (five-year license): \$10.00
 - c. Noncommercial (two-year license): \$4.00
 - d. Noncommercial (five-year license): \$10.00
10. One-time costs associated with rewriting the driver's license issuance and records system are estimated to be \$9.0 million. The \$9.0 million is currently contracted out. Maintaining the system will cost approximately \$500,000 annually.
11. Staff time for driver's license issuance will not be affected.

Fiscal Impact

The estimated fiscal impact of SF 97 is as follows:

General Aviation Vertical Infrastructure Program Fund

The fund will receive annual payments of \$14,000 in loan repayments over a ten-year period. The total amount of the loans is \$140,000. A 3.0% interest rate will be applied to the amount loaned. The total amount, including interest, to be repaid and deposited in the fund over the ten-year period is \$156,000.

Driver's License Fees

The estimated fiscal impact of SF 97 is an increase in revenue of \$7.0 million to the Road Use Tax Fund each year from July 1, 2003, to June 30, 2005. Total revenues are estimated to be

Driver's License System Upgrade
Road Use Tax Fund
(Dollars in Millions)

	<u>FY 2004</u>	<u>FY 2005</u>	<u>Total</u>
<u>Temporary Revenues</u>			
Increased License Fees	\$ 7.0	\$ 7.0	\$ 14.0
<u>Expenditures*</u>			
System Upgrade	\$ 4.5	\$ 4.5	\$ 9.0
Net Fiscal Impact	<u>\$ 2.5</u>	<u>\$ 2.5</u>	<u>\$ 5.0</u>

* Expenditures do not include annual system maintenance of \$500,000. That amount will be taken from the Motor Vehicle Division's base budget each year.

\$14.0 million over the two-year period. The revenues will be used for costs associated with the software rewrite of the driver's license issuance and records system. The one-time cost of upgrading the software is estimated to be \$9.0 million. In addition to the \$9.0 million, approximately \$500,000 will be needed each year to maintain the system. The \$500,000 will be taken from the Motor Vehicle Division's base budget. That amount is currently built into the budget.

Moneys in excess of the amount needed to fund the system rewrite (estimated to be \$5.0 million) will be deposited into the Road Use Tax Fund.

If the DOT does not receive \$9.0 million for the system rewrite, the Department will utilize approximately \$500,000 per year from the Motor Vehicle Division's base budget. Annual maintenance costs, including salaries, of approximately \$500,000 will be taken from the Motor Vehicle Division's base budget once the rewrite is completed.

Junkyard Regulation

The provisions of SF 97 relating to the regulation of junkyards will not have a significant fiscal impact on the DOT.

Political Signs

The provisions of SF 97 relating to political signs on private property will not have a significant fiscal impact on the DOT.

Source

Department of Transportation

/s/ Dennis C Prouty

March 5, 2003

S-3008

- 1 Amend Senate File 97 as follows:
- 2 1. Page 5, line 14, by striking the figure "2005"
- 3 and inserting the following: "2008".
- 4 2. Page 5, line 14, by striking the word "six"
- 5 and inserting the following: "five".
- 6 3. Page 5, line 18, by striking the figure "2005"
- 7 and inserting the following: "2008".
- 8 4. Page 5, line 19, by striking the word "ten"
- 9 and inserting the following: "nine".
- 10 5. Page 5, line 25, by striking the figure "2005"
- 11 and inserting the following: "2008".
- 12 6. Page 5, line 25, by striking the word "ten"
- 13 and inserting the following: "nine".
- 14 7. Page 5, by striking lines 28 through 30 and
- 15 inserting the following:
- 16 "NEW SUBSECTION. 10. TEMPORARY FEE INCREASE --
- 17 APPROPRIATION.
- 18 a. The temporary fee increase for a driver's
- 19 license under subsections 2, 3, and 4 shall not be
- 20 charged to a driver for more than five years of
- 21 license validity.
- 22 b. The additional fees collected from the
- 23 temporary fee increase under subsections 2, 3, and 4,
- 24 and from the temporary fee increase for a duplicate,
- 25 substitute, or replacement driver's license under
- 26 section 321.195, are appropriated to the state".
- 27 8. Page 6, by inserting after line 19 the
- 28 following:
- 29 "Sec. ____ . Section 321.195, Code 2003, is amended
- 30 to read as follows:
- 31 321.195 DUPLICATE DRIVER'S LICENSES AND
- 32 NONOPERATOR'S IDENTIFICATION CARDS.
- 33 If a driver's license or nonoperator's
- 34 identification card issued under this chapter is lost
- 35 or destroyed, the person to whom the license or card
- 36 was issued may, upon payment of a fee of three dollars
- 37 for a driver's license or nonoperator's identification
- 38 card, obtain a duplicate, or substitute, upon
- 39 furnishing proof satisfactory to the department that
- 40 the driver's license or nonoperator's identification
- 41 card has been lost or destroyed. A fee of one dollar
- 42 shall be charged for the voluntary replacement of a
- 43 driver's license or nonoperator's identification card.
- 44 However, for the period beginning July 1, 2003, and
- 45 ending June 30, 2008, the fee for a duplicate or
- 46 substitute driver's license is four dollars, and the
- 47 fee for voluntary replacement of a driver's license is
- 48 two dollars."
- 49 9. Page 11, by striking lines 24 through 28 and
- 50 inserting the following:

S-3008

S-3008

Page 2

- 1 "Sec. _____. The sections of this division amending
2 section 321.191, subsections 2, 3, and 4, and section
3 321.195, Code 2003, are repealed effective July 1,
4 2008, and the Code editor shall return the language in
5 section 321.191, subsections 2, 3, and 4, and section
6 321.195 to the language contained in the 2003 Code
7 without affecting subsequent amendments to those
8 sections unrelated to the fee increase enacted in this
9 Act."
10 10. Page 11, line 30, by striking the figure
11 "2005" and inserting the following: "2008".
12 11. By renumbering as necessary.

By RICHARD F. DRAKE
STEVEN H. WARNSTADT

S-3008 FILED FEBRUARY 12, 2003

Adopted 2/12/03

SENATE FILE 97

S-3013

- 1 Amend Senate File 97 as follows:
2 1. Page 5, by striking lines 7 through 35.
3 2. Page 11, by striking lines 24 through 30.
4 3. Title page, line 7, by striking the words "and
5 making an appropriation".
6 4. By renumbering as necessary.

By KEITH A. KREIMAN

S-3013 FILED FEBRUARY 19, 2003

LOST

SENATE FILE 97

S-3014

- 1 Amend Senate File 97 as follows:
2 1. Page 1, by striking lines 3 through 32.
3 2. Title page, lines 2 and 3, by striking the
4 words "regulation of junkyards along highways and".
5 3. By renumbering as necessary.

By JACK HOLVECK
HERMAN C. QUIRMBACH

S-3014 FILED FEBRUARY 19, 2003

LOST

SENATE FILE 97

S-3015

- 1 Amend Senate File 97 as follows:
2 1. Page 10, line 13, by inserting after the word
3 "practicable" the following: "at prices that cover
4 costs".
5 2. Page 10, line 14, by inserting after the word
6 "of" the following: "customer-initiated door-to-
7 door".

By HERMAN C. QUIRMBACH

S-3015 FILED FEBRUARY 19, 2003

LOST

S-3012

1 Amend Senate File 97 as follows:

2 1. Page 5, by striking lines 5 and 6 and
3 inserting the following:

4 "Sec. ____ . Section 321.50, subsection 6, Code
5 2003, is amended to read as follows:

6 6. Any person obtaining possession of a
7 certificate of title for a vehicle not already subject
8 to a perfected security interest, except new or used
9 vehicles held by a dealer or manufacturer as inventory
10 for sale, who purports to have a security interest in
11 such vehicle shall, within ~~thirty~~ three hundred sixty-
12 five days from the receipt of the certificate of
13 title, deliver such certificate of title to the county
14 treasurer of the county where it was issued to note
15 such security interest and, if such person fails to do
16 so, the person's purported security interest in the
17 vehicle shall be void and unenforceable and such
18 person shall forthwith deliver the certificate of
19 title to the county treasurer of the county where it
20 was issued. If no security interest has been filed,
21 for notation on the certificate of title, the
22 certificate shall be mailed by the treasurer to the
23 owner of the vehicle. For purposes of determining the
24 commencement date of the ~~thirty-day~~ three-hundred-
25 sixty-five-day period provided by this subsection, it
26 shall be presumed that the purported security interest
27 holder received the certificate of title on the date
28 of the creation of the holder's purported security
29 interest in the vehicle or the date of the issuance of
30 the certificate of title, whichever is the latter.

31 Any person collecting a fee from the owner of the
32 vehicle for the purpose of perfecting a security
33 interest in such vehicle who does not cause such
34 security interest to be noted on the certificate of
35 title by the county treasurer shall remit such fee to
36 the department of revenue and finance of this state.

37 This subsection is repealed effective July 1,
38 2004."

39 2. Page 12, by inserting after line 1 the
40 following:

41 "3. The sections of this Act amending section
42 321.24, subsection 3, section 321.45, subsection 2,
43 paragraph "a", and section 321.50, subsections 1, 2,
44 and 3, take effect July 1, 2004."

45 3. By renumbering as necessary.

By RICHARD F. DRAKE
STEVEN H. WARNSTADT
JOHN PUTNEY

SENATE FILE 97

S-3010

1 Amend Senate File 97 as follows:

2 1. Page 5, by striking lines 5 and 6 and
3 inserting the following:

4 "Sec. ____ . Section 321.50, subsection 6, Code
5 2003, is amended to read as follows:

6 6. Any person obtaining possession of a
7 certificate of title for a vehicle not already subject
8 to a perfected security interest, except new or used
9 vehicles held by a dealer or manufacturer as inventory
10 for sale, who purports to have a security interest in
11 such vehicle shall, within ~~thirty three hundred sixty-~~
12 ~~five~~ days from the receipt of the certificate of
13 title, deliver such certificate of title to the county
14 treasurer of the county where it was issued to note
15 such security interest and, if such person fails to do
16 so, the person's purported security interest in the
17 vehicle shall be void and unenforceable and such
18 person shall forthwith deliver the certificate of
19 title to the county treasurer of the county where it
20 was issued. If no security interest has been filed
21 for notation on the certificate of title, the
22 certificate shall be mailed by the treasurer to the
23 owner of the vehicle. For purposes of determining the
24 commencement date of the ~~thirty-day~~ three-hundred-
25 sixty-five-day period provided by this subsection, it
26 shall be presumed that the purported security interest
27 holder received the certificate of title on the date
28 of the creation of the holder's purported security
29 interest in the vehicle or the date of the issuance of
30 the certificate of title, whichever is the latter.
31 Any person collecting a fee from the owner of the
32 vehicle for the purpose of perfecting a security
33 interest in such vehicle who does not cause such
34 security interest to be noted on the certificate of
35 title by the county treasurer shall remit such fee to
36 the department of revenue and finance of this state.

37 This subsection is repealed effective July 1,
38 2004."

39 2. Page 12, by inserting after line 1 the
40 following:

41 "3. The sections of this Act amending section
42 321.24, subsection 3, section 321.45, subsection 2,
43 paragraph "a", and section 321.50, subsections 1, 2,
44 and 3, take effect July 1, 2005."

45 3. By renumbering as necessary.

By RICHARD F. DRAKE
STEVEN H. WARNSTADT
JOHN PUTNEY

S-3010 FILED FEBRUARY 19, 2003
WITHDRAWN

Referred
Ways & Means to cal

SENATE FILE 97
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 1003.1)

(AS AMENDED AND PASSED BY THE SENATE FEBRUARY 19, 2003)

_____ - New Language by the Senate

passed 3/17/03

Passed Senate, Date passed 2/19/03 Passed House, Date Passed 3/12

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved 3/28/03

A BILL FOR

1 An Act relating to highway, aviation, motor vehicle
2 transportation and public transit, including regulation of
3 junkyards along highways and placement of political signs,
4 elimination of the aviation hangar revolving loan fund,
5 applications for certificates of title by motor vehicle
6 dealers, fees charged for driver's licenses and nonoperator's
7 identification cards and making an appropriation, security
8 interests in motor vehicles, charges financed in a motor
9 vehicle retail installment transaction, confidentiality of
10 motor vehicle accident reports, requirements for motor carrier
11 safety rules, exemptions for certain motor vehicle operators
12 from motor carrier safety rules and hazardous materials
13 transportation regulations, load limits for vehicles
14 transporting construction machinery, urban public transit
15 funding, and tariffs charged by motor carriers of household
16 goods, and including effective and retroactive applicability
17 date provisions.

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

19
20
21

1 DIVISION I
2 HIGHWAYS

3 Section 1. Section 306C.1, subsection 5, Code 2003, is
4 amended by striking the subsection.

5 Sec. 2. Section 306C.2, unnumbered paragraph 1, Code 2003,
6 is amended to read as follows:

7 A person shall not establish, operate, or maintain a
8 junkyard, any portion of which is within one thousand feet of
9 the nearest edge of the right of way of any interstate or
10 primary highway, except:

11 Sec. 3. Section 306C.3, Code 2003, is amended to read as
12 follows:

13 306C.3 JUNKYARDS LAWFULLY IN EXISTENCE.

14 Any junkyard located outside a zoned or unzoned industrial
15 area lawfully in existence on July 1, 1972, which is within
16 one thousand feet of the nearest edge of the right of way and
17 visible from the main-traveled portion of any highway on the
18 interstate ~~or-primary~~ system shall be screened, if feasible,
19 by the department, or by the owner under rules and direction
20 of the department, at locations on the highway right of way or
21 in areas acquired for such purposes outside the right of way
22 in order to obscure the junkyard from the main-traveled way of
23 such highways.

24 Sec. 4. Section 306C.8, Code 2003, is amended to read as
25 follows:

26 306C.8 AGREEMENTS WITH THE UNITED STATES AUTHORIZED.

27 The department may enter into agreements with the United
28 States secretary of transportation as provided by Title 23,
29 United States Code, relating to control of junkyards in areas
30 adjacent to the interstate ~~and-primary-systems~~ system, and
31 take action in the name of the state to comply with the terms
32 of such agreements.

33 Sec. 5. Section 306C.10, subsection 13, Code 2003, is
34 amended by striking the subsection.

35 Sec. 6. Section 306C.22, Code 2003, is repealed.

1 DIVISION II
2 AVIATION

3 Sec. 7. Section 330.2, Code 2003, is repealed.

4 Sec. 8. LOAN REPAYMENTS. Moneys repaid on loans made from
5 the aviation hangar revolving loan fund shall be credited to
6 the state department of transportation and made available to
7 support general aviation airports.

8 DIVISION III
9 MOTOR VEHICLES

10 Sec. 9. Section 321.24, subsection 3, Code 2003, is
11 amended to read as follows:

12 3. The certificate of title shall contain upon its face
13 the identical information required upon the face of the
14 registration receipt. In addition, the certificate of title
15 shall contain a statement of the owner's title, the title
16 number assigned to the owner or owners of the vehicle, the
17 amount of tax paid pursuant to section 423.7, the name and
18 address of the previous owner, and a statement of all security
19 interests and encumbrances as shown in the application, upon
20 the vehicle described, including the nature of the security
21 interest, date of ~~notation~~ delivery, and name and address of
22 the secured party.

23 Sec. 10. Section 321.45, subsection 2, paragraph a, Code
24 2003, is amended to read as follows:

25 a. The perfection of a lien or security interest by
26 ~~notation-on-the-certificate-of-title~~ as provided in section
27 321.50, or

28 Sec. 11. Section 321.48, subsection 2, Code 2003, is
29 amended to read as follows:

30 2. A foreign registered vehicle purchased or otherwise
31 acquired by a dealer for the purpose of resale shall be issued
32 a certificate of title for the vehicle by the county treasurer
33 of the dealer's residence upon proper application as provided
34 in this chapter and upon payment of a fee of five dollars and
35 the dealer is exempt from the payment of any and all

1 registration fees for the vehicle. The application for
2 certificate of title shall be made within ~~fifteen~~ thirty days
3 after the vehicle comes within the border of the state.
4 However, a dealer acquiring a vehicle registered in another
5 state which permits Iowa dealers to reassign that state's
6 certificates of title shall not be required to obtain a new
7 registration or a new certificate of title and upon
8 transferring title or interest to another person shall execute
9 an assignment upon the certificate of title for the vehicle to
10 the person to whom the transfer is made and deliver the
11 assigned certificate of title to the person.

12 Sec. 12. Section 321.50, subsections 1, 2, and 3, Code
13 2003, are amended to read as follows:

14 1. A security interest in a vehicle subject to
15 registration under the laws of this state or a mobile home or
16 manufactured home, except trailers whose empty weight is two
17 thousand pounds or less, and except new or used vehicles held
18 by a dealer or manufacturer as inventory for sale, is
19 perfected by the delivery to the county treasurer of the
20 county where the certificate of title was issued or, in the
21 case of a new certificate, to the county treasurer where the
22 certificate will be issued, of an application for certificate
23 of title which lists the security interest, or an application
24 for notation of security interest signed by the owner, or by
25 one owner of a vehicle owned jointly by more than one person,
26 or a certificate of title from another jurisdiction which
27 shows the security interest, and payment of a fee of five
28 dollars for each security interest shown. Upon delivery of
29 the application and payment of the fee, the county treasurer
30 shall note the date of delivery on the application. The date
31 of delivery shall be the date of perfection of the security
32 interest in the vehicle, regardless of the date the security
33 interest is noted on the certificate of title. Up to three
34 security interests may be perfected against a vehicle and
35 shown on an Iowa certificate of title. If the owner or

1 secured party is in possession of the certificate of title, it
2 must also be delivered at this time ~~in-order-to-perfect-the~~
3 ~~security-interest~~. If a vehicle is subject to a security
4 interest when brought into this state, the validity of the
5 security interest and the date of perfection is determined by
6 section 554.9303. Delivery as provided in this subsection is
7 ~~an-indication~~ constitutes perfection of a security interest on
8 a certificate of title for purposes of this chapter and
9 chapter 554.

10 2. Upon receipt of the application and the required fee,
11 if the certificate of title was not delivered to the county
12 treasurer along with the application, the county treasurer
13 shall notify the holder of the certificate of title to deliver
14 to the county treasurer, within five days from the receipt of
15 notice, the certificate of title to permit notation of the
16 security interest. If the holder of the certificate of title
17 ~~shall-fail~~ fails to deliver it within ~~the-said~~ five days, the
18 holder shall be liable to anyone harmed by the holder's
19 failure.

20 3. Upon receipt of the application, the certificate of
21 title, if any, and the required fee, the county treasurer
22 shall note such the security interest, and the date thereof of
23 perfection of the security interest, on the certificate over,
24 the signature of such the officer or deputy and the seal of
25 office. The county treasurer shall also note such the
26 security interest and the date thereof of perfection of the
27 security interest in the county records system. Upon receipt
28 of a certificate of title issued by a foreign jurisdiction, on
29 which a security interest has been noted, the county treasurer
30 shall note the security interest and the date the security
31 interest was noted on the foreign certificate of title, if
32 available, or if not, the date of issuance of the foreign
33 certificate of title, on the face of the new certificate of
34 title over the signature of the officer or deputy and the seal
35 of office. The county treasurer shall also note the security

1 interest and the date that was noted on the certificate of
2 title in the county records system. The county treasurer
3 shall then mail the certificate of title to the first secured
4 party as shown thereon.

5 Sec. 13. Section 321.50, subsection 6, Code 2003, is
6 amended to read as follows:

7 6. Any person obtaining possession of a certificate of
8 title for a vehicle not already subject to a perfected
9 security interest, except new or used vehicles held by a
10 dealer or manufacturer as inventory for sale, who purports to
11 have a security interest in such vehicle shall, within thirty
12 three hundred sixty-five days from the receipt of the
13 certificate of title, deliver such certificate of title to the
14 county treasurer of the county where it was issued to note
15 such security interest and, if such person fails to do so, the
16 person's purported security interest in the vehicle shall be
17 void and unenforceable and such person shall forthwith deliver
18 the certificate of title to the county treasurer of the county
19 where it was issued. If no security interest has been filed
20 for notation on the certificate of title, the certificate
21 shall be mailed by the treasurer to the owner of the vehicle.
22 For purposes of determining the commencement date of the
23 thirty-day three-hundred-sixty-five-day period provided by
24 this subsection, it shall be presumed that the purported
25 security interest holder received the certificate of title on
26 the date of the creation of the holder's purported security
27 interest in the vehicle or the date of the issuance of the
28 certificate of title, whichever is the latter. Any person
29 collecting a fee from the owner of the vehicle for the purpose
30 of perfecting a security interest in such vehicle who does not
31 cause such security interest to be noted on the certificate of
32 title by the county treasurer shall remit such fee to the
33 department of revenue and finance of this state.

34 This subsection is repealed effective July 1, 2004.

35 Sec. 14. Section 321.191, subsections 2, 3, and 4, Code

1 2003, are amended to read as follows:

2 2. NONCOMMERCIAL DRIVER'S LICENSES. The fee for a
3 noncommercial driver's license, other than a class D driver's
4 license or any type of instruction permit, is four dollars per
5 year of license validity, except that for licenses issued
6 during the period beginning July 1, 2003, and ending June 30,
7 2008, the fee is five dollars per year of license validity.

8 3. LICENSES FOR CHAUFFEURS. The fee for a noncommercial
9 class D driver's license is eight dollars per year of license
10 validity, except that for licenses issued during the period
11 beginning July 1, 2003, and ending June 30, 2008, the fee is
12 nine dollars per year of license validity.

13 4. COMMERCIAL DRIVER'S LICENSES. The fee for a commercial
14 driver's license, other than an instruction permit, for the
15 operation of a commercial motor vehicle is eight dollars per
16 year of license validity, except that for licenses issued
17 during the period beginning July 1, 2003, and ending June 30,
18 2008, the fee is nine dollars per year of license validity.

19 Sec. 15. Section 321.191, Code 2003, is amended by adding
20 the following new subsection:

21 NEW SUBSECTION. 10. TEMPORARY FEE INCREASE --
22 APPROPRIATION.

23 a. The temporary fee increase for a driver's license under
24 subsections 2, 3, and 4 shall not be charged to a driver for
25 more than five years of license validity.

26 b. The additional fees collected from the temporary fee
27 increase under subsections 2, 3, and 4, and from the temporary
28 fee increase for a duplicate, substitute, or replacement
29 driver's license under section 321.195, are appropriated to
30 the state department of transportation to be used for costs
31 associated with the rewrite of the driver's license issuance
32 and records system. Moneys in excess of the amount needed to
33 fund the rewrite of the system shall be deposited in the road
34 use tax fund.

35 Sec. 16. NEW SECTION. 321.192 WAIVERS OR REFUNDS OF

1 FEES.

2 1. Notwithstanding the fee requirements for issuance of a
3 driver's license or nonoperator's identification card pursuant
4 to section 321.190 or 321.191, the department may waive or
5 refund fees pursuant to rules adopted by the department. The
6 department may waive payment of, or refund to an applicant,
7 all or a portion of the fees for renewal of a license or
8 identification card or for a duplicate license or
9 identification card if the department determines that the
10 service standard for timely issuance has not been met or an
11 error on the license or identification card requires the
12 applicant to return to the driver's license station. The
13 decision of the department not to waive or refund a fee is
14 final agency action and not subject to review under chapter
15 17A.

16 2. Subsection 1 does not apply to licenses or
17 identification cards issued by a county pursuant to chapter
18 321M.

19 Sec. 17. Section 321.195, Code 2003, is amended to read as
20 follows:

21 321.195 DUPLICATE DRIVER'S LICENSES AND NONOPERATOR'S
22 IDENTIFICATION CARDS.

23 If a driver's license or nonoperator's identification card
24 issued under this chapter is lost or destroyed, the person to
25 whom the license or card was issued may, upon payment of a fee
26 of three dollars for a driver's license or nonoperator's
27 identification card, obtain a duplicate, or substitute, upon
28 furnishing proof satisfactory to the department that the
29 driver's license or nonoperator's identification card has been
30 lost or destroyed. A fee of one dollar shall be charged for
31 the voluntary replacement of a driver's license or
32 nonoperator's identification card. However, for the period
33 beginning July 1, 2003, and ending June 30, 2008, the fee for
34 a duplicate or substitute driver's license is four dollars,
35 and the fee for voluntary replacement of a driver's license is

1 two dollars.

2 Sec. 18. Section 321.271, Code 2003, is amended to read as
3 follows:

4 321.271 REPORTS CONFIDENTIAL -- WITHOUT PREJUDICE --
5 EXCEPTIONS.

6 1. All accident reports filed by a driver of a vehicle
7 involved in an accident as required under section 321.266
8 shall be in writing. The report shall be without prejudice to
9 the individual so reporting and shall be for the confidential
10 use of the department, except that upon the request of any
11 person involved in the accident, the person's insurance
12 company or its agent, or the attorney for such person, the
13 department shall disclose the identity and address of other
14 persons involved in the accident and may disclose the name of
15 the insurance companies with whom the other persons have
16 liability insurance. The department, upon written request of
17 the person making the report, shall provide the person with a
18 copy of that person's report. The written report filed with
19 the department shall not be admissible in or used in evidence
20 in any civil or criminal case arising out of the facts on
21 which the report is based.

22 2. All written reports filed by a law enforcement officer
23 as required under section 321.266 shall be made available to
24 any party to an accident, the party's insurance company or its
25 agent, the party's attorney, the federal motor carrier safety
26 administration, or the attorney general, on written request to
27 the department and the payment of a fee of four dollars for
28 each copy. If a copy of an investigating officer's report of
29 a motor vehicle accident filed with the department is retained
30 by the law enforcement agency of the officer who filed the
31 report, a copy shall be made available to any party to the
32 accident, the party's insurance company or its agent, the
33 party's attorney, the federal motor carrier safety
34 administration, or the attorney general, on written request
35 and the payment of a fee. However, the attorney general and

1 the federal motor carrier safety administration shall not be
2 required by the department or the law enforcement agency to
3 pay a fee for a copy of a report filed by a law enforcement or
4 investigating officer.

5 3. Notwithstanding subsections 1 and 2, the date, time,
6 specific location, and immediate facts and circumstances
7 surrounding a crime or incident shall not be kept confidential
8 under this section, except in those unusual circumstances
9 where disclosure would plainly and seriously jeopardize an
10 investigation or pose a clear and present danger to the safety
11 of an individual.

12 Sec. 19. Section 321.449, subsection 1, unnumbered
13 paragraph 1, Code 2003, is amended to read as follows:

14 A person shall not operate a commercial vehicle on the
15 highways of this state except in compliance with rules adopted
16 by the department under chapter 17A. The rules shall be
17 consistent with the federal motor carrier safety regulations
18 promulgated under United States Code, Title 49, and found in
19 49 C.F.R. § pts. 385, 390-399 and adopted under chapter 17A.

20 Sec. 20. Section 321.449, subsections 4 and 8, Code 2003,
21 are amended to read as follows:

22 4. Notwithstanding other provisions of this section, rules
23 adopted under this section for drivers of commercial vehicles
24 shall not apply to a driver of a commercial vehicle who is
25 engaged exclusively in intrastate commerce, when the
26 commercial vehicle's gross vehicle weight rating is twenty-six
27 thousand pounds or less, unless the vehicle is used to
28 transport hazardous materials requiring a placard or if the
29 vehicle is designed to transport more than fifteen passengers,
30 including the driver. For the purpose of complying with the
31 hours of service recordkeeping requirements under 49 C.F.R. §
32 395.1(e)(5), a driver's report of daily beginning and ending
33 on-duty time submitted to the motor carrier at the end of each
34 work week shall be considered acceptable motor carrier time
35 records. In addition, rules adopted under this section shall

1 not apply to a driver operating intrastate for a farm
2 operation as defined in section 352.2, or for an agricultural
3 interest when the commercial vehicle is operated between the
4 farm as defined in section 352.2 and another farm, between the
5 farm and a market for farm products, or between the farm and
6 an agribusiness location. A driver or a driver-salesperson
7 for a private carrier, who is not for hire and who is engaged
8 exclusively in intrastate commerce, may drive twelve hours, be
9 on duty sixteen hours in a twenty-four hour period and be on
10 duty seventy hours in seven consecutive days or eighty hours
11 in eight consecutive days. For-hire drivers who are engaged
12 exclusively in intrastate commerce and who operate trucks and
13 truck-tractors exclusively for the movement of construction
14 materials and equipment to and from construction projects may
15 also drive twelve hours, be on duty sixteen hours in a twenty-
16 four-hour period, and be on duty seventy hours in seven
17 consecutive days or eighty hours in eight consecutive days. A
18 driver-salesperson means as defined in 49 C.F.R. § 395.2, as
19 adopted by the department by rule.

20 8. Rules adopted under this section shall not apply to
21 vehicles engaged in intrastate commerce and used in
22 combination, provided the gross vehicle weight rating of the
23 towing unit is ten thousand pounds or less and the gross
24 combination weight rating is twenty-six thousand pounds or
25 less.

26 Sec. 21. Section 321.450, subsection 4, Code 2003, is
27 amended to read as follows:

28 4. Notwithstanding other provisions of this section, rules
29 adopted under this section shall not apply to a farmer or
30 employees of a farmer when transporting an agricultural
31 hazardous material, except class 2 material, between the sites
32 in the farmer's agricultural operations unless the material is
33 being transported on the interstate highway system. As used
34 in this subsection, "farmer" means a person engaged in the
35 production or raising of crops, poultry, or livestock;

1 "farmer" does not include a person who is a commercial
2 applicator of agricultural chemicals or fertilizers.

3 Sec. 22. Section 321E.7, Code 2003, is amended by adding
4 the following new subsection:

5 NEW SUBSECTION. 1A. The gross weight on any one axle of
6 any vehicle or combination of vehicles traveling under a
7 permit issued in accordance with this chapter shall not exceed
8 the maximum axle load prescribed in section 321.463; except
9 that any one axle on a vehicle or combination of vehicles
10 transporting construction machinery shall be allowed a one
11 thousand pound weight tolerance, provided the total gross
12 weight of the vehicle or combination of vehicles does not
13 exceed the gross weight allowed by the permit.

14 Sec. 23. Section 322.19, unnumbered paragraph 5, Code
15 2003, is amended to read as follows:

16 ~~Amount-financed-shall-be~~ For purposes of this chapter,
17 "amount financed" means as defined in section 537.1301.
18 However, notwithstanding section 322.33, subsection 3, the
19 amount financed may also include additional charges for the
20 following, which shall not be included in the finance charge:

21 1. A motor vehicle service contract as defined in section
22 516E.1.

23 2. Voluntary debt cancellation coverage, whether insurance
24 or debt waiver, which may be excluded from the finance charge
25 under the federal Truth in Lending Act as defined in section
26 537.1302.

27 Sec. 24. NEW SECTION. 324A.7 URBAN PUBLIC TRANSIT
28 SYSTEMS -- INTENT.

29 An urban public transit system shall, to the extent
30 practicable, utilize private-sector operators in the planning
31 and provision of transit services.

32 Sec. 25. NEW SECTION. 325A.7A TARIFFS -- APPROVAL BY
33 DEPARTMENT.

34 1. TRANSPORTATION PROHIBITED. A motor carrier of
35 household goods shall not undertake to perform any service

1 for, engage in, or participate in the transportation of
2 personal effects or property between points within this state
3 until the motor carrier's tariff has been filed, posted, and
4 approved by the department.

5 2. CHANGE IN TARIFF. Unless the department orders
6 otherwise, a motor carrier of household goods shall give
7 thirty days' notice to the department and to the public, as
8 provided by rules adopted by the department, prior to making a
9 change in a tariff.

10 3. CHANGES WITHOUT NOTICE. The department, for good cause
11 shown, may allow changes in a tariff without the thirty days'
12 notice required in subsection 2 by issuing an order specifying
13 the changes to be made and the time they shall take effect.

14 4. POWER TO REVISE TARIFF. Any time a tariff is filed
15 with the department, the department may hold a hearing for the
16 purpose of determining that the tariff is just, reasonable,
17 and nondiscriminating. The hearing shall be conducted by the
18 director or the director's designee.

19 5. SUSPENSION OF TARIFF. Pending the hearing and the
20 decision of the department, the tariff shall not be put into
21 effect; however, this period of suspension of the tariff shall
22 not exceed one hundred twenty days beyond the time the tariff
23 would otherwise have been effective after filing and thirty
24 days' notice.

25 6. DECISION. Following the hearing, the department shall
26 establish the tariff changes proposed by the motor carrier in
27 whole or in part, or establish other changes the department
28 determines to be just, reasonable, and nondiscriminating.

29 Sec. 26. NEW SECTION. 325A.7B AGENCY TARIFFS.

30 1. AUTHORIZATION. Sections 325A.2 and 325A.7 shall not be
31 construed to prohibit the making of rates by two or more motor
32 carriers of household goods.

33 2. AGENCY TARIFFS. The names of the several motor
34 carriers that are parties to an agency tariff shall be
35 specified in the tariff. Unless otherwise required by the

1 department, the agency tariff may be filed by only one of the
2 parties to the agency tariff, or by a tariff filing agent,
3 under a power of attorney granted by each of the parties to
4 the agency tariff not doing the filing and filed with the
5 department on forms prescribed by the department.

6 Sec. 27. The sections of this division amending section
7 321.191, subsections 2, 3, and 4, and section 321.195, Code
8 2003, are repealed effective July 1, 2008, and the Code editor
9 shall return the language in section 321.191, subsections 2,
10 3, and 4, and section 321.195 to the language contained in the
11 2003 Code without affecting subsequent amendments to those
12 sections unrelated to the fee increase enacted in this Act.

13 Sec. 28. Section 321.191, subsection 10, as enacted in
14 this Act, is repealed effective July 1, 2008.

15 Sec. 29. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

16 1. The section of this Act amending section 321E.7, being
17 deemed of immediate importance, takes effect upon enactment.

18 2. The sections of this Act enacting sections 325A.7A and
19 325A.7B, being deemed of immediate importance, take effect
20 upon enactment and apply retroactively to January 1, 2002.

21 3. The sections of this Act amending section 321.24,
22 subsection 3, section 321.45, subsection 2, paragraph "a", and
23 section 321.50, subsections 1, 2, and 3, take effect July 1,
24 2004.

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H-1041

1 Amend Senate File 97, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking page 5, line 35, through page 6,
4 line 18.

5 2. Page 6, line 21, by striking the words
6 "TEMPORARY FEE INCREASE", and inserting the following:
7 "ONE-TIME SURCHARGE".

8 3. Page 6, by striking lines 23 through 25 and
9 inserting the following:

10 "a. Notwithstanding any other provisions of this
11 section, during the period beginning July 1, 2003, and
12 ending June 30, 2008, a person applying for a new
13 driver's license or for renewal of a driver's license
14 subject to a fee under subsection 2, 3, or 4 shall be
15 charged a one-time surcharge of three dollars in
16 addition to the license fee. A person shall not be
17 required to pay the surcharge more than once during
18 the five-year period."

19 4. Page 6, by striking lines 26 through 29 and
20 inserting the following:

21 "b. Moneys collected from the one-time surcharge
22 under paragraph "a" are appropriated to".

23 5. By striking page 7, line 19, through page 8,
24 line 1.

25 6. Page 11, by inserting after line 13 the
26 following:

27 "Sec. ____ . Section 321M.9, subsection 1, Code
28 2003, is amended to read as follows:

29 1. FEES TO COUNTIES. Notwithstanding any other
30 provision in the Code to the contrary, the county
31 treasurer of any county authorized to issue driver's
32 licenses under this chapter shall retain for deposit
33 in the county general fund ~~three five~~ dollars and
34 ~~seventy five cents~~ of fees received for each issuance
35 or renewal of driver's licenses and nonoperator
36 identification cards, but shall not retain any moneys
37 for the issuance of any persons with disabilities
38 identification devices. The county treasurer shall
39 remit the balance of fees to the department."

40 7. Page 13, by striking lines 6 through 12.

41 8. Page 13, by inserting after line 14 the
42 following:

43 "Sec. ____ . The section in this Act amending
44 section 321M.9 is repealed effective July 1, 2005.

45 Sec. ____ . The state department of transportation,
46 in consultation with the Iowa county treasurers
47 association, shall conduct a study of the county
48 driver's license issuance program, including the
49 financial effect the program has had on counties. The
50 department shall report its findings and

H-1041

H-1041

Page 2

1 recommendations to the general assembly no later than
2 December 31, 2003."

3 9. By renumbering as necessary.

By ARNOLD of Lucas

HUSER of Polk

MCCARTHY of Polk

RAYHONS of Hancock

ALONS of Sioux

WHITAKER of Van Buren

KLEMME of Plymouth

H-1041 FILED MARCH 10, 2003

Adopted 3/12/03

HOUSE AMENDMENT TO
SENATE FILE 97

S-3033

1 Amend Senate File 97, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. By striking page 5, line 35, through page 6,
4 line 18.
5 2. Page 6, line 21, by striking the words
6 "TEMPORARY FEE INCREASE", and inserting the following:
7 "ONE-TIME SURCHARGE".
8 3. Page 6, by striking lines 23 through 25 and
9 inserting the following:
10 "a. Notwithstanding any other provisions of this
11 section, during the period beginning July 1, 2003, and
12 ending June 30, 2008, a person applying for a new
13 driver's license or for renewal of a driver's license
14 subject to a fee under subsection 2, 3, or 4 shall be
15 charged a one-time surcharge of three dollars in
16 addition to the license fee. A person shall not be
17 required to pay the surcharge more than once during
18 the five-year period."
19 4. Page 6, by striking lines 26 through 29 and
20 inserting the following:
21 "b. Moneys collected from the one-time surcharge
22 under paragraph "a" are appropriated to".
23 5. By striking page 7, line 19, through page 8,
24 line 1.
25 6. Page 11, by inserting after line 13 the
26 following:
27 "Sec. _____. Section 321M.9, subsection 1, Code
28 2003, is amended to read as follows:
29 1. FEES TO COUNTIES. Notwithstanding any other
30 provision in the Code to the contrary, the county
31 treasurer of any county authorized to issue driver's
32 licenses under this chapter shall retain for deposit
33 in the county general fund ~~three five~~ three dollars and
34 ~~seventy five cents~~ of fees received for each issuance
35 or renewal of driver's licenses and nonoperator
36 identification cards, but shall not retain any moneys
37 for the issuance of any persons with disabilities
38 identification devices. The county treasurer shall
39 remit the balance of fees to the department."
40 7. Page 13, by striking lines 6 through 12.
41 8. Page 13, by inserting after line 14 the
42 following:
43 "Sec. _____. The section in this Act amending
44 section 321M.9 is repealed effective July 1, 2005.
45 Sec. _____. The state department of transportation,
46 in consultation with the Iowa county treasurers
47 association, shall conduct a study of the county
48 driver's license issuance program, including the
49 financial effect the program has had on counties. The
50 department shall report its findings and

S-3033

S-3033

Page 2

1 recommendations to the general assembly no later than
2 December 31, 2003."

3 9. By renumbering as necessary.

RECEIVED FROM THE HOUSE

S-3033 FILED MARCH 13, 2003
Senate concurred 3/17/03

SENATE FILE 97

H-1036

1 Amend Senate File 97, as amended, passed, and

2 reprinted by the Senate, as follows:

3 1. By striking page 6, line 35, through page 7,
4 line 18.

5 2. By renumbering as necessary.

By ALONS of Sioux

RASMUSSEN of Buchanan

WHITAKER of Van Buren

CHAMBERS of O'Brien

BAUDLER of Adair

THOMAS of Clayton

WILDERDYKE of Harrison

VAN ENGELLENHOVEN of Marion

HUNTER of Polk

RAYHONS of Hancock

ELGIN of Linn

S. OLSON of Clinton

H-1036 FILED MARCH 5, 2003

Withdrawn 3/12/03

Drake
McCoy
Putney

SSB 1003.1

Succeeded By
(SF) HF ~~97~~

SENATE FILE Transportation
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON DRAKE)

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

A BILL FOR

1 An Act relating to highway, aviation, motor vehicle
2 transportation and public transit, including regulation of
3 junkyards along highways and placement of political signs,
4 elimination of the aviation hangar revolving loan fund,
5 applications for certificates of title by motor vehicle
6 dealers, fees charged for driver's licenses and nonoperator's
7 identification cards and making an appropriation, security
8 interests in motor vehicles, charges financed in a motor
9 vehicle retail installment transaction, confidentiality of
10 motor vehicle accident reports, requirements for motor carrier
11 safety rules, exemptions for certain motor vehicle operators
12 from motor carrier safety rules and hazardous materials
13 transportation regulations, load limits for vehicles
14 transporting construction machinery, urban public transit
15 funding, and tariffs charged by motor carriers of household
16 goods, and including effective and retroactive applicability
17 date provisions.

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

19
20
21
22
23

DIVISION I

HIGHWAYS

1
2
3 Section 1. Section 306C.1, subsection 5, Code 2003, is
4 amended by striking the subsection.

5 Sec. 2. Section 306C.2, unnumbered paragraph 1, Code 2003,
6 is amended to read as follows:

7 A person shall not establish, operate, or maintain a
8 junkyard, any portion of which is within one thousand feet of
9 the nearest edge of the right of way of any interstate ~~or~~
10 ~~primary~~ highway, except:

11 Sec. 3. Section 306C.3, Code 2003, is amended to read as
12 follows:

13 306C.3 JUNKYARDS LAWFULLY IN EXISTENCE.

14 Any junkyard located outside a zoned or unzoned industrial
15 area lawfully in existence on July 1, 1972, which is within
16 one thousand feet of the nearest edge of the right of way and
17 visible from the main-traveled portion of any highway on the
18 interstate ~~or-primary~~ system shall be screened, if feasible,
19 by the department, or by the owner under rules and direction
20 of the department, at locations on the highway right of way or
21 in areas acquired for such purposes outside the right of way
22 in order to obscure the junkyard from the main-traveled way of
23 such highways.

24 Sec. 4. Section 306C.8, Code 2003, is amended to read as
25 follows:

26 306C.8 AGREEMENTS WITH THE UNITED STATES AUTHORIZED.

27 The department may enter into agreements with the United
28 States secretary of transportation as provided by Title 23,
29 United States Code, relating to control of junkyards in areas
30 adjacent to the interstate ~~and-primary-systems~~ system, and
31 take action in the name of the state to comply with the terms
32 of such agreements.

33 Sec. 5. Section 306C.10, subsection 13, Code 2003, is
34 amended by striking the subsection.

35 Sec. 6. Section 306C.22, Code 2003, is repealed.

1 DIVISION II
2 AVIATION

3 Sec. 7. Section 330.2, Code 2003, is repealed.

4 Sec. 8. LOAN REPAYMENTS. Moneys repaid on loans made from
5 the aviation hangar revolving loan fund shall be credited to
6 the state department of transportation and made available to
7 support general aviation airports.

8 DIVISION III
9 MOTOR VEHICLES

10 Sec. 9. Section 321.24, subsection 3, Code 2003, is
11 amended to read as follows:

12 3. The certificate of title shall contain upon its face
13 the identical information required upon the face of the
14 registration receipt. In addition, the certificate of title
15 shall contain a statement of the owner's title, the title
16 number assigned to the owner or owners of the vehicle, the
17 amount of tax paid pursuant to section 423.7, the name and
18 address of the previous owner, and a statement of all security
19 interests and encumbrances as shown in the application, upon
20 the vehicle described, including the nature of the security
21 interest, date of ~~notation~~ delivery, and name and address of
22 the secured party.

23 Sec. 10. Section 321.45, subsection 2, paragraph a, Code
24 2003, is amended to read as follows:

25 a. The perfection of a lien or security interest by
26 ~~notation-on-the-certificate-of-title~~ as provided in section
27 321.50, or

28 Sec. 11. Section 321.48, subsection 2, Code 2003, is
29 amended to read as follows:

30 2. A foreign registered vehicle purchased or otherwise
31 acquired by a dealer for the purpose of resale shall be issued
32 a certificate of title for the vehicle by the county treasurer
33 of the dealer's residence upon proper application as provided
34 in this chapter and upon payment of a fee of five dollars and
35 the dealer is exempt from the payment of any and all

1 registration fees for the vehicle. The application for
2 certificate of title shall be made within ~~fifteen~~ thirty days
3 after the vehicle comes within the border of the state.
4 However, a dealer acquiring a vehicle registered in another
5 state which permits Iowa dealers to reassign that state's
6 certificates of title shall not be required to obtain a new
7 registration or a new certificate of title and upon
8 transferring title or interest to another person shall execute
9 an assignment upon the certificate of title for the vehicle to
10 the person to whom the transfer is made and deliver the
11 assigned certificate of title to the person.

12 Sec. 12. Section 321.50, subsections 1, 2, and 3, Code
13 2003, are amended to read as follows:

14 1. A security interest in a vehicle subject to
15 registration under the laws of this state or a mobile home or
16 manufactured home, except trailers whose empty weight is two
17 thousand pounds or less, and except new or used vehicles held
18 by a dealer or manufacturer as inventory for sale, is
19 perfected by the delivery to the county treasurer of the
20 county where the certificate of title was issued or, in the
21 case of a new certificate, to the county treasurer where the
22 certificate will be issued, of an application for certificate
23 of title which lists the security interest, or an application
24 for notation of security interest signed by the owner, or by
25 one owner of a vehicle owned jointly by more than one person,
26 or a certificate of title from another jurisdiction which
27 shows the security interest, and payment of a fee of five
28 dollars for each security interest shown. Upon delivery of
29 the application and payment of the fee, the county treasurer
30 shall note the date of delivery on the application. The date
31 of delivery shall be the date of perfection of the security
32 interest in the vehicle, regardless of the date the security
33 interest is noted on the certificate of title. Up to three
34 security interests may be perfected against a vehicle and
35 shown on an Iowa certificate of title. If the owner or

1 secured party is in possession of the certificate of title, it
2 must also be delivered at this time ~~in-order-to-perfect-the~~
3 ~~security-interest~~. If a vehicle is subject to a security
4 interest when brought into this state, the validity of the
5 security interest and the date of perfection is determined by
6 section 554.9303. Delivery as provided in this subsection is
7 ~~an-indication~~ constitutes perfection of a security interest on
8 a certificate of title for purposes of this chapter and
9 chapter 554.

10 2. Upon receipt of the application and the required fee,
11 if the certificate of title was not delivered to the county
12 treasurer along with the application, the county treasurer
13 shall notify the holder of the certificate of title to deliver
14 to the county treasurer, within five days from the receipt of
15 notice, the certificate of title to permit notation of the
16 security interest. If the holder of the certificate of title
17 ~~shall-fail~~ fails to deliver it within ~~the-said~~ five days, the
18 holder shall be liable to anyone harmed by the holder's
19 failure.

20 3. Upon receipt of the application, the certificate of
21 title, if any, and the required fee, the county treasurer
22 shall note such the security interest, and the date thereof of
23 perfection of the security interest, on the certificate over
24 the signature of such the officer or deputy and the seal of
25 office. The county treasurer shall also note such the
26 security interest and the date thereof of perfection of the
27 security interest in the county records system. Upon receipt
28 of a certificate of title issued by a foreign jurisdiction, on
29 which a security interest has been noted, the county treasurer
30 shall note the security interest and the date the security
31 interest was noted on the foreign certificate of title, if
32 available, or if not, the date of issuance of the foreign
33 certificate of title, on the face of the new certificate of
34 title over the signature of the officer or deputy and the seal
35 of office. The county treasurer shall also note the security

1 interest and the date that was noted on the certificate of
2 title in the county records system. The county treasurer
3 shall then mail the certificate of title to the first secured
4 party as shown thereon.

5 Sec. 13. Section 321.50, subsection 6, Code 2003, is
6 amended by striking the subsection.

7 Sec. 14. Section 321.191, subsections 2, 3, and 4, Code
8 2003, are amended to read as follows:

9 2. NONCOMMERCIAL DRIVER'S LICENSES. The fee for a
10 noncommercial driver's license, other than a class D driver's
11 license or any type of instruction permit, is four dollars per
12 year of license validity, except that for licenses issued
13 during the period beginning July 1, 2003, and ending June 30,
14 2005, the fee is six dollars per year of license validity.

15 3. LICENSES FOR CHAUFFEURS. The fee for a noncommercial
16 class D driver's license is eight dollars per year of license
17 validity, except that for licenses issued during the period
18 beginning July 1, 2003, and ending June 30, 2005, the fee is
19 ten dollars per year of license validity.

20 4. COMMERCIAL DRIVER'S LICENSES. The fee for a commercial
21 driver's license, other than an instruction permit, for the
22 operation of a commercial motor vehicle is eight dollars per
23 year of license validity, except that for licenses issued
24 during the period beginning July 1, 2003, and ending June 30,
25 2005, the fee is ten dollars per year of license validity.

26 Sec. 15. Section 321.191, Code 2003, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 10. TEMPORARY FEES APPROPRIATION. The
29 additional fees collected from the temporary fee increase
30 under subsections 2, 3, and 4 are appropriated to the state
31 department of transportation to be used for costs associated
32 with the rewrite of the driver's license issuance and records
33 system. Moneys in excess of the amount needed to fund the
34 rewrite of the system shall be deposited in the road use tax
35 fund.

1 Sec. 16. NEW SECTION. 321.192 WAIVERS OR REFUNDS OF
2 FEES.

3 1. Notwithstanding the fee requirements for issuance of a
4 driver's license or nonoperator's identification card pursuant
5 to section 321.190 or 321.191, the department may waive or
6 refund fees pursuant to rules adopted by the department. The
7 department may waive payment of, or refund to an applicant,
8 all or a portion of the fees for renewal of a license or
9 identification card or for a duplicate license or
10 identification card if the department determines that the
11 service standard for timely issuance has not been met or an
12 error on the license or identification card requires the
13 applicant to return to the driver's license station. The
14 decision of the department not to waive or refund a fee is
15 final agency action and not subject to review under chapter
16 17A.

17 2. Subsection 1 does not apply to licenses or
18 identification cards issued by a county pursuant to chapter
19 321M.

20 Sec. 17. Section 321.271, Code 2003, is amended to read as
21 follows:

22 321.271 REPORTS CONFIDENTIAL -- WITHOUT PREJUDICE --
23 EXCEPTIONS.

24 1. All accident reports filed by a driver of a vehicle
25 involved in an accident as required under section 321.266
26 shall be in writing. The report shall be without prejudice to
27 the individual so reporting and shall be for the confidential
28 use of the department, except that upon the request of any
29 person involved in the accident, the person's insurance
30 company or its agent, or the attorney for such person, the
31 department shall disclose the identity and address of other
32 persons involved in the accident and may disclose the name of
33 the insurance companies with whom the other persons have
34 liability insurance. The department, upon written request of
35 the person making the report, shall provide the person with a

1 copy of that person's report. The written report filed with
2 the department shall not be admissible in or used in evidence
3 in any civil or criminal case arising out of the facts on
4 which the report is based.

5 2. All written reports filed by a law enforcement officer
6 as required under section 321.266 shall be made available to
7 any party to an accident, the party's insurance company or its
8 agent, the party's attorney, the federal motor carrier safety
9 administration, or the attorney general, on written request to
10 the department and the payment of a fee of four dollars for
11 each copy. If a copy of an investigating officer's report of
12 a motor vehicle accident filed with the department is retained
13 by the law enforcement agency of the officer who filed the
14 report, a copy shall be made available to any party to the
15 accident, the party's insurance company or its agent, the
16 party's attorney, the federal motor carrier safety
17 administration, or the attorney general, on written request
18 and the payment of a fee. However, the attorney general and
19 the federal motor carrier safety administration shall not be
20 required by the department or the law enforcement agency to
21 pay a fee for a copy of a report filed by a law enforcement or
22 investigating officer.

23 3. Notwithstanding subsections 1 and 2, the date, time,
24 specific location, and immediate facts and circumstances
25 surrounding a crime or incident shall not be kept confidential
26 under this section, except in those unusual circumstances
27 where disclosure would plainly and seriously jeopardize an
28 investigation or pose a clear and present danger to the safety
29 of an individual.

30 Sec. 18. Section 321.449, subsection 1, unnumbered
31 paragraph 1, Code 2003, is amended to read as follows:

32 A person shall not operate a commercial vehicle on the
33 highways of this state except in compliance with rules adopted
34 by the department under chapter 17A. The rules shall be
35 consistent with the federal motor carrier safety regulations

1 promulgated under United States Code, Title 49, and found in
2 49 C.F.R. § pts. 385, 390-399 and adopted under chapter 17A.

3 Sec. 19. Section 321.449, subsections 4 and 8, Code 2003,
4 are amended to read as follows:

5 4. Notwithstanding other provisions of this section, rules
6 adopted under this section for drivers of commercial vehicles
7 shall not apply to a driver of a commercial vehicle who is
8 engaged exclusively in intrastate commerce, when the
9 commercial vehicle's gross vehicle weight rating is twenty-six
10 thousand pounds or less, unless the vehicle is used to
11 transport hazardous materials requiring a placard or if the
12 vehicle is designed to transport more than fifteen passengers,
13 including the driver. For the purpose of complying with the
14 hours of service recordkeeping requirements under 49 C.F.R. §
15 395.1(e)(5), a driver's report of daily beginning and ending
16 on-duty time submitted to the motor carrier at the end of each
17 work week shall be considered acceptable motor carrier time
18 records. In addition, rules adopted under this section shall
19 not apply to a driver operating intrastate for a farm
20 operation as defined in section 352.2, or for an agricultural
21 interest when the commercial vehicle is operated between the
22 farm as defined in section 352.2 and another farm, between the
23 farm and a market for farm products, or between the farm and
24 an agribusiness location. A driver or a driver-salesperson
25 for a private carrier, who is not for hire and who is engaged
26 exclusively in intrastate commerce, may drive twelve hours, be
27 on duty sixteen hours in a twenty-four hour period and be on
28 duty seventy hours in seven consecutive days or eighty hours
29 in eight consecutive days. For-hire drivers who are engaged
30 exclusively in intrastate commerce and who operate trucks and
31 truck-tractors exclusively for the movement of construction
32 materials and equipment to and from construction projects may
33 also drive twelve hours, be on duty sixteen hours in a twenty-
34 four-hour period, and be on duty seventy hours in seven
35 consecutive days or eighty hours in eight consecutive days. A

1 driver-salesperson means as defined in 49 C.F.R. § 395.2, as
2 adopted by the department by rule.

3 8. Rules adopted under this section shall not apply to
4 vehicles engaged in intrastate commerce and used in
5 combination, provided the gross vehicle weight rating of the
6 towing unit is ten thousand pounds or less and the gross
7 combination weight rating is twenty-six thousand pounds or
8 less.

9 Sec. 20. Section 321.450, subsection 4, Code 2003, is
10 amended to read as follows:

11 4. Notwithstanding other provisions of this section, rules
12 adopted under this section shall not apply to a farmer or
13 employees of a farmer when transporting an agricultural
14 hazardous material, except class 2 material, between the sites
15 in the farmer's agricultural operations unless the material is
16 being transported on the interstate highway system. As used
17 in this subsection, "farmer" means a person engaged in the
18 production or raising of crops, poultry, or livestock;
19 "farmer" does not include a person who is a commercial
20 applicator of agricultural chemicals or fertilizers.

21 Sec. 21. Section 321E.7, Code 2003, is amended by adding
22 the following new subsection:

23 NEW SUBSECTION. 1A. The gross weight on any one axle of
24 any vehicle or combination of vehicles traveling under a
25 permit issued in accordance with this chapter shall not exceed
26 the maximum axle load prescribed in section 321.463; except
27 that any one axle on a vehicle or combination of vehicles
28 transporting construction machinery shall be allowed a one
29 thousand pound weight tolerance, provided the total gross
30 weight of the vehicle or combination of vehicles does not
31 exceed the gross weight allowed by the permit.

32 Sec. 22. Section 322.19, unnumbered paragraph 5, Code
33 2003, is amended to read as follows:

34 ~~Amount-financed-shall-be~~ For purposes of this chapter,
35 "amount financed" means as defined in section 537.1301.

1 However, notwithstanding section 322.33, subsection 3, the
2 amount financed may also include additional charges for the
3 following, which shall not be included in the finance charge:

4 1. A motor vehicle service contract as defined in section
5 516E.1.

6 2. Voluntary debt cancellation coverage, whether insurance
7 or debt waiver, which may be excluded from the finance charge
8 under the federal Truth in Lending Act as defined in section
9 537.1302.

10 Sec. 23. NEW SECTION. 324A.6 URBAN PUBLIC TRANSIT
11 SYSTEMS -- INTENT.

12 An urban public transit system shall, to the extent
13 practicable, utilize private-sector operators in the planning
14 and provision of transit services.

15 Sec. 24. NEW SECTION. 325A.7A TARIFFS -- APPROVAL BY
16 DEPARTMENT.

17 1. TRANSPORTATION PROHIBITED. A motor carrier of
18 household goods shall not undertake to perform any service
19 for, engage in, or participate in the transportation of
20 personal effects or property between points within this state
21 until the motor carrier's tariff has been filed, posted, and
22 approved by the department.

23 2. CHANGE IN TARIFF. Unless the department orders
24 otherwise, a motor carrier of household goods shall give
25 thirty days' notice to the department and to the public, as
26 provided by rules adopted by the department, prior to making a
27 change in a tariff.

28 3. CHANGES WITHOUT NOTICE. The department, for good cause
29 shown, may allow changes in a tariff without the thirty days'
30 notice required in subsection 2 by issuing an order specifying
31 the changes to be made and the time they shall take effect.

32 4. POWER TO REVISE TARIFF. Any time a tariff is filed
33 with the department, the department may hold a hearing for the
34 purpose of determining that the tariff is just, reasonable,
35 and nondiscriminating. The hearing shall be conducted by the

1 director or the director's designee.

2 5. SUSPENSION OF TARIFF. Pending the hearing and the
3 decision of the department, the tariff shall not be put into
4 effect; however, this period of suspension of the tariff shall
5 not exceed one hundred twenty days beyond the time the tariff
6 would otherwise have been effective after filing and thirty
7 days' notice.

8 6. DECISION. Following the hearing, the department shall
9 establish the tariff changes proposed by the motor carrier in
10 whole or in part, or establish other changes the department
11 determines to be just, reasonable, and nondiscriminating.

12 Sec. 25. NEW SECTION. 325A.7B AGENCY TARIFFS.

13 1. AUTHORIZATION. Sections 325A.2 and 325A.7 shall not be
14 construed to prohibit the making of rates by two or more motor
15 carriers of household goods.

16 2. AGENCY TARIFFS. The names of the several motor
17 carriers that are parties to an agency tariff shall be
18 specified in the tariff. Unless otherwise required by the
19 department, the agency tariff may be filed by only one of the
20 parties to the agency tariff, or by a tariff filing agent,
21 under a power of attorney granted by each of the parties to
22 the agency tariff not doing the filing and filed with the
23 department on forms prescribed by the department.

24 Sec. 26. The section of this division amending section
25 321.191, subsections 2, 3, and 4, Code 2003, is repealed
26 effective July 1, 2005, and the Code editor shall return the
27 applicable language in those subsections to the language
28 contained in the 2003 Iowa Code.

29 Sec. 27. Section 321.191, subsection 10, as enacted in
30 this Act, is repealed effective July 1, 2005.

31 Sec. 28. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

32 1. The section of this Act amending section 321E.7, being
33 deemed of immediate importance, takes effect upon enactment.

34 2. The sections of this Act enacting sections 325A.7A and
35 325A.7B, being deemed of immediate importance, take effect

1 upon enactment and apply retroactively to January 1, 2002.

2

EXPLANATION

3 This bill amends current law relating to highways,
4 aviation, and motor vehicle regulation.

5 Division I of the bill relates to highways. The bill
6 amends Code chapter 306C to eliminate the authority of the
7 state department of transportation to regulate junkyards along
8 primary highways. The department would continue to regulate
9 junkyards along interstate highways in accordance with federal
10 law.

11 The bill repeals Code section 306C.22, which regulates the
12 placement of political signs on private property. Due to a
13 federal appeals court decision, the state department of
14 transportation has not enforced this Code section since 1998.

15 Division II of the bill repeals Code section 330.2, which
16 establishes the aviation hangar revolving loan fund.
17 Legislation passed in 2002 eliminated the balance of the fund.
18 The bill provides that moneys repaid on outstanding loans from
19 the fund are to be credited to the state department of
20 transportation for support of general aviation airports.

21 Division III of the bill contains provisions relating to
22 motor vehicle regulation. The bill amends provisions relating
23 to security interests in motor vehicles to require that the
24 date of perfection of a security interest is the date the
25 application for the security interest is delivered to the
26 county treasurer. The bill strikes a provision in Code
27 section 321.50 that sets a deadline for delivery of a
28 certificate of title to a county treasurer for notation of a
29 security interest in order for the security interest to be
30 enforceable.

31 The bill extends the time allowed a motor vehicle dealer to
32 apply for a certificate of title for a foreign registered
33 vehicle under Code section 321.48 from 15 to 30 days from the
34 time the vehicle enters the state.

35 The bill amends Code section 321.191 by increasing fees for

1 certain driver's licenses issued during the period beginning
2 July 1, 2003, and ending June 30, 2005. The fee for a
3 noncommercial driver's license, other than a class D license
4 or an instruction permit, is temporarily increased from \$4 to
5 \$6 per year of license validity. The fee for a noncommercial
6 class D driver's license, or chauffeur's license, is
7 temporarily increased from \$8 to \$10 per year of license
8 validity. The fee for a commercial driver's license, other
9 than an instruction permit, is temporarily increased from \$8
10 to \$10 per year of license validity. The revenues from the
11 temporary fee increases are appropriated to the state
12 department of transportation for costs associated with the
13 rewrite of the driver's license issuance and records system.
14 Fees in excess of the amount needed to fund the rewrite of the
15 system are to be deposited in the road use tax fund. The
16 temporary fee increases are repealed effective July 1, 2005.

17 The bill adds language to Code section 321.271 to allow
18 that certain factual crime or incident information in
19 confidential motor vehicle accident reports shall be disclosed
20 if disclosure would not jeopardize an investigation or
21 endanger the safety of an individual.

22 The bill creates new Code section 321.192, which authorizes
23 the state department of transportation to waive payment of, or
24 to refund, all or a portion of fees for renewal or duplication
25 of a driver's license or nonoperator's identification card,
26 pursuant to rules adopted by the department, if the
27 department's standard for timely issuance is not met, or if an
28 applicant is required to return to the driver's license
29 station due to an error on the license or identification card.
30 The provision is only applicable to licenses and cards issued
31 at driver's license stations operated by the department, and
32 not to licenses and cards issued by counties under Code
33 chapter 321M.

34 The bill makes several amendments to Code section 321.449
35 affecting motor carrier safety rules adopted by the state

1 department of transportation. Such rules must be consistent
2 with federal law establishing procedures for determining,
3 rating, and monitoring the safety fitness of motor carriers
4 and establishing a safety assurance program for new entrant
5 motor carriers seeking to conduct interstate operations. The
6 bill exempts from motor carrier safety rules drivers operating
7 intrastate for farm operations or agricultural interests when
8 the vehicle is operated between the farm and another farm,
9 between the farm and a market for farm products, or between
10 the farm and an agribusiness location. In addition, certain
11 vehicles engaged in intrastate commerce and used in
12 combination are exempt from the rules.

13 The bill amends Code section 321.450 pertaining to
14 hazardous materials transportation regulations. Currently,
15 farmers and employees of farmers transporting agricultural
16 hazardous materials are exempt from rules implementing the
17 federal regulations when transporting materials between sites
18 in the farmer's agricultural operations, unless the material
19 is being transported on the interstate highway system. The
20 section is amended to exclude the transportation of class 2
21 hazardous materials from that exemption. Class 2 agricultural
22 hazardous materials are flammable gas and nonflammable,
23 nonpoisonous compressed gas as defined in federal law.

24 The bill creates an exception to gross weight limits in
25 Code section 321E.7 for a vehicle or combination of vehicles
26 transporting construction machinery. Such a vehicle is
27 allowed a 1,000 pound weight tolerance for any one axle,
28 provided the total gross vehicle weight does not exceed that
29 allowed by permit. This exception is effective immediately
30 upon the bill's enactment.

31 The bill amends Code section 322.19 to allow charges for
32 motor vehicle service contracts and voluntary debt
33 cancellation coverage to be financed under a motor vehicle
34 retail installment contract. Such charges may not, however,
35 be included in a finance charge.

1 The bill enacts new Code section 324A.6 to require that
2 urban public transit systems utilize private-sector operators,
3 if practicable, in the planning and provision of transit
4 services.

5 The bill enacts new requirements for the establishment,
6 filing, and revision of tariffs charged by motor carriers of
7 household goods in new Code section 325A.7A. Special
8 requirements for the filing of agency tariffs are outlined in
9 new Code section 325A.7B. Both new Code sections are
10 effective upon enactment and apply retroactively to January 1,
11 2002.

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SENATE FILE 97

AN ACT

RELATING TO HIGHWAY, AVIATION, MOTOR VEHICLE TRANSPORTATION AND PUBLIC TRANSIT, INCLUDING REGULATION OF JUNKYARDS ALONG HIGHWAYS AND PLACEMENT OF POLITICAL SIGNS, ELIMINATION OF THE AVIATION HANGAR REVOLVING LOAN FUND, APPLICATIONS FOR CERTIFICATES OF TITLE BY MOTOR VEHICLE DEALERS, FEES CHARGED FOR DRIVER'S LICENSES AND NONOPERATOR'S IDENTIFICATION CARDS AND MAKING AN APPROPRIATION, SECURITY INTERESTS IN MOTOR VEHICLES, CHARGES FINANCED IN A MOTOR VEHICLE RETAIL INSTALLMENT TRANSACTION, CONFIDENTIALITY OF MOTOR VEHICLE ACCIDENT REPORTS, REQUIREMENTS FOR MOTOR CARRIER SAFETY RULES, EXEMPTIONS FOR CERTAIN MOTOR VEHICLE OPERATORS FROM MOTOR CARRIER SAFETY RULES AND HAZARDOUS MATERIALS TRANSPORTATION REGULATIONS, LOAD LIMITS FOR VEHICLES TRANSPORTING CONSTRUCTION MACHINERY, URBAN PUBLIC TRANSIT FUNDING, AND TARIFFS CHARGED BY MOTOR CARRIERS OF HOUSEHOLD GOODS, AND INCLUDING EFFECTIVE AND RETROACTIVE APPLICABILITY DATE PROVISIONS.

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

DIVISION I
HIGHWAYS

Section 1. Section 306C.1, subsection 5, Code 2003, is amended by striking the subsection.

Sec. 2. Section 306C.2, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A person shall not establish, operate, or maintain a junkyard, any portion of which is within one thousand feet of the nearest edge of the right of way of any interstate or primary highway, except:

Sec. 3. Section 306C.3, Code 2003, is amended to read as follows:

306C.3 JUNKYARDS LAWFULLY IN EXISTENCE.

Any junkyard located outside a zoned or unzoned industrial area lawfully in existence on July 1, 1972, which is within one thousand feet of the nearest edge of the right of way and visible from the main-traveled portion of any highway on the interstate or primary system shall be screened, if feasible, by the department, or by the owner under rules and direction of the department, at locations on the highway right of way or in areas acquired for such purposes outside the right of way in order to obscure the junkyard from the main-traveled way of such highways.

Sec. 4. Section 306C.8, Code 2003, is amended to read as follows:

306C.8 AGREEMENTS WITH THE UNITED STATES AUTHORIZED.

The department may enter into agreements with the United States secretary of transportation as provided by Title 23, United States Code, relating to control of junkyards in areas adjacent to the interstate and primary systems system, and take action in the name of the state to comply with the terms of such agreements.

Sec. 5. Section 306C.10, subsection 13, Code 2003, is amended by striking the subsection.

Sec. 6. Section 306C.22, Code 2003, is repealed.

DIVISION II
AVIATION

Sec. 7. Section 330.2, Code 2003, is repealed.

Sec. 8. LOAN REPAYMENTS. Moneys repaid on loans made from the aviation hangar revolving loan fund shall be credited to the state department of transportation and made available to support general aviation airports.

DIVISION III
MOTOR VEHICLES

Sec. 9. Section 321.24, subsection 3, Code 2003, is amended to read as follows:

3. The certificate of title shall contain upon its face the identical information required upon the face of the registration receipt. In addition, the certificate of title shall contain a statement of the owner's title, the title

number assigned to the owner or owners of the vehicle, the amount of tax paid pursuant to section 423.7, the name and address of the previous owner, and a statement of all security interests and encumbrances as shown in the application, upon the vehicle described, including the nature of the security interest, date of notation delivery, and name and address of the secured party.

Sec. 10. Section 321.45, subsection 2, paragraph a, Code 2003, is amended to read as follows:

a. The perfection of a lien or security interest by ~~notation-on-the-certificate-of-title~~ as provided in section 321.50, or

Sec. 11. Section 321.48, subsection 2, Code 2003, is amended to read as follows:

2. A foreign registered vehicle purchased or otherwise acquired by a dealer for the purpose of resale shall be issued a certificate of title for the vehicle by the county treasurer of the dealer's residence upon proper application as provided in this chapter and upon payment of a fee of five dollars and the dealer is exempt from the payment of any and all registration fees for the vehicle. The application for certificate of title shall be made within ~~fifteen~~ thirty days after the vehicle comes within the border of the state. However, a dealer acquiring a vehicle registered in another state which permits Iowa dealers to reassign that state's certificates of title shall not be required to obtain a new registration or a new certificate of title and upon transferring title or interest to another person shall execute an assignment upon the certificate of title for the vehicle to the person to whom the transfer is made and deliver the assigned certificate of title to the person.

Sec. 12. Section 321.50, subsections 1, 2, and 3, Code 2003, are amended to read as follows:

1. A security interest in a vehicle subject to registration under the laws of this state or a mobile home or manufactured home, except trailers whose empty weight is two thousand pounds or less, and except new or used vehicles held

by a dealer or manufacturer as inventory for sale, is perfected by the delivery to the county treasurer of the county where the certificate of title was issued or, in the case of a new certificate, to the county treasurer where the certificate will be issued, of an application for certificate of title which lists the security interest, or an application for notation of security interest signed by the owner, or by one owner of a vehicle owned jointly by more than one person, or a certificate of title from another jurisdiction which shows the security interest, and payment of a fee of five dollars for each security interest shown. Upon delivery of the application and payment of the fee, the county treasurer shall note the date of delivery on the application. The date of delivery shall be the date of perfection of the security interest in the vehicle, regardless of the date the security interest is noted on the certificate of title. Up to three security interests may be perfected against a vehicle and shown on an Iowa certificate of title. If the owner or secured party is in possession of the certificate of title, it must also be delivered at this time ~~in-order-to-perfect-the security-interest~~. If a vehicle is subject to a security interest when brought into this state, the validity of the security interest and the date of perfection is determined by section 554.9303. Delivery as provided in this subsection ~~is an-indication~~ constitutes perfection of a security interest on a certificate of title for purposes of this chapter and chapter 554.

2. Upon receipt of the application and the required fee, if the certificate of title was not delivered to the county treasurer along with the application, the county treasurer shall notify the holder of the certificate of title to deliver to the county treasurer, within five days from the receipt of notice, the certificate of title to permit notation of the security interest. If the holder of the certificate of title ~~shall-fail~~ fails to deliver it within ~~the-said~~ five days, the holder shall be liable to anyone harmed by the holder's failure.

3. Upon receipt of the application, the certificate of title, if any, and the required fee, the county treasurer shall note such the security interest, and the date thereof of perfection of the security interest, on the certificate over the signature of such the officer or deputy and the seal of office. The county treasurer shall also note such the security interest and the date thereof of perfection of the security interest in the county records system. Upon receipt of a certificate of title issued by a foreign jurisdiction, on which a security interest has been noted, the county treasurer shall note the security interest and the date the security interest was noted on the foreign certificate of title, if available, or if not, the date of issuance of the foreign certificate of title, on the face of the new certificate of title over the signature of the officer or deputy and the seal of office. The county treasurer shall also note the security interest and the date that was noted on the certificate of title in the county records system. The county treasurer shall then mail the certificate of title to the first secured party as shown thereon.

Sec. 13. Section 321.50, subsection 6, Code 2003, is amended to read as follows:

6. Any person obtaining possession of a certificate of title for a vehicle not already subject to a perfected security interest, except new or used vehicles held by a dealer or manufacturer as inventory for sale, who purports to have a security interest in such vehicle shall, within thirty three hundred sixty-five days from the receipt of the certificate of title, deliver such certificate of title to the county treasurer of the county where it was issued to note such security interest and, if such person fails to do so, the person's purported security interest in the vehicle shall be void and unenforceable and such person shall forthwith deliver the certificate of title to the county treasurer of the county where it was issued. If no security interest has been filed for notation on the certificate of title, the certificate shall be mailed by the treasurer to the owner of the vehicle.

For purposes of determining the commencement date of the thirty-day three-hundred-sixty-five-day period provided by this subsection, it shall be presumed that the purported security interest holder received the certificate of title on the date of the creation of the holder's purported security interest in the vehicle or the date of the issuance of the certificate of title, whichever is the latter. Any person collecting a fee from the owner of the vehicle for the purpose of perfecting a security interest in such vehicle who does not cause such security interest to be noted on the certificate of title by the county treasurer shall remit such fee to the department of revenue and finance of this state.

This subsection is repealed effective July 1, 2004.

Sec. 14. Section 321.191, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 10. ONE-TIME SURCHARGE -- APPROPRIATION.

a. Notwithstanding any other provisions of this section, during the period beginning July 1, 2003, and ending June 30, 2008, a person applying for a new driver's license or for renewal of a driver's license subject to a fee under subsection 2, 3, or 4 shall be charged a one-time surcharge of three dollars in addition to the license fee. A person shall not be required to pay the surcharge more than once during the five-year period.

b. Moneys collected from the one-time surcharge under paragraph "a" are appropriated to the state department of transportation to be used for costs associated with the rewrite of the driver's license issuance and records system. Moneys in excess of the amount needed to fund the rewrite of the system shall be deposited in the road use tax fund.

Sec. 15. NEW SECTION. 321.192 WAIVERS OR REFUNDS OF FEES.

1. Notwithstanding the fee requirements for issuance of a driver's license or nonoperator's identification card pursuant to section 321.190 or 321.191, the department may waive or refund fees pursuant to rules adopted by the department. The department may waive payment of, or refund to an applicant,

all or a portion of the fees for renewal of a license or identification card or for a duplicate license or identification card if the department determines that the service standard for timely issuance has not been met or an error on the license or identification card requires the applicant to return to the driver's license station. The decision of the department not to waive or refund a fee is final agency action and not subject to review under chapter 17A.

2. Subsection 1 does not apply to licenses or identification cards issued by a county pursuant to chapter 321M.

Sec. 16. Section 321.271, Code 2003, is amended to read as follows:

321.271 REPORTS CONFIDENTIAL -- WITHOUT PREJUDICE -- EXCEPTIONS.

1. All accident reports filed by a driver of a vehicle involved in an accident as required under section 321.266 shall be in writing. The report shall be without prejudice to the individual so reporting and shall be for the confidential use of the department, except that upon the request of any person involved in the accident, the person's insurance company or its agent, or the attorney for such person, the department shall disclose the identity and address of other persons involved in the accident and may disclose the name of the insurance companies with whom the other persons have liability insurance. The department, upon written request of the person making the report, shall provide the person with a copy of that person's report. The written report filed with the department shall not be admissible in or used in evidence in any civil or criminal case arising out of the facts on which the report is based.

2. All written reports filed by a law enforcement officer as required under section 321.266 shall be made available to any party to an accident, the party's insurance company or its agent, the party's attorney, the federal motor carrier safety administration, or the attorney general, on written request to

the department and the payment of a fee of four dollars for each copy. If a copy of an investigating officer's report of a motor vehicle accident filed with the department is retained by the law enforcement agency of the officer who filed the report, a copy shall be made available to any party to the accident, the party's insurance company or its agent, the party's attorney, the federal motor carrier safety administration, or the attorney general, on written request and the payment of a fee. However, the attorney general and the federal motor carrier safety administration shall not be required by the department or the law enforcement agency to pay a fee for a copy of a report filed by a law enforcement or investigating officer.

3. Notwithstanding subsections 1 and 2, the date, time, specific location, and immediate facts and circumstances surrounding a crime or incident shall not be kept confidential under this section, except in those unusual circumstances where disclosure would plainly and seriously jeopardize an investigation or pose a clear and present danger to the safety of an individual.

Sec. 17. Section 321.449, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A person shall not operate a commercial vehicle on the highways of this state except in compliance with rules adopted by the department under chapter 17A. The rules shall be consistent with the federal motor carrier safety regulations promulgated under United States Code, Title 49, and found in 49 C.F.R. § pts. 385, 390-399 and adopted under chapter 17A.

Sec. 18. Section 321.449, subsections 4 and 8, Code 2003, are amended to read as follows:

4. Notwithstanding other provisions of this section, rules adopted under this section for drivers of commercial vehicles shall not apply to a driver of a commercial vehicle who is engaged exclusively in intrastate commerce, when the commercial vehicle's gross vehicle weight rating is twenty-six thousand pounds or less, unless the vehicle is used to transport hazardous materials requiring a placard or if the

vehicle is designed to transport more than fifteen passengers, including the driver. For the purpose of complying with the hours of service recordkeeping requirements under 49 C.F.R. § 395.1(e)(5), a driver's report of daily beginning and ending on-duty time submitted to the motor carrier at the end of each work week shall be considered acceptable motor carrier time records. In addition, rules adopted under this section shall not apply to a driver operating intrastate for a farm operation as defined in section 352.2, or for an agricultural interest when the commercial vehicle is operated between the farm as defined in section 352.2 and another farm, between the farm and a market for farm products, or between the farm and an agribusiness location. A driver or a driver-salesperson for a private carrier, who is not for hire and who is engaged exclusively in intrastate commerce, may drive twelve hours, be on duty sixteen hours in a twenty-four hour period and be on duty seventy hours in seven consecutive days or eighty hours in eight consecutive days. For-hire drivers who are engaged exclusively in intrastate commerce and who operate trucks and truck-tractors exclusively for the movement of construction materials and equipment to and from construction projects may also drive twelve hours, be on duty sixteen hours in a twenty-four-hour period, and be on duty seventy hours in seven consecutive days or eighty hours in eight consecutive days. A driver-salesperson means as defined in 49 C.F.R. § 395.2, as adopted by the department by rule.

8. Rules adopted under this section shall not apply to vehicles engaged in intrastate commerce and used in combination, provided the gross vehicle weight rating of the towing unit is ten thousand pounds or less and the gross combination weight rating is twenty-six thousand pounds or less.

Sec. 19. Section 321.450, subsection 4, Code 2003, is amended to read as follows:

4. 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, except class 2 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 subsection, "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. 20. Section 321E.7, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The gross weight on any one axle of any vehicle or combination of vehicles traveling under a permit issued in accordance with this chapter shall not exceed the maximum axle load prescribed in section 321.463; except that any one axle on a vehicle or combination of vehicles transporting construction machinery shall be allowed a one thousand pound weight tolerance, provided the total gross weight of the vehicle or combination of vehicles does not exceed the gross weight allowed by the permit.

Sec. 21. Section 321M.9, subsection 1, Code 2003, is amended to read as follows:

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

Sec. 22. Section 322.19, unnumbered paragraph 5, Code 2003, is amended to read as follows:

~~Amount-financed-shall-be~~ For purposes of this chapter, "amount financed" means as defined in section 537.1301. However, notwithstanding section 322.33, subsection 3, the amount financed may also include additional charges for the following, which shall not be included in the finance charge:

1. A motor vehicle service contract as defined in section 516E.1.

2. Voluntary debt cancellation coverage, whether insurance or debt waiver, which may be excluded from the finance charge under the federal Truth in Lending Act as defined in section 537.1302.

Sec. 23. NEW SECTION. 324A.7 URBAN PUBLIC TRANSIT SYSTEMS -- INTENT.

An urban public transit system shall, to the extent practicable, utilize private-sector operators in the planning and provision of transit services.

Sec. 24. NEW SECTION. 325A.7A TARIFFS -- APPROVAL BY DEPARTMENT.

1. TRANSPORTATION PROHIBITED. A motor carrier of household goods shall not undertake to perform any service for, engage in, or participate in the transportation of personal effects or property between points within this state until the motor carrier's tariff has been filed, posted, and approved by the department.

2. CHANGE IN TARIFF. Unless the department orders otherwise, a motor carrier of household goods shall give thirty days' notice to the department and to the public, as provided by rules adopted by the department, prior to making a change in a tariff.

3. CHANGES WITHOUT NOTICE. The department, for good cause shown, may allow changes in a tariff without the thirty days' notice required in subsection 2 by issuing an order specifying the changes to be made and the time they shall take effect.

4. POWER TO REVISE TARIFF. Any time a tariff is filed with the department, the department may hold a hearing for the purpose of determining that the tariff is just, reasonable, and nondiscriminating. The hearing shall be conducted by the director or the director's designee.

5. SUSPENSION OF TARIFF. Pending the hearing and the decision of the department, the tariff shall not be put into effect; however, this period of suspension of the tariff shall not exceed one hundred twenty days beyond the time the tariff

would otherwise have been effective after filing and thirty days' notice.

6. DECISION. Following the hearing, the department shall establish the tariff changes proposed by the motor carrier in whole or in part, or establish other changes the department determines to be just, reasonable, and nondiscriminating.

Sec. 25. NEW SECTION. 325A.7B AGENCY TARIFFS.

1. AUTHORIZATION. Sections 325A.2 and 325A.7 shall not be construed to prohibit the making of rates by two or more motor carriers of household goods.

2. AGENCY TARIFFS. The names of the several motor carriers that are parties to an agency tariff shall be specified in the tariff. Unless otherwise required by the department, the agency tariff may be filed by only one of the parties to the agency tariff, or by a tariff filing agent, under a power of attorney granted by each of the parties to the agency tariff not doing the filing and filed with the department on forms prescribed by the department.

Sec. 26. Section 321.191, subsection 10, as enacted in this Act, is repealed effective July 1, 2008.

Sec. 27. The section in this Act amending section 321M.9 is repealed effective July 1, 2005.

Sec. 28. The state department of transportation, in consultation with the Iowa county treasurers association, shall conduct a study of the county driver's license issuance program, including the financial effect the program has had on counties. The department shall report its findings and recommendations to the general assembly no later than December 31, 2003.

Sec. 29. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

1. The section of this Act amending section 321E.7, being deemed of immediate importance, takes effect upon enactment.

2. The sections of this Act enacting sections 325A.7A and 325A.7B, being deemed of immediate importance, take effect upon enactment and apply retroactively to January 1, 2002.

3. The sections of this Act amending section 321.24, subsection 3, section 321.45, subsection 2, paragraph "a", and

section 321.50, subsections 1, 2, and 3, take effect July 1, 2004.

MARY E. KRAMER

President of the Senate

CHRISTOPHER C. RANTS

Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 97, Eightieth General Assembly.

MICHAEL E. MARSHALL

Secretary of the Senate

Approved _____, 2003

THOMAS J. VILSACK

Governor