

**Senate File 2169 - Introduced**

SENATE FILE 2169

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 3109)

**A BILL FOR**

1 An Act relating to matters under the purview of the department  
2 of transportation, including provisions concerning the  
3 regulation of motor vehicles and motor vehicle dealers, the  
4 licensing and regulation of motor vehicle operators, and  
5 administrative reporting requirements, providing penalties,  
6 and including effective date provisions.

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

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DIVISION I

MOTOR VEHICLE OPERATORS

Section 1. Section 321.1, subsection 24B, paragraph c, Code Supplement 2011, is amended to read as follows:

~~c. A valid statement issued by the treasurer of state pursuant to certificate of deposit filed with the department as provided in section 321A.25 attesting to the filing of a certificate of deposit with the treasurer of state.~~

Sec. 2. Section 321.196, subsection 4, Code 2011, is amended to read as follows:

4. The department in its discretion may authorize the renewal of a valid driver's license other than a commercial driver's license upon application without an examination provided that the applicant meets one of the following conditions:

a. The applicant satisfactorily passes a vision test as prescribed by the department ~~or.~~

b. The applicant files a vision report in accordance with section 321.186A which shows that the applicant's visual acuity level meets or exceeds those required by the department.

c. The applicant is eligible for license renewal electronically, pursuant to rules adopted by the department.

4A. An application for renewal of a driver's license shall include a statement for the applicant to sign that acknowledges the applicant's knowledge of the requirement to notify the department of a mailing address change under section 321.182, subsection 1.

Sec. 3. Section 321.208, subsection 6, Code 2011, is amended by adding the following new paragraph:

NEW PARAGRAPH. *i.* Using a hand-held electronic device to write, send, or read a text message in violation of section 321.276 while operating a commercial motor vehicle.

Sec. 4. Section 321.211, subsection 2, Code 2011, is amended to read as follows:

~~2. There is appropriated each year from the road use~~

1 ~~tax fund to the department of transportation two hundred~~  
2 ~~twenty-five thousand dollars or as much thereof as is necessary~~  
3 ~~to be used to pay the cost of notice and personal delivery~~  
4 ~~of service, as necessary to meet the notice requirement of~~  
5 ~~this section.~~ The department shall adopt rules governing the  
6 ~~payment of the cost of personal delivery of service of notice.~~  
7 The reinstatement fees collected under section 321.191 shall  
8 be deposited in the road use tax fund in the manner provided in  
9 section 321.145, ~~as reimbursement for~~ to help defray the costs  
10 ~~of notice under this section~~ incurred in the driver's license  
11 sanction and reinstatement process.

12 Sec. 5. Section 321.257, subsection 2, paragraph f, Code  
13 Supplement 2011, is amended to read as follows:

14 *f.* A "flashing circular yellow" light means vehicular  
15 traffic shall proceed through the intersection or past such  
16 signal with caution.

17 Sec. 6. Section 321.257, subsection 2, Code Supplement  
18 2011, is amended by adding the following new paragraphs:

19 NEW PARAGRAPH. *od.* A "steady red arrow" light shown alone  
20 or with another official traffic-control signal means vehicular  
21 traffic shall not enter the intersection to make the movement  
22 indicated by the arrow. A steady red arrow light does not  
23 prohibit entering the intersection to make another movement  
24 permitted by another signal indicator. A steady red arrow  
25 light is intended to prohibit traffic, except pedestrians  
26 directed by a pedestrian signal, from entering the intersection  
27 to make the indicated turn.

28 NEW PARAGRAPH. *og.* A "flashing yellow arrow" light shown  
29 alone or with another official traffic-control signal means  
30 vehicular traffic may cautiously enter the intersection only  
31 to make the movement indicated by the arrow, or other such  
32 movement as permitted by other signal indicators displayed at  
33 the same time. Vehicular traffic proceeding under a flashing  
34 yellow arrow light shall yield the right-of-way to other  
35 vehicles and pedestrians lawfully within the intersection.

1     Sec. 7. Section 321.258, Code 2011, is amended by striking  
2 the section and inserting in lieu thereof the following:

3     **321.258 Arrangement of lights on official traffic-control**  
4 **signals.**

5     The design, color, and arrangement of lights placed on an  
6 official traffic control signal shall be in conformance with  
7 the manual on uniform traffic-control devices adopted pursuant  
8 to section 321.252.

9     Sec. 8. Section 321A.18, subsection 3, Code 2011, is amended  
10 to read as follows:

11     3. ~~A statement issued by the treasurer of state attesting to~~  
12 ~~the filing of a certificate of deposit with the treasurer of~~  
13 ~~state as provided in section 321A.25.~~

14     Sec. 9. Section 321A.25, Code 2011, is amended to read as  
15 follows:

16     **321A.25 Certificate of deposit as proof.**

17     1. Proof of financial responsibility may be evidenced  
18 ~~by the statement of the treasurer of state that the person~~  
19 ~~named in the statement has filed~~ filing ~~with the treasurer~~  
20 ~~of state~~ department fifty-five thousand dollars in the form  
21 ~~of an endorsed~~ a certificate of deposit made payable jointly  
22 to the ~~person and the treasurer of state~~ department. The  
23 certificate of deposit shall be obtained from an Iowa financial  
24 institution in the amount of fifty-five thousand dollars plus  
25 any early withdrawal penalty fee. ~~The treasurer of state~~  
26 ~~shall promptly notify the director of transportation of the~~  
27 ~~name and address of the person to whom the statement has been~~  
28 ~~issued.~~ Upon receipt of the notification certificate of  
29 deposit, the ~~director of transportation~~ department shall issue  
30 to the person a security insurance card for each motor vehicle  
31 registered in this state by the person. The security insurance  
32 card shall state the name and address of the person and the  
33 registration number of the motor vehicle for which the card is  
34 issued. ~~The treasurer of state shall not accept a certificate~~  
35 ~~of deposit and issue a statement for it and the department~~

1 shall not accept ~~the statement~~ a certificate of deposit unless  
2 accompanied by evidence that there are no unsatisfied judgments  
3 of any character against the person in the county where the  
4 person resides.

5 2. Such certificate of deposit shall be held by the  
6 ~~treasurer of state~~ department to satisfy, in accordance with  
7 this chapter, any execution on a judgment issued against  
8 the person filing the certificate of deposit, for damages,  
9 including damages for care and loss of services, because of  
10 bodily injury to or death of any person, or for damages because  
11 of injury to or destruction of property, including the loss of  
12 use of property, resulting from the ownership, maintenance,  
13 use, or operation of a motor vehicle after the certificate of  
14 deposit was filed. A certificate of deposit so filed shall not  
15 be subject to attachment or execution unless the attachment  
16 or execution arises out of a suit for damages as previously  
17 provided in this subsection.

18 Sec. 10. Section 321A.27, Code 2011, is amended to read as  
19 follows:

20 **321A.27 Substitution of proof.**

21 The department shall consent to the cancellation of a bond  
22 or certificate of insurance or the department shall ~~direct and~~  
23 ~~the treasurer of state shall~~ return a certificate of deposit  
24 to the person entitled to the certificate of deposit upon  
25 the substitution and acceptance of other adequate proof of  
26 financial responsibility pursuant to this chapter.

27 Sec. 11. Section 321A.29, subsection 1, unnumbered  
28 paragraph 1, Code 2011, is amended to read as follows:

29 The department shall upon request consent to the immediate  
30 cancellation of a bond or certificate of insurance, or the  
31 department shall ~~direct and the treasurer of state shall~~ return  
32 to the person entitled thereto a certificate of deposit filed  
33 pursuant to this chapter as proof of financial responsibility,  
34 or the department shall waive the requirement of filing proof,  
35 in any of the following events:

1     Sec. 12. Section 321A.29, subsection 2, Code 2011, is  
2 amended to read as follows:

3     2. The department shall not consent to the cancellation  
4 of a bond or ~~the~~ return of a certificate of deposit in the  
5 event an action for damages upon a liability covered by such  
6 proof is then pending or a judgment upon any such liability is  
7 unsatisfied, or in the event the person who has filed such bond  
8 or such certificate of deposit has within one year immediately  
9 preceding such request been involved as an operator or owner in  
10 any motor vehicle accident resulting in injury or damage to the  
11 person or property of others. An affidavit of the applicant as  
12 to the nonexistence of such facts, or that the applicant has  
13 been released from all of the applicant's liability, or has  
14 been finally adjudicated not to be liable, for such injury or  
15 damage, shall be sufficient evidence thereof in the absence of  
16 evidence to the contrary in the records of the department.

17     Sec. 13. EMERGENCY RULES. The department of transportation  
18 may adopt emergency rules under section 17A.4, subsection 3,  
19 and section 17A.5, subsection 2, paragraph "b", to implement  
20 section 321.196, subsection 4, paragraph "c", as enacted in  
21 this Act, and the rules shall be effective immediately upon  
22 filing unless a later date is specified in the rules. Any  
23 rules adopted in accordance with this section shall also be  
24 published as a notice of intended action as provided in section  
25 17A.4.

26     Sec. 14. EFFECTIVE UPON ENACTMENT. The following  
27 provisions of this division of this Act, being deemed of  
28 immediate importance, take effect upon enactment:

29     1. The section of this division of this Act amending section  
30 321.196, subsection 4.

31     2. The section of this division of this Act authorizing the  
32 adoption of emergency rules.

33                                   DIVISION II

34                                   VEHICLE ENFORCEMENT

35     Sec. 15. Section 321.52, subsection 4, paragraph c, Code

1 2011, is amended to read as follows:

2     *c.* A salvage theft examination shall be made by a peace  
3 officer who has been specially certified and recertified  
4 when required by the ~~Iowa law enforcement academy~~ department  
5 to do salvage theft examinations in Iowa. The ~~Iowa law~~  
6 ~~enforcement academy~~ department shall determine standards for  
7 training and certification, and shall conduct training, ~~and~~  
8 ~~may approve alternative training programs which satisfy the~~  
9 ~~academy's standards for training and certification~~. The owner  
10 of the salvage vehicle shall make the vehicle available for  
11 examination at a time and location designated by the peace  
12 officer doing the examination. The owner may obtain a permit  
13 to drive the vehicle to and from the examination location by  
14 submitting a repair affidavit to the agency performing the  
15 examination stating that the vehicle is reasonably safe for  
16 operation and listing the repairs which have been made to the  
17 vehicle. The owner must be present for the examination and  
18 have available for inspection the salvage title, bills of  
19 sale for all essential parts changed, if applicable, and the  
20 repair affidavit. The examination shall be for the purposes  
21 of determining whether the vehicle or repair components have  
22 been stolen. The examination is not a safety inspection and  
23 a signed salvage theft examination certificate shall not be  
24 construed by any court of law to be a certification that the  
25 vehicle is safe to be operated. There shall be no cause of  
26 action against the peace officer or the agency conducting  
27 the examination or the county treasurer for failure to  
28 discover or note safety defects. If the vehicle passes the  
29 theft examination, the peace officer shall indicate that the  
30 vehicle passed examination on the salvage theft examination  
31 certificate. The permit and salvage theft examination  
32 certificate shall be on controlled forms prescribed and  
33 furnished by the department. The owner shall pay a fee of  
34 thirty dollars upon completion of the examination. The agency  
35 performing the examinations shall retain twenty dollars of the

1 fee and shall pay five dollars of the fee to the department  
2 and, notwithstanding section 321.145, five dollars of the fee  
3 to the treasurer of state for deposit in the general fund of  
4 the state. Moneys deposited to the general fund under this  
5 paragraph ~~are subject to the requirements of section 8.60~~  
6 ~~and shall be used by~~ allocated to the Iowa law enforcement  
7 academy ~~to provide for the special training, certification, and~~  
8 ~~recertification of officers as required by this subsection.~~

9 Sec. 16. Section 321.52, subsection 5, Code 2011, is amended  
10 to read as follows:

11 5. a. The department shall adopt rules in accordance with  
12 chapter 17A to carry out this section.

13 b. The department may adopt rules providing for the  
14 electronic completion and issuance of salvage vehicle theft  
15 examination certificates and affidavits along with the  
16 electronic payment and transfer of fees collected for salvage  
17 vehicle theft examinations.

18 Sec. 17. Section 321.105A, subsection 7, Code Supplement  
19 2011, is amended to read as follows:

20 7. *Penalty for false statement or evasion of fee.* A person  
21 who willfully makes a false statement in regard to the purchase  
22 price of a vehicle subject to a fee for new registration or  
23 willfully attempts in any manner to evade payment of the fee  
24 required by this section is guilty of a fraudulent practice.  
25 A person who willfully makes a false statement in regard to  
26 the purchase price of such a vehicle with the intent to evade  
27 payment of the fee for new registration or willfully attempts  
28 in any manner to evade payment of the fee required by this  
29 section shall be assessed a penalty of seventy-five percent of  
30 the amount of the fee unpaid and required to be paid on the  
31 actual purchase price less trade-in allowance.

32 Sec. 18. Section 321.200A, Code 2011, is amended to read as  
33 follows:

34 **321.200A Convictions based upon fraud.**

35 1. If a person discovers a record of conviction for

1 a scheduled violation under this chapter was entered by  
 2 fraudulent use of the person's name or by use of other  
 3 fraudulent identification, the person may, within one year of  
 4 the date of the discovery of the conviction, submit a written  
 5 application complaint to the department ~~to~~ and request that  
 6 the department investigate the allegation. The department  
 7 may summarily reject the application complaint as submitted  
 8 or proceed to investigate the application complaint. ~~If the~~  
 9 ~~department investigates the application, the department may~~  
 10 ~~either deny the application or, if the department determines~~  
 11 ~~the allegation is warranted, approve the application. If~~  
 12 the department investigates the application complaint, the  
 13 department shall ~~also issue complete a report and findings with~~  
 14 ~~the decision of the department~~ containing the investigative  
 15 results. The rejection, approval, or denial of an application  
 16 refusal to investigate a complaint is not subject to contested  
 17 case proceedings or further review as provided in chapter 17A.  
 18 If the application complaint is investigated, the department  
 19 shall provide the applicant person who submitted the complaint  
 20 with a certified copy of the ~~decision of the department~~ a  
 21 summary of the investigative report upon completion of the  
 22 investigation. ~~If the department approves the application, the~~  
 23 ~~department shall also provide the applicant with a certified~~  
 24 ~~copy of the investigative report and findings. The department~~  
 25 shall also provide certified copies of the department's  
 26 ~~decision approving or denying the application together with~~  
 27 ~~the investigative report and findings~~ to the appropriate  
 28 prosecuting attorney in the city or county that prosecuted the  
 29 scheduled violation and to the district court in the county  
 30 that prosecuted the scheduled violation. The department  
 31 may electronically provide copies of ~~any decision approving~~  
 32 ~~or denying the application and the investigative report and~~  
 33 ~~findings~~ to the district court.

34 2. A person who discovers that a record of conviction  
 35 for a scheduled violation under this chapter was entered

1 by fraudulent use of the person's name or by use of other  
2 fraudulent identification may bypass the ~~application~~ complaint  
3 process in subsection 1 and move in district court to set aside  
4 the judgment of conviction within one year of discovery of the  
5 conviction. ~~An applicant with an approved application~~ A person  
6 who follows the complaint process under subsection 1 ~~shall and~~  
7 obtains an investigative report from the department may also  
8 move in district court to set aside the judgment of conviction  
9 in order to have the department expunge or alter the records of  
10 the department or rescind or modify an administrative sanction.  
11 If the district court grants the motion to set aside the  
12 judgment, the district court shall order the charging agency  
13 or official to modify the records of the agency or official  
14 to reflect the order setting aside the judgment. The clerk  
15 of the district court shall provide the court order setting  
16 aside the judgment, either by regular mail or electronic means,  
17 to the charging agency or official, and the department of  
18 transportation. The clerk of the district court shall also  
19 provide the ~~applicant~~ person with a certified copy of the court  
20 order at no cost to the ~~applicant~~ person.

21 3. Notwithstanding the department's ~~approval of an~~  
22 ~~application pursuant to~~ investigation under subsection 1,  
23 the department shall not expunge or alter the records of the  
24 department or rescind or modify an administrative sanction  
25 unless the department receives an order from the district  
26 court setting aside the previous judgment of the court as  
27 provided in subsection 2. Upon receiving a copy of an order  
28 from the district court setting aside the previous judgment of  
29 the court, the department shall expunge the record and shall  
30 rescind any administrative sanction imposed upon the ~~applicant~~  
31 person as a result of the judgment, unless the ~~applicant~~ person  
32 is subject to sanctions for other reasons. The department may  
33 impose a new sanction if expunging the judgment would result in  
34 a lesser or different sanction.

35 4. The department shall adopt rules pursuant to chapter 17A

1 to implement this section.

2 Sec. 19. Section 321H.8, subsection 1, Code 2011, is amended  
3 to read as follows:

4 1. ~~A person convicted of violating a provision of this~~  
5 ~~chapter is guilty of a serious misdemeanor. A person who~~  
6 violates any of the provisions of this chapter for which a  
7 penalty is not specifically provided is guilty of a simple  
8 misdemeanor punishable by a fine of not less than two hundred  
9 fifty dollars nor more than six hundred twenty-five dollars or  
10 by imprisonment not to exceed thirty days.

11 Sec. 20. Section 322.14, subsection 1, Code 2011, is amended  
12 to read as follows:

13 1. A person who violates any of the provisions of this  
14 chapter for which a penalty is not specifically provided is  
15 guilty of a simple misdemeanor punishable by a fine of not  
16 less than two hundred fifty dollars nor more than ~~one thousand~~  
17 five six hundred twenty-five dollars or by imprisonment not to  
18 exceed thirty days.

19 DIVISION III

20 VEHICLE AND MOTOR CARRIER SERVICES

21 Sec. 21. Section 321.40, subsection 3, Code 2011, is amended  
22 to read as follows:

23 3. ~~Registration receipts issued for renewals shall have~~  
24 ~~the word "renewal" imprinted thereon and, if the owner making~~  
25 ~~a renewal application has been issued a certificate of title,~~  
26 ~~the title number shall appear on the registration receipt.~~  
27 The word "renewal" shall be printed on registration receipts  
28 issued for renewals. All registration receipts for renewals  
29 shall be typewritten or printed by other mechanical means. The  
30 applicant shall receive a registration receipt.

31 Sec. 22. Section 321.166, subsection 2, Code 2011, is  
32 amended to read as follows:

33 2. Every registration plate or pair of plates shall display  
34 a registration plate number which shall consist of alphabetical  
35 or numerical characters or a combination thereof and the name

1 of this state, which may be abbreviated. Every registration  
2 plate issued by the county treasurer shall display the name  
3 of the county, including any plate issued pursuant to section  
4 321.34, except Pearl Harbor and purple heart registration  
5 plates issued prior to January 1, 1997; registration plates  
6 issued pursuant to section 321.34, subsection 13, paragraph  
7 "d"; and collegiate, fire fighter, and medal of honor  
8 registration plates. ~~Special truck registration plates shall~~  
9 ~~display the word "special".~~ The department may adopt rules to  
10 implement this subsection.

11 Sec. 23. Section 322.5, subsection 2, paragraph a,  
12 subparagraph (2), Code 2011, is amended to read as follows:

13 (2) Display, offer for sale, and negotiate sales of new  
14 motor vehicles at fair events, as defined in chapter 174,  
15 vehicle shows, and vehicle exhibitions, upon application for  
16 and receipt of a temporary permit issued by the department.  
17 Such activities may only be conducted at fair events, vehicle  
18 shows, and vehicle exhibitions that are held in the county  
19 ~~of the motor vehicle dealer's principal place of business~~  
20 community, as defined in section 322A.1, for the vehicles  
21 that are displayed and offered for sale. A sale of a motor  
22 vehicle by a motor vehicle dealer shall not be completed and an  
23 agreement for the sale of a motor vehicle shall not be signed  
24 at a fair event, vehicle show, or vehicle exhibition. All  
25 such sales shall be consummated at the motor vehicle dealer's  
26 principal place of business.

27 Sec. 24. Section 322.7A, subsections 1, 2, and 4, Code 2011,  
28 are amended to read as follows:

29 1. An applicant for a license as a used motor vehicle  
30 dealer shall complete a minimum of eight hours of prelicensing  
31 education program courses in the twenty-four-month period  
32 immediately preceding the application for license pursuant  
33 to this section ~~prior to submitting an application to the~~  
34 ~~department.~~

35 2. A person seeking renewal of a used motor vehicle dealer

1 license shall complete a minimum of five hours of continuing  
2 education program courses ~~over a two-year period~~ in the  
3 twenty-four-month period immediately preceding the expiration  
4 of the person's license pursuant to this section ~~prior to~~  
5 ~~submitting an application for license renewal~~. However,  
6 an applicant for renewal of a used motor vehicle dealer  
7 license who has met the prelicensing education requirement  
8 under subsection 1 within the ~~preceding twenty-four months~~  
9 twenty-four-month period immediately preceding expiration of  
10 the person's license is exempt from the continuing education  
11 requirement for license renewal.

12 4. The Iowa independent automobile dealers association,  
13 in consultation with the state department of transportation,  
14 the department of education, the attorney general, and the  
15 Iowa association of community college trustees, shall develop  
16 the prelicensing and continuing education course curricula  
17 for the used motor vehicle dealer education program, which  
18 shall include but not be limited to examination of federal  
19 and state laws applicable to the motor vehicle industry and  
20 federal and state regulations pertaining to used motor vehicle  
21 dealers. The education program courses shall be provided by  
22 community colleges as defined in section 260C.2 or by the Iowa  
23 independent automobile dealers association in conjunction  
24 with a community college. ~~The department of education shall~~  
25 ~~adopt rules establishing reasonable fees to be charged for the~~  
26 ~~prelicensing education courses and the continuing education~~  
27 ~~courses.~~

28 Sec. 25. Section 322.7A, Code 2011, is amended by adding the  
29 following new subsection:

30 NEW SUBSECTION. 8. The department of education shall  
31 adopt rules establishing reasonable fees to be charged for the  
32 prelicensing education courses and the continuing education  
33 courses. The department of transportation may adopt rules for  
34 reinstatement of the license of a person that failed to meet  
35 the continuing education requirements of subsection 2.

1 Sec. 26. REPEAL. Section 321.116, Code 2011, is repealed.

2 Sec. 27. APPLICABILITY. The section of this division of  
3 this Act that repeals section 321.116 applies for registration  
4 years beginning on or after January 1, 2013.

5 DIVISION IV

6 REPORT REQUIREMENTS

7 Sec. 28. Section 307.20, subsection 1, Code 2011, is amended  
8 to read as follows:

9 1. A biodiesel and biodiesel blended fuel revolving fund  
10 is created in the state treasury. The biodiesel and biodiesel  
11 blended fuel revolving fund shall be administered by the  
12 department and shall consist of moneys received from the sale  
13 of EPAAct credits banked by the department on April 19, 2001,  
14 moneys appropriated by the general assembly, and any other  
15 moneys obtained or accepted by the department for deposit in  
16 the fund. Moneys in the fund are appropriated to and shall  
17 be used by the department for the purchase of biodiesel and  
18 biodiesel blended fuel for use in department vehicles. ~~The~~  
19 ~~department shall submit an annual report not later than January~~  
20 ~~31 to the members of the general assembly and the legislative~~  
21 ~~services agency, of the expenditures made from the fund during~~  
22 ~~the preceding fiscal year.~~ Section 8.33 does not apply to  
23 any moneys in the fund and, notwithstanding section 12C.7,  
24 subsection 2, earnings or interest on moneys deposited in the  
25 fund shall be credited to the fund.

26 Sec. 29. Section 307.21, subsection 3, Code Supplement  
27 2011, is amended by striking the subsection.

28 EXPLANATION

29 This bill contains provisions relating to a variety of  
30 matters regulated by the department of transportation.

31 DIVISION I — MOTOR VEHICLE OPERATORS. Under current  
32 law, a person who is required to file proof of financial  
33 responsibility in order to operate a motor vehicle may do so  
34 by filing \$55,000 with the treasurer of state in the form of  
35 a certificate of deposit made payable jointly to the person

1 and the treasurer of state. The bill amends Code section  
2 321A.25 to provide that the certificate of deposit is to be  
3 made payable to the department of transportation and filed  
4 directly with the department, rather than with the treasurer of  
5 state. The bill makes conforming amendments to the definition  
6 of "financial liability coverage" in Code section 321.1,  
7 the list of alternate methods of filing proof of financial  
8 responsibility contained in Code section 321A.18, and related  
9 provisions in Code sections 321A.27 and 321A.29.

10 Code section 321.196 is amended to provide that when the  
11 department renews a driver's license electronically, it may  
12 do so without requiring the licensee to pass a vision test or  
13 file a vision report, pursuant to rules of the department. The  
14 bill authorizes the adoption of emergency rules to implement  
15 this provision. The amendment to Code section 321.196 and  
16 the authorization to adopt emergency rules are effective upon  
17 enactment.

18 Under current law, a person is disqualified from operating  
19 a commercial motor vehicle if the person has two or more  
20 convictions within a three-year period for certain specified  
21 offenses committed while operating a commercial motor vehicle  
22 or while operating a noncommercial motor vehicle and holding  
23 a commercial driver's license, if the convictions result in  
24 a sanction of the person's driving privileges. Code section  
25 321.208 is amended to include text messaging while operating a  
26 commercial motor vehicle as one of those specified offenses.

27 Code section 321.211 is amended by striking a standing  
28 \$250,000 appropriation to the department intended to cover the  
29 cost of notice and personal delivery of service in cases of  
30 driver's license suspension. The bill provides that license  
31 reinstatement fees shall be used to help defray license  
32 sanction and reinstatement costs rather than reimburse the  
33 department for the costs of notice.

34 Code section 321.257 is amended to specify the meaning of an  
35 official traffic-control signal displaying a steady red arrow

1 or a flashing yellow arrow. The steady red arrow prohibits  
2 vehicular traffic from entering the intersection to make the  
3 movement indicated by the arrow, but does not permit entering  
4 the intersection to make another movement permitted by another  
5 signal indicator. A flashing yellow arrow means vehicular  
6 traffic may cautiously enter the intersection only to make the  
7 movement indicated by the arrow or another movement permitted  
8 by other signal indicators displayed at the same time.  
9 Traffic operating under a flashing yellow arrow must yield the  
10 right-of-way to other vehicles and pedestrians lawfully within  
11 the intersection.

12 The bill strikes current provisions in Code section  
13 321.258 which specify the arrangement of lights on official  
14 traffic-control signals. The provisions are replaced with a  
15 requirement that the design, color, and arrangement of lights  
16 on official traffic-control signals be in accordance with the  
17 manual on uniform traffic-control devices, which is published  
18 by the United States department of transportation and adopted  
19 by rule by the state department of transportation to apply to  
20 highways in the state.

21 DIVISION II — VEHICLE ENFORCEMENT. Code section 321.52 is  
22 amended to require the department, rather than the Iowa law  
23 enforcement academy, to train and certify peace officers who  
24 conduct salvage vehicle theft examinations. The \$5 portion  
25 of each salvage theft examination fee which currently accrues  
26 to the Iowa law enforcement academy to provide salvage theft  
27 examination training and certification will continue to  
28 accrue to the academy. The department is authorized to adopt  
29 rules providing for electronic completion and issuance of  
30 certificates and affidavits along with electronic payment and  
31 transfer of fees in connection with salvage theft examinations.

32 Code section 321.105A is amended to provide that a person  
33 who willfully attempts to evade payment of the fee for new  
34 registration is guilty of a fraudulent practice. In addition  
35 to the criminal penalty, the person shall be assessed a penalty

1 of 75 percent of the amount of the fee unpaid and required to be  
2 paid. These are the same penalties that currently apply for  
3 making a false statement in regard to the purchase price of a  
4 vehicle subject to a fee for new registration.

5 Code section 321.200A is amended to modify the process  
6 established to address convictions for motor vehicle violations  
7 that are based upon fraud. The term "complaint" is substituted  
8 for "application" to describe the written request for an  
9 investigation that is filed with the department by a person  
10 alleging that a record of conviction for a scheduled violation  
11 was entered by fraudulent use of the person's name or by use  
12 of fraudulent identification. Under the complaint process,  
13 the department retains its existing authority to accept  
14 or reject a person's request for an investigation. If the  
15 department investigates a complaint, it must provide copies of  
16 the report to the prosecuting attorney in the city or county  
17 that prosecuted the scheduled violation and to the applicable  
18 district court. The person who filed the complaint is entitled  
19 to receive a summary of the department's investigative report,  
20 rather than a certified copy of the full report, as is required  
21 under current law.

22 Code sections 321H.8 and 322.14 are amended to align penalty  
23 provisions for vehicle recyclers with those of motor vehicle  
24 dealers and to lower the maximum fine for a simple misdemeanor  
25 violation of motor vehicle dealer provisions. Under current  
26 law, a person convicted of violating any of the vehicle  
27 recycler provisions contained in Code chapter 321H is guilty  
28 of a serious misdemeanor, and a person convicted of violating  
29 any of the motor vehicle dealer provisions contained in Code  
30 chapter 322 is guilty of a simple misdemeanor punishable by  
31 a fine of not less than \$250 and not more than \$1,500 or by  
32 imprisonment for up to 30 days. The amendment provides that  
33 the default penalty for a violation under Code chapter 321H or  
34 322 is a simple misdemeanor punishable by a fine of not less  
35 than \$250 and not more than \$625 or by imprisonment for up to

1 30 days.

2 DIVISION III — VEHICLE AND MOTOR CARRIER SERVICES. Code  
3 section 321.40 is amended to eliminate the requirement that the  
4 title number from a vehicle's certificate of title appear on  
5 the registration receipt for the vehicle.

6 Code section 321.116, which establishes an annual  
7 registration fee of \$25 for electric motor vehicles, is  
8 repealed. As a result, electric motor vehicles will be subject  
9 to registration fees based on the weight and value of the  
10 vehicle. The change applies for registration years beginning  
11 on or after January 1, 2013.

12 Code section 321.166 is amended to correspond to a change  
13 made in 2011 legislation eliminating the requirement that  
14 special trucks for farm use be issued registration plates  
15 displaying the word "special".

16 Current law authorizes the department to issue a temporary  
17 permit allowing a motor vehicle dealer to display, offer for  
18 sale, and negotiate sales of new motor vehicles at fair events,  
19 vehicle shows, and vehicle exhibitions held in the county where  
20 the dealer's principal place of business is located. The bill  
21 allows such a permit to apply to fair events, vehicle shows,  
22 and vehicle exhibitions held anywhere within the motor vehicle  
23 dealer's "community" for the vehicles displayed or offered  
24 for sale. The term "community" refers to the motor vehicle  
25 franchisee's area of responsibility as stipulated in the  
26 franchise agreement.

27 Code section 322.7A, relating to education requirements  
28 for used motor vehicle dealers, is amended to specify that  
29 prelicensing education program courses must be completed in  
30 the 24-month period immediately preceding application for  
31 licensure. In addition, continuing education program courses  
32 must be completed in the 24-month period immediately preceding  
33 the expiration of the person's license. Current law does not  
34 specify a time frame for completion of prelicensing education  
35 program courses and allows for completion of continuing

1 education program courses over a two-year period preceding  
2 application for license renewal. The Code section is also  
3 amended to allow the department to adopt rules relating to the  
4 reinstatement of licensees who fail to meet the continuing  
5 education requirements.

6 DIVISION IV — REPORT REQUIREMENTS. Code section 321.20 is  
7 amended by striking an annual reporting requirement regarding  
8 expenditures from the biodiesel and biodiesel blended fuel  
9 revolving fund.

10 Code section 307.21 is amended by striking reporting  
11 requirements relating to the department's purchases of plastic  
12 products, soybean-based inks, and plastic garbage can liners.