

**Senate File 90 - Introduced**

SENATE FILE 90

BY SALMON

**A BILL FOR**

1 An Act relating to special registration plates for motor  
2 vehicles, including plates displaying a decal approved by  
3 the department of veterans affairs or a decal of a nonprofit  
4 veterans' organization.

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

1 Section 1. Section 321.34, subsection 13, paragraph b,  
2 subparagraph (1), subparagraph division (c), Code 2023, is  
3 amended to read as follows:

4 (c) The organization is a nonprofit corporation which is  
5 exempt from federal income taxation under section 501(c)(3) or  
6 501(c)(19) of the Internal Revenue Code and is organized under  
7 the laws of this state or authorized to do business within this  
8 state.

9 Sec. 2. Section 321.34, subsection 13, paragraph f, Code  
10 2023, is amended to read as follows:

11 f. A person shall not display a decal on a vehicle  
12 registration plate other than a decal approved or issued by the  
13 department.

14 Sec. 3. Section 321.34, subsection 13, Code 2023, is amended  
15 by adding the following new paragraph:

16 NEW PARAGRAPH. *0g.* The department of veterans affairs  
17 may approve a decal representing any service ribbon or badge  
18 awarded to a member of the armed forces of the United States. A  
19 decal approved by the department of veterans affairs shall be  
20 produced, and issued by the department of transportation for  
21 display on registration plates as described in this subsection.  
22 The department of veterans affairs may adopt rules pursuant to  
23 chapter 17A as necessary to implement this paragraph.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with  
26 the explanation's substance by the members of the general assembly.

27 Under current law, the department of transportation (DOT) is  
28 authorized to issue special registration plates with a space  
29 to display an organization decal. The DOT does not issue the  
30 organization decal. Instead, the organization is responsible  
31 for producing, administering, and issuing the decal.

32 An organization must submit an application to the DOT  
33 for approval to issue a decal. An application must include  
34 proof of eligibility to issue the decal, a color copy of the  
35 completed decal design, a clear and concise explanation of

1 the purpose of the decal, all eligibility requirements for  
2 purchasing the decal, and the fees to be charged for the decal.  
3 To qualify for approval, the primary activity or interest  
4 of the organization must serve the community, contribute to  
5 the welfare of others, and cannot be discriminatory in its  
6 purpose, nature, activity, or name; the name and purpose of the  
7 organization cannot promote any specific product or brand name  
8 that is provided for sale; and the organization is required to  
9 be a nonprofit corporation which is exempt from taxation under  
10 section 501(c)(3) of the Internal Revenue Code and organized  
11 under Iowa's laws or authorized to do business within Iowa.

12 This bill also authorizes an organization which is exempt  
13 under section 501(c)(19) of the Internal Revenue Code to  
14 apply for approval to issue an organization decal. To be  
15 exempt under section 501(c)(19), an organization must be a  
16 post or organization of past or present members of the United  
17 States armed forces, an auxiliary unit or society of such post  
18 or organization, or a trust or foundation for such post or  
19 organization.

20 The bill also authorizes the department of veterans affairs  
21 to approve a decal representing any recognized military ribbon  
22 or badge. The DOT is then responsible for producing and  
23 issuing such decals.