

Senate File 371 - Reprinted

SENATE FILE 371
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SF 237)

(As Amended and Passed by the Senate April 2, 2013)

A BILL FOR

1 An Act providing for special vehicle registration plates
2 displaying a decal designed and issued by a nonprofit
3 organization, providing fees, making a penalty applicable,
4 and including effective date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.34, subsection 13, Code 2013, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 13. *Special plates displaying organization decal.*

5 a. (1) The owner of a motor vehicle subject to registration
6 pursuant to section 321.109, subsection 1, motor truck, motor
7 home, multipurpose vehicle, motorcycle, trailer, or travel
8 trailer may upon request be issued special registration
9 plates that contain a space reserved for the placement of an
10 organization decal. If the special plates are requested at the
11 time of initial application for registration and certificate
12 of title for the vehicle, no special plate fee is required
13 other than the regular annual registration fee for the vehicle.
14 If the special plates are requested as replacement plates,
15 the owner shall surrender the current regular or special
16 registration plates in exchange for the special plates and
17 shall pay a replacement plate fee of five dollars. The county
18 treasurer shall validate special plates with an organization
19 decal in the same manner as regular plates, upon payment of the
20 annual registration fee.

21 (2) An applicant may obtain a personalized special
22 registration plate with space reserved for an organization
23 decal, subject to the additional fees for a personalized plate
24 as provided in subsection 5. Personalized plates with space
25 reserved for an organization decal shall be limited to no more
26 than five initials, letters, or combinations of numerals and
27 letters.

28 b. (1) An organization may apply to the department
29 for approval to issue a decal to be displayed on vehicle
30 registration plates. To qualify for such approval, an
31 organization must have at least two hundred members in this
32 state and shall meet the following requirements:

33 (a) The primary activity or interest of the organization
34 serves the community, contributes to the welfare of others,
35 and is not discriminatory in its purpose, nature, activity, or

1 name.

2 (b) The name and purpose of the organization do not promote
3 any specific product or brand name that is provided for sale.

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

8 (2) The department may accept an application for a decal
9 design from a group of nonprofit organizations with a common
10 purpose, provided that each organization within the group meets
11 the requirements for a qualifying organization established by
12 the department under this subsection.

13 c. An organization desiring to issue a decal shall submit an
14 application to the department on a form to be provided by the
15 department. Along with the application, the organization shall
16 furnish to the department all of the following:

17 (1) A copy of the articles of incorporation for the
18 organization.

19 (2) A copy of the charter or by-laws for the organization.

20 (3) Any Internal Revenue Service rulings concerning the
21 organization's nonprofit tax exemption status.

22 (4) A color copy of the completed decal design.

23 (5) A clear and concise explanation of the purpose of the
24 decal, all eligibility requirements for purchasing the decal,
25 and fees to be charged for the decal.

26 (6) Certification by the person who has legal rights to the
27 decal design allowing use of the design.

28 (7) Any other information required by the department.

29 d. The department shall consider a proposed decal design
30 based upon criteria established by the department.

31 e. Upon approval by the department of an organization's
32 application to issue a decal and approval of the design of the
33 decal, the organization is responsible for the production,
34 administration, and issuance of the decal. An organization
35 shall not issue a decal that has not been approved by the

1 department or alter the approved design of a decal without the
2 department's approval.

3 *f.* A person shall not display a decal on a vehicle
4 registration plate other than a decal approved by the
5 department.

6 *g.* The department may adopt rules pursuant to chapter 17A as
7 necessary to implement this subsection.

8 *h.* Special registration plates with a processed emblem that
9 were approved and in production prior to the effective date of
10 this Act shall continue to be issued according to the terms of
11 the law under which those plates were authorized.

12 Sec. 2. Section 321.166, subsection 9, Code 2013, is amended
13 to read as follows:

14 9. Special registration plates issued pursuant to section
15 321.34, other than gold star, medal of honor, collegiate, fire
16 fighter, and natural resources registration plates, shall be
17 consistent with the design and color of regular registration
18 plates but shall provide a space on a portion of the plate
19 for the purpose of allowing the placement of a distinguishing
20 processed emblem or an organization decal. Special
21 registration plates shall also comply with the requirements
22 for regular registration plates as provided in this section to
23 the extent the requirements are consistent with the section
24 authorizing a particular special vehicle registration plate.

25 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
26 2014.