

## CHAPTER 1068

### SPECIAL VEHICLE REGISTRATION PLATES — NONPROFIT ORGANIZATION DECALS

H.F. 617

**AN ACT** providing for special vehicle registration plates displaying a decal designed and issued by a nonprofit organization, providing fees, making a penalty applicable, and including effective date provisions.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 321.34, subsection 13, Code 2016, is amended by striking the subsection and inserting in lieu thereof the following:

13. *Special plates displaying organization decal.*

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

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

b. (1) An organization may apply to the department for approval to issue a decal to be displayed on vehicle registration plates. To qualify for such approval, an organization shall meet the following requirements:

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

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

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

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

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

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

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

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

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

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

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

(7) Any other information required by the department.

d. The department shall consider a proposed decal design based upon criteria established by the department, which shall include but not be limited to the following:

(1) A decal shall not promote a specific religion, faith, or anti-religious sentiment.

(2) A decal shall not have any sexual connotation and shall not be vulgar, prejudiced, hostile, insulting, or racially or ethnically degrading.

e. Upon approval by the department of an organization's application to issue a decal and approval of the design of the decal, the organization is responsible for the production, administration, and issuance of the decal. An organization shall not issue a decal that has not been approved by the department or alter the approved design of a decal without the department's approval.

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

g. The department may adopt rules pursuant to [chapter 17A](#) as necessary to implement [this subsection](#).

Sec. 2. Section 321.166, subsection 9, Code 2016, is amended to read as follows:

9. Special registration plates issued pursuant to [section 321.34](#), other than gold star, medal of honor, collegiate, fire fighter, and natural resources registration plates, shall be consistent with the design and color of regular registration plates but shall provide a space on a portion of the plate for the purpose of allowing the placement of a distinguishing processed emblem or an organization decal. Special registration plates shall also comply with the requirements for regular registration plates as provided in [this section](#) to the extent the requirements are consistent with the section authorizing a particular special vehicle registration plate.

Sec. 3. CONSIDERATION OF APPLICATIONS FOR AND ISSUANCE OF SPECIAL REGISTRATION PLATES WITH A PROCESSED EMBLEM. The state department of transportation may continue to issue special registration plates with a processed emblem approved by the department before January 1, 2017, pursuant to [section 321.34, subsection 13, Code 2016](#), and may grant an application for and issue a new special registration plate with a processed emblem if the application for the plate is submitted to the department before January 1, 2017, but shall not accept, consider, or grant an application for a new special registration plate with a processed emblem submitted pursuant to [section 321.34, subsection 13, Code 2016](#), on or after January 1, 2017.

Sec. 4. EFFECTIVE DATE. This Act takes effect January 1, 2017.

Approved April 6, 2016