
BUDGET UNIT BRIEF – FY 2024

Fiscal Services Division

July 1, 2023



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Driver's Licenses — RUTF

Purpose and History

This appropriation from the Road Use Tax Fund to the Department of Transportation (DOT) funds the costs associated with the production of driver's licenses. The costs represent the lease of the Driver's License Digitized Photo Imaging System. The cost of the lease for the imaging system is based on the number of licenses issued and the estimated cost per driver's license. There are more than 2.3 million licensed drivers in Iowa.

Between 865,000 and 1.1 million driver's licenses are issued annually. A graduated driver's license, or intermediate license, is issued to all first-time licensees under the age of 18. A full license is available to drivers age 17 and over, provided they have completed a one-year period of driving without a moving violation or a motor vehicle crash. Beginning in 2014, Iowa driver's licenses began transitioning from five-year to eight-year license terms. For more information regarding this transition, see [the DOT website](#). For qualified drivers, a license renewal may be completed electronically using the [DOT's myMVD website](#).

State Funding

The annual appropriation for this function has been static at \$3.9 million since FY 2010. A provision included in the annual Transportation Appropriations Act permits the DOT to carry unexpended and unobligated funds forward to the subsequent fiscal year and permits those funds to remain available for expenditure for the purposes of paying driver's license issuance costs.

Related Statutes and Administrative Rules

Iowa Code chapter [321](#)

Iowa Administrative Code [761—602](#)

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More Information

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