



## BILL & AMENDMENT SUMMARY

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# Transportation Omnibus Bill SF 419

Status of Bill: House Floor (passed Senate 48-0)  
Committee: Transportation Committee  
Floor Manager: Rep. Lykam  
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### Background

Almost every year, the Department of Transportation comes forward with a bill that deals with a variety of issues that are under the discretion of the department. While it is not intended to be controversial, not everyone may agree with their proposals.

### Bill Summary

#### Division I – Administration

**Deletes the border bridges fund.** This fund has been at zero dollars for years. The department funds border bridge repair and work from the Primary Road Fund. The border bridge fund was discovered last year when all items that received funding from the use tax were transferred to the newly created Statutory Allocations Fund (section 1).

#### Division II – Driver’s Licensing

Adds “custodian” to list of persons who may sign and give consent for a minor to receive a license under the **Graduated Driver’s License program**. Current law states that either the parent or guardian may sign and give consent (sections 2, 3, 4, 5, 6).

Strikes language concerning **commercial vehicle drivers**, which states that a driver will lose their license for one year if they are found to be “under the influence,” and replaces it with referencing the established level of intoxication as defined in 321J.2 (1) (sections 7 & 8).

Strikes language that gave DOT authority to determine if an individual has the financial resources to pay fines, penalties, surcharges, or court charges. The department says that they don’t feel they should be making those determinations, plus, most counties have signed up to allow persons to participate in a payment plan (section 9).

Changes language in the **advisory statement made by officers**, when stopping someone for a possible OWI, when the person is driving a noncommercial vehicle and also holds a commercial drivers license. The change in the statement makes a reference to level of intoxication as defined in 321J.2, instead of just “operating while under the influence” (section 10). Under current law, DOT is required to reinstate a person’s noncommercial license if they are able to prove, in court, that the peace officer didn’t have reasonable grounds to stop the individual or that the test was inadmissible or invalid. The bill adds language to state that if a person, who holds both a noncommercial and commercial license,

loses their noncommercial license and gains it back under these circumstances, than DOT must also **reinstate their commercial license** (section 11).

**Strikes all language pertaining to the department's money back guarantee policy**, where a person does not have to pay for their license at a DOT station if they are issued their license or non operator ID within 30 minutes (section 12). The department states that many times things happen which are beyond their control (power outage), plus they are going to central issuance so this procedure would not be applicable.

### Division III – Vehicles

Rewrites the **allocations of the TIME-21 fund from dollar amounts to percentages**. This money is created monthly from the Road Use Tax Fund, and the dollar amounts may change from month to month. This language is effective upon enactment and applies retroactively to January 1, 2009 (sections 13 & 29).

Expands the **definition of “dealers,”** from every person engaged in the business of buying, selling or trading vehicles as found in chapter 321, to include motor vehicle manufacturers, distributors, wholesalers and dealers; and travel trailer dealers, manufacturers and distributors (section 14).

Eliminates the requirement that a license plate for a school bus have the words “Private School Bus” printed on the license plate (section 15), and for transit busses to have the words “Transit Bus” and a distinguishing number on the plate (section 16). These vehicles will still have official plates.

Allows for a private property owner to employ a garagekeeper to take into custody an **abandoned vehicle** without police initiative, and notify the last known registered owner of the vehicle and lienholders. A notice sent to last known registered owner of the vehicle, all lienholders of record, and any other known claimant to the vehicle or to personal property found in the vehicle must state that the garagekeeper has the right to collect on the garagekeeper's lien, which is for towing and storage (section 17, 18).

Adds **Gold Star specialized license plates** to the list of specialized plates that do not need to be consistent with the design and color of Iowa's regular registration plates (section 19).

**Adds new language in the Vehicle Recyclers chapter, 321H,** to define “vehicles subject to registration” to include a vehicle that is inoperable, salvage, or rebuilt, as well one that is required for operation on public highways. Language also changes “calendar year” to “twelve-month period” when discussing how many months a person has to: sell parts from six used vehicles; dismantling, junking or obtaining a junking certificate for more than six used vehicles; rebuilding or restoring more than six wrecked or salvage vehicles for sale; or storing more than six vehicles before they are required to get a recycler's license. Under current law, licensed recyclers must file a supplemental statement with DOT within 15 days of a change in the principal place of business, an extension, or the operation of business. Language in the bill changes that time frame from 15 days of the change to at least ten days prior to any operational change. New language states that if a person is convicted of a fraudulent practice or any other indictable offense in connection with selling or other activity related to motor vehicles in this or any other state, they are not allowed, for a period of five years, to be an owner, salesperson, employee, officer of a corporation, or representative of a licensed motor vehicle recycler or represent themselves as an owner, salesperson, employee, officer of a corporation, or representative of a licensed motor vehicle recycler (sections 21 – 26).

**Does not allow a person who has been convicted of a fraudulent practice or other indictable offense in connection with selling or other activities relating to motor vehicles to be an employee,**

**or represent themselves as an employee of a licensed motor vehicle dealer.** The department has run into problems where persons have had their motor vehicle dealers license revoked and remain employed in a dealership selling cars (section 27). New language states that the department may deny a motor vehicle dealer's license if the person is about to engage in an indictable offense in connection with selling or other motor vehicle related activity. Adds language to state that the application will be denied if the department discovers that the applicant is, or will be acting on behalf of, a person whose dealer license has been revoked under Chapter 322 (Motor Vehicle Manufacturers, Distributors, Wholesalers, and Dealers) (section 20 & 28).

#### Division IV – Enforcement

Establishes a **simple misdemeanor penalty** for any vehicle rebuilder, vehicle salvager, used vehicle parts dealer, or any person licensed under chapter 322 (Motor Vehicle Manufacturers, Distributors, Wholesalers, and Dealers) who are found to be in **violation of current inspection laws.** This simple misdemeanor is punishable by a scheduled fine of fifty dollars. This law states that peace officers can inspect records of all vehicles demolished, purchased or received for resale that are held by a vehicle rebuilder, vehicle salvager, used vehicle parts dealer, or person licensed as a motor vehicle manufacturer, distributor, wholesaler or dealer (sections 30 & 34).

Corrects a reference to a federal regulation that deals with hours of service record keeping (section 31).

Adds language stating that **DOT enforcement officers can go into motor carrier businesses** at reasonable times and places and under reasonable circumstances, to inspect and examine all vehicles and loads carried, land, buildings, and equipment as well as copy and inspect accounts, records, correspondence and electronic records (section 32).

Updates language concerning **citations issued electronically** to state that the issuing agency (either DPS, DOT, or DNR) shall transmit the complaint to the court and deliver a copy to the defendant. Currently, the language about these citations says that the citations are to be in quintuplicate, which cannot happen if the citation is issued electronically (section 33).

#### Division V – Fuel Tax Revenues

States that aviation gasoline shall not be considered when determining the percentage basis for the excise tax on regular and ethanol gasoline (section 37).

#### Division VI – TIME-21 Fund

Establishes a yearly cap of \$225 million to be deposited into the TIME-21 fund, beginning with fiscal year 2009 (sections 35 & 36). Any additional funds collected, but not deposited into TIME-21, shall be deposited into the road use tax fund.

## **Amendment Summary**

**H-1329 by Lykam (D)** – in current law, if a person drives while their noncommercial license is suspended, canceled, denied or revoked, it is considered a simple misdemeanor, and persons do not have the option of signing the 'promise to appear language' (unsecured bond) on the ticket, which causes the judge to issue warrants if the person doesn't show up for the court appearance. This amendment will allow, only in cases where a person is driving with a noncommercial license and is in violation of a simple misdemeanor, for them to sign that promise to appear language on the ticket. The amendment also strikes language which gives DOT the authority, if a noncommercial licensed driver is found guilty of simple misdemeanor under the same circumstances, to administratively suspend their license for a

like period of time as the first suspension. Adds effective date language to section 11 (reinstatement of a commercial driver's license) to be retroactive to disqualifications that were in effect on or after January 1, 2009.

**H-1336 to H-1329 by May (R) & Quirk (D)** – changes the effective date in H-1329 from January 1, 2009, to January 1, 2005.

**H-1315 by Lykam (D)** – states that special registration license plates that were submitted by a state agency do not have to display the county name, and allows DOT to adopt rules to implement.

**H-1318 by Huser (D) & Petersen (D)** – adds an exemption to the required suspension of a vehicle registration if title holders of vehicle fail to maintain and show proof of SR 22 insurance. The exemption applies in situations of a divorce where the title of the vehicle is awarded to the party that is not required to maintain SR 22 insurance. Takes effect upon enactment.

**H-1340 by Deyoe (R) & Bailey (D)** – current law allows for all-terrain vehicles (ATV) to be operated on highways between sunrise and sunset as long it is incidental to the vehicle's use for agricultural purposes. This amendment states that stopping to obtain fuel for the ATV, or to obtain food or refreshment for the operator are to be considered "incidental to the vehicle's use for agricultural purposes."

**H-1339 by Worthan (R)** – rewrites section 32 of the bill to state that DOT, while enforcing motor carrier safety rules, is authorized to enter motor carrier businesses at reasonable times and places and under reasonable notice. It also gives authorization for the officer to inspect and copy motor carrier records required under federal rules, but does not give DOT permission to seize property. Language in the bill does not require DOT to give reasonable notice.

**H-1286 by Roberts (R)** – states that if a city located along Highway 30 with a population of at least 9,500 but not more than 11,000 requests a traffic signal along Highway 30, than DOT is required to place and maintain a traffic signal within that city's limits. This city must also have been identified in a study conducted during the past year as a location along Highway 30 needing a traffic signal.