



2016
Iowa Acts
for the Iowa Department of
Transportation (DOT)

2016 Session of the 86th
General Assembly

Prepared by the
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The following legislation of interest to the DOT was not included in the 2016 Iowa Acts because they were line-item vetoed by Governor Branstad.

[SF2314](#)

Section 17, subsection 1, was line-item vetoed by the governor. This subsection would have required the Department of Management (DOM), in consultation with the Department of Administrative Services (DAS), to submit a report to the joint appropriations subcommittee on administration and regulation and the Legislative Services Agency by December 15, 2016, and each December 15 thereafter. The report would have included, but not limited to, the rate methodology and resulting rates for services that were approved by the customer council during the previous August Customer Council meeting.

Section 17, subsection 2, was line-item vetoed by the governor. This subsection would have requested the Legislative Council to establish an interim study committee to review and consider the rate methodologies that are reviewed and approved by the Customer Council created within DOM regarding setting rates for the services provided by DAS.

Section 17, subsection 5, was line-item vetoed by the governor. This subsection would have required DOM, in consultation with DAS, to submit a report to the General Assembly that explained the rate methodologies utilized by DAS and reviewed and approved by the Customer Council in approving rates set for the services provided by DAS.

Reports or Studies Required by the 86th General Assembly, 2016 Session, that Affect or are of Interest to the DOT

The following requires the DOT to issue a report.

[HF2345](#) Sections 1 and 2 create new Iowa Code sections 307.32 and 309.22A requiring the DOT, in collaboration with the Iowa County Engineers Association, to compile the annual Secondary Roads Construction Program Report and the annual Secondary Roads Replacement and Repair of Structurally Deficient Bridges Report, received from counties, into a cumulative report to be electronically submitted annually on or before February 15 of each year to the chairpersons of the Senate and House of Representatives standing committees on transportation and the Legislative Services Agency (LSA). Also, requires on or before September 15 of each year, each county's county engineer to certify and file an annual report with the DOT on the replacement and repair of structurally deficient bridges detailing the manner in which moneys received by the county from the Road Use Tax Fund were used to replace or repair structurally deficient bridges in the county and requires certain criteria. **Note:** Iowa Code sections 307.32 and 309.22A are repealed June 30, 2019.

The following reports are of interest to the DOT.

[SF2191](#) Section 1, paragraph 3h, requires the Department of Public Safety's Office to Combat Human Trafficking to submit a written report to the General Assembly regarding the office's activities related to combatting human trafficking and occurrences of human trafficking within the state by November 1, 2017, and annually thereafter.

[SF2314](#) Section 2, subsection 3, requires the Department of Administrative Services (DAS) beginning on February 1, 2017, and annually on each February 1 during the term of the contract to provide third-party administrative services of the federal Family and Medical Leave Act of 1993, to submit a report to the joint appropriations subcommittee on administration and regulation and the LSA. This annual report is required to include, but is not limited to, an analysis of cost savings to Iowa, if any, that have resulted from the use of such third-party administrative services; a comparisons of the use of and denial of leave requests prior to and during the contract period; and an analysis of appeals of denials of leave and the result of such appeals, prior to and during the contract period. Also requires DAS, within 60 days of the conclusion of the contract, to submit a final report to the General Assembly summarizing the content of the annual reports, including conclusions and recommendations concerning the use of such third-party administrative services.

The following study is of interest to the DOT.

[HF2439](#)

Section 3 requires the Department of Homeland Security and Emergency Management (DHSEM) to conduct a study to determine how public safety answering points can be consolidated to achieve operational and cost efficiencies. The study is required to review the wire-line E911 Service Surcharge Fund and Emergency Communications Service Surcharge Fund to determine the most efficient method of distributing surcharge revenues to support a network of consolidated public safety answering points. The DHSEM is required to submit a report containing the results of the study no later than January 15, 2017.

Iowa DOT's Administrative Rules Affected by 2016 Legislation

(Please note that other administrative rules may need to be updated. This list does not include all the rule changes that may be needed.)

[HF588](#)

This bill relates to the issuance of persons with disabilities removable windshield parking placards. This bill changes “nonexpiring” to “standard” when referring to a removable windshield placard. The placards will be valid for five years. HF 588 is effective January 1, 2017, and applies to persons with disabilities placards issued on or after January 1, 2017.

[HF617](#)

This bill provides for special vehicle registration plates displaying a decal designed and issued by a nonprofit organization. Section 1 eliminates existing Iowa Code section 321.34(13) regarding DOT review of new special registration plates and replaces it with a new subsection concerning special plates displaying organization decals. The DOT may adopt rules to implement section 1 of the bill. This bill is effective on January 1, 2017.

[HF2356](#)

This bill concerns the movement of implements of husbandry on a roadway and is subject to safety rules the DOT adopted under 761 Iowa Administrative Code 450.6. Adds an exception to allow the movement of any power unit towing more than one implement of husbandry that is not self-propelled and is capable of being towed in tandem. This bill is effective July 1, 2016.

[HF2414](#)

This bill provides for the regulation of transportation network companies and creates new Iowa Code chapter 321N allowing the department to adopt rules. This bill is effective January 1, 2017.

[HF2437](#)

This bill relates to the purview of the DOT. Division I adds a definition of autocycle and makes conforming amendments.

Division II relates to repaired salvage motor vehicles and allows a person who has brought a salvage vehicle from another state that has been rebuilt and is ready to be titled as prior salvage to proceed directly to a salvage theft exam and obtain a prior salvage title, without first obtaining an Iowa salvage title. The fees for a salvage theft examination were increased to \$50 from \$30; the agency performing the examination may now keep \$40 of the fee instead of \$20. The fee must be paid at the time the examination is scheduled.

Division III concerns special minor’s licenses and amends and renumbers Iowa Code section 321.194. A person holding a special minor’s license is limited to operating for extracurricular activities within the district of enrollment or within a contiguous school district.

Division IV relates to oversize and overweight motor vehicles and increases permitted single tandem axle weight to 46,000 pounds.

Division V prohibits all owners of aircraft (resident and nonresident) used for the application of herbicides and pesticides from receiving a registration refund if the aircraft was removed and continuously used beyond the boundaries of the state.

This bill is effective July 1, 2016.

[HF2449](#)

This bill concerns legislation enacted on or after January 1, 2016, that expressly requires rulemaking. The affected state agency must do one of the following within 180 days of the effective date of the related provision of an act that expressly required rulemaking: 1) Submit a notice of intended action to the Administrative Rules Coordinator and Administrative Code Editor for publication; 2) Submit written notification to the Administrative Rules Review Committee that the agency has not submitted a notice of intended action.

This bill is effective upon enactment, May 27, 2016.

[SF2187](#)

Section 1 amends Iowa Code section 321.189 to allow a veteran to present DD Form 214 to the DOT as proof a being a veteran to obtain a driver's license with the word "VETERAN" included. Section 2 amends Iowa Code section 321L.2 concerning persons with disabilities parking permits to allow the DOT to accept a certification of disability from the U.S. Department of Veterans Affairs in lieu of a statement from certain medical providers as proof of the disability. The DOT may adopt rules detailing the requirements for an acceptable certification of disability. This bill is effective July 1, 2016.

[SF2228](#)

This bill relates to the activities of motor vehicle dealers and wholesalers. Section 1 requires the DOT, by January 1, 2018, to develop and implement a program to allow for electronic applications, titling, registering, and funds transfers for vehicles subject to registration. The program must also provide for the electronic submission of any statement required unless it is prohibited by federal law. The DOT is required to adopt rules on the method for providing statements required. Section 6 adds new Iowa Code section 322.3(16) concerning prohibited acts and states that a motor vehicle dealer or wholesaler licensed under Iowa Code chapter 322 shall not sell, loan, rent, lease, or charge a fee for the use of the license to another person for the purpose of allowing the person to engage in the business of selling motor vehicles. Section 4 makes a conforming amendment to Iowa Code section 322.3(3) to add new Iowa Code section 322.3(16). Section 7 amends Iowa Code section 322.4 to increase the surety bond required by an applicant to obtain a dealer's license from \$50,000 to \$75,000. Section 8 adds new Iowa Code section 322.19A concerning a documentary fee; a fee charged to a customer by a motor vehicle dealer. This bill is effective July 1, 2016.

[SF2320](#)

Section 3 requires the DOT to adopt a process for a political subdivision of the state that has ceased operation of an airport to submit an application to the DOT to forgive any required repayment of financial assistance that may be owed to the state as a result of the closure of the airport. The process must provide that if future use of the facility results in a project that creates jobs and expands the economy, the DOT must forgive any required repayment of certain financial assistance owed. Section 4 appropriates money from the Surface Transportation Block Grant Program to the DOT and states the DOT shall expend the moneys appropriated in section 4 as provided in federal law and in conformance with Iowa Code chapter 17A. This bill is effective July 1, 2016.

Transportation Omnibus

(DOT –sponsored legislation)

Division I: Autocycles

Section 1 adds a new subsection to Iowa Code section 321.1 to include the definition of autocycle. Defines autocycle as a three-wheeled motor vehicle originally designed with two front wheels and one rear wheel; a steering wheel; no more than two permanent seats that do not require the operator or a passenger to straddle or sit astride the vehicle; and foot pedals that control the brakes, acceleration, and clutch, where applicable. Further adds a motor vehicle meeting the definition of autocycle is an autocycle even if the vehicle bears a vehicle identification number, or is accompanied by a manufacturer’s certificate of origin, that identifies the vehicle as a motorcycle.

Section 2 amends Iowa Code section 321.1(40)(a) to exclude an autocycle from the definition of motorcycle.

Section 3 amends Iowa Code section 321.34(1) to allow county treasurers to issue one registration plate for an autocycle.

Section 4 amends Iowa Code section 321.34(5)(a) to allow a personalized registration plate for an autocycle that is marked with no more than six initials, letters, or combinations of numerals and letters.

Section 5 amends Iowa Code section 321.34(8)(a) to allow the owner of an autocycle who has been awarded the medal of honor to order one set of special registration plates of red, white, and blue color containing the Medal of Honor emblem and an identifying number.

Section 6 amends Iowa Code section 321.34(8A)(a) to allow the owner of an autocycle who was a prisoner of war during a time of military conflict to order one set of special registration plates with an American Ex-Prisoner of War emblem.

Section 7 amends Iowa Code section 321.34(11)(a) to allow the owner of an autocycle to obtain natural resources plates.

Section 8 amends Iowa Code section 321.34(11A)(a) to allow the owner of an autocycle to obtain Love Our Kids plates.

Section 9 amends Iowa Code section 321.34(11B)(a) to allow the owner of an autocycle to obtain motorcycle rider education plates.

Section 10 amends Iowa Code section 321.34(12)(a) to allow the owner of an autocycle to order special registration plates with a distinguishing emblem. Also amends Iowa Code section 321.34(12)(d) to require a special registration plate issued for an autocycle to be designated in the manner provided in Iowa Code section 321.34(5)(a) that includes an

issuance fee and sets the number of initials, letters, or combination of numerals and letters for the plate.

Section 11 amends Iowa Code section 321.34(15)(a) to allow the owner of an autocycle to obtain one set of Legion of Merit special plates.

Section 12 amends Iowa Code sections 321.37(1) and 321.37(2) to exclude a registration plate from being displayed on the front of an autocycle. Requires registration plate for an autocycle to be displayed on the rear of the vehicle.

Section 13 amends Iowa Code section 321.69(9) to exempt autocycles from all damage disclosure statement requirements with the exception that the following current Code requirements also apply to owners of autocycles: a person who knows or reasonably should know is required to clearly disclose in writing when selling, leasing, or trading an autocycle that the autocycle contains a nonoperative airbag, or the airbag has been removed or not replaced; and a person who makes a false damage disclosure statement or fails to make a damage disclosure statement commits a fraudulent practice and is subject to consumer fraud.

Section 14 amends Iowa Code section 321.105A(2)(c)(6) to exclude autocycle, when purchased for rental or registered and titled by a motor vehicle dealer per Iowa Code chapter 322 for rental use, from the fee for new registration.

Section 15 amends Iowa Code section 321.109(1)(a) to exempt an autocycle from the annual registration fee that is based on value and weight. Section 16 amends Iowa Code section 321.117 to add an annual registration fee of \$20 for an autocycle. However, when an autocycle is more than five model years old, the annual registration fee is \$10.

Section 17 amends Iowa Code sections 321.166(1), 321.166(3), and 321.166(4) to require registration plates of an autocycle to be made of metal, with the size of the plates to be established by the DOT; registration plate number issued for an autocycle to be a size prescribed by the DOT; and exempts the registration plate number on an autocycle from being of sufficient size to be readable from a distance of 100 feet during daylight.

Section 18 adds a new definition of autocycle in Iowa Code chapter 322, Motor Vehicle Manufacturers, Distributors, Wholesalers, and Dealers, to mean the same as defined in Iowa Code chapter 321, Motor Vehicles and Law of the Road.

Section 19 amends Iowa Code section 322.5(6)(a)(1) to allow a motor vehicle dealer authorized to sell used autocycles to display and negotiate sales of used autocycles at a motorcycle rally in Iowa under certain conditions, and after application for and receipt of a temporary permit issued by the DOT.

Section 20 amends Iowa Code section 322.5(6)(b)(1) to allow a person licensed as a motor vehicle dealer in another state to apply for and be issued a temporary permit to sell used autocycles in Iowa.

Section 21 amends Iowa Code section 322.5(6)(d) to forbid the sale of an autocycle and an agreement for the sale of an autocycle at a motorcycle rally. All such sales are required to be completed and signed at the motor vehicle dealer's principal place of business.

Section 22 amends Iowa Code section 322.36 to exempt a person in the business of selling autocycles under Iowa Code chapter 322D from maintaining regular business hours at the dealer's principal place of business or other place of business.

Section 23 amends Iowa Code section 322D.1(2) to expand the definition of attachment to mean a machine or part of a machine designed to be used on or in conjunction with an autocycle.

Section 24 adds a new subsection in Iowa Code section 322D.1 to add a definition of autocycle to mean the same as defined in Iowa Code section 321.1.

Sections 25 and 26 amend Iowa Code sections 322D.1(4)(b), 322D.1(4)(e), 322D.1(5), 322D.1(6), and 322D.1(7) to amend the definition of franchise to make conforming amendments to add autocycles.

Section 27 amends Iowa Code section 322D.2 to expand the franchisee's rights to payment to include autocycle under certain situations.

Section 28 amends Iowa Code sections 322D.3(7) and 322D.3(9) to not require repurchase from a franchisee of an autocycle that is not in new, unused, undamaged, or complete conditions; or was purchased 24 months or more prior to the termination of the franchise.

Section 29 amends Iowa Code 322D.8 concerning motorcycle franchise agreements, in effect on certain dates, to include an autocycle the same as a motorcycle.

Section 30 amends the definition of motor vehicle within Iowa Code section 322G.2(13) to exclude autocycle within Iowa Code chapter 322G, Defective Motor Vehicles (Lemon Law).

Division II: Repaired salvage motor vehicles

Section 31 amends Iowa Code section 321.24(5) to allow the owner of a repaired salvage vehicle to obtain an Iowa certificate of title indicating the repaired vehicle was previously titled as salvage, if the owner surrenders the foreign salvage certificate of title and a salvage theft examination certificate was properly executed within 30 days of the date the owner was assigned the foreign certificate of title.

Section 32 amends Iowa Code section 321.52(4)(c) to increase the fee for a salvage theft examination from \$30 to \$50 and require the fee to be due at the time the examination is scheduled, instead upon completion of the examination.

Division III: Special minor's driver's licenses

Section 33 amends Iowa Code section 321.194 by reformatting and renumbering language regarding special minor's driver's licenses issued for travel to and from school. Inserts new headings within Code section for readability, expands permitted operations, moves the electronic communication devices restriction within the Iowa Code section, inserts clarifying language concerning eligibility and corrects internal Code references.

Section 34 amends Iowa Code section 321.482A(1) by making conforming internal Code reference changes.

Division IV: Oversize and overweight motor vehicles

Section 35 adds a new paragraph in Iowa Code section 321E.7(1) to allow vehicles operating under an oversize and overweight permit issued per Iowa Code sections 321E.8, 321E.9, or 321E.9A to increase the weight to 46,000 pounds on a single tandem axle of the truck tractor and 46,000 pounds on a single tandem axle of the trailer or semitrailer if each axle of each tandem group has at least four tires.

Division V: Aircraft

Section 36 amends Iowa Code section 328.24(1) to allow all owners, including nonresidents, of aircraft used for the application of herbicides and pesticides to receive a registration refund if the aircraft is destroyed by fire or accident or junked, and its identity as an aircraft is entirely eliminated, or the aircraft is removed and continuously used beyond the boundaries of the state.

Petroleum Tanks Fund and Financing Program

(DOT-sponsored legislation)

Division I affects the Underground Storage Tank (UST) Fund and the Renewable Fuel Infrastructure (RFI) Fund allocations. Section 1 amends Iowa Code section 321.145(2)(a), of Division II within this Act, to remove the deposit of moneys from the Statutory Allocations Fund (SAF) to the UST Fund and the RFI Fund. Section 2 amends Iowa Code section 321.145(2)(b) to remove an internal Code reference.

Sections 3, 4, 6, 10, 11, 12, 13, and 14 amend the following by inserting a reference to the 2016 Iowa Code sections 455B.302, 455B.392(7)(d), 455G.3(1), 455G.6(4), 455G.8(2), 455G.9(5)(a), 455G.9(7), 455G.9(10), and 455G.13(5).

Section 5 amends Iowa Code section 455G.1(2)(1) by removing a reference to Iowa Code chapter 424, Environmental Protection Charge (EPC) on petroleum diminution.

Section 7 amends Iowa Code section 455G.3(5) to remove the requirement that the Department of Revenue provide payment of the EPC refund and that the treasurer of state allocate to the Department of Administrative Services the total amount budgeted by the Iowa Comprehensive Petroleum Underground Storage Tank (UST) Fund Board for EPC refunds.

Section 8 amends Iowa Code section 455G.4(3)(b) to remove the UST Fund authority to adopt administrative rules concerning the implementation and collection of the EPC.

Section 9 amends Iowa Code section 455G.5(2) and 455G.3 to remove a reference to Iowa Code chapter 424, and to remove collecting the EPC as an example of a reimbursable expense by a public or private contractor.

Section 15 makes Division I effective December 31, 2016.

Division II affects the RFI Fund and the EPC on petroleum diminution repeal.

Section 16 amends Iowa Code section 321.145(2)(a)(2) to increase the dollars per quarter to be deposited from the SAF into and credited to the RFI Fund from \$750,000 to \$1,500,000.

Section 17 amends Iowa Code section 424.19 to make the repeal of Code chapter 424, EPC on petroleum diminution, effective December 31, 2016.

Section 18 makes Division II effective upon enactment, May 16, 2016.

SF2320

DOT Appropriations

(DOT-sponsored legislation)

Makes transportation- and infrastructure-related appropriations to the DOT from the Road Use Tax Fund (RUTF), the Primary Road Fund (PRF), and State Aviation Fund for FY 2017, and from the Federal Surface Transportation Block Grant Fund for Federal FY 2017.

Division I: State FY 2017 Appropriations

This appropriates FY 2017 funds from the RUTF and PRF to the DOT and allocates 2,789 full-time equivalent positions for FY 2017. As stated in the [Legislative Services' fiscal analysis](#), appropriates \$50.2 million from the RUTF and \$320.6 million from the PRF.

Section 1 appropriates money from the RUTF to the DOT for FY 2017 for producing driver's licenses; salaries, support, maintenance, and miscellaneous purposes for various DOT areas; payment to the Department of Administrative Services (DAS) for utility services and workers' compensation claims; unemployment compensation; payment to the General Fund for indirect cost recoveries; reimbursement to the state auditor for audit expenses; various costs associated with the county issuance of driver's licenses, vehicle registrations, and vehicle titles; participation in the Mississippi River Parkway Commission; costs associated with the Traffic and Criminal Software Program and the Mobile Architecture and Communications Handling Program; and Motor Vehicle Division's field facility maintenance projects. Moneys appropriated for the payment of costs associated with the production of driver's licenses do not revert but remain available until close of FY 2018. Moneys for Motor Vehicle Division's field facility maintenance projects at various locations do not revert but remain available for expenditure until June 30, 2020. However, if the projects are completed in an earlier fiscal year, unencumbered or unobligated moneys revert at the close of that fiscal year.

Section 2 appropriates moneys from the PRF to the DOT for FY 2017. This includes funding for salaries, support, maintenance, and miscellaneous purposes for various DOT areas and specifies the number of full-time equivalent positions; payments to DAS for utility services and workers' compensations claims; unemployment compensation; disposal of hazardous wastes; payment to the General Fund for indirect cost recoveries; reimbursement to the state auditor for audit expenses; costs associated with producing transportation maps; inventory and equipment replacement; utility improvements; roofing projects; heating, cooling, and exhaust system improvements; deferred maintenance projects at field facilities; maintenance projects at rest area facilities; improvements related to compliance with the federal Americans with Disabilities Act to facilities; and replacement of the Mount Pleasant/Fairfield combined facility.

Money appropriated from the PRF to the DOT for FY 2017 remain available for expenditure until June 30, 2020, for utility improvements; roofing projects; heating, cooling, and exhaust system improvements; deferred maintenance projects at field facilities; maintenance projects at rest area facilities; improvements related to compliance with the federal Americans with

Disabilities Act for to facilities; and replacement of the Mount Pleasant/Fairfield combined facility. However, if the projects are completed in an earlier fiscal year, unencumbered or unobligated moneys revert at the close of that fiscal year.

Section 3 appropriates money from the State Aviation Fund to the DOT for FY 2017 for infrastructure improvements at commercial service airports and general aviation airports. States the intent of the General Assembly that the DOT invest wisely in necessary infrastructure improvements in general aviation airports across the state and avoid costly future maintenance payments to airports with limited aviation activity. Requires the DOT adopt a process for a political subdivision that has ceased operation of an airport. The affected political subdivision must submit an application to the DOT to request forgiveness of financial assistance that may be owed due to the closure of the airport. The DOT must forgive any required repayment of financial assistance if certain requirements are met.

Division II: Federal FY 2017

This appropriates money from the Surface Transportation Block Grant Program to the DOT for federal FY 2017. Section 4 authorizes the federal block grants appropriation to the DOT to be allocated by the Iowa Transportation Commission for state and local transportation projects. The DOT must expend the moneys appropriated as provided in federal law and in conformance with Iowa Code chapter 17A.

[SF2324](#)

Infrastructure Appropriations

Makes appropriations from various funds, including the Rebuild Iowa Infrastructure Fund (RIIF).

Section below affects the DOT

Division I: Rebuild Iowa Infrastructure Fund

Section 1, subsection 11, appropriates the following RIIF moneys for FY 2017 to the DOT: \$2.5 million for recreational trails, \$1.5 million for the Public Transit Infrastructure Grant Fund for projects meeting the definition of vertical infrastructure, \$1.5 million for deposit in the Railroad Revolving Loan and Grant Fund, and \$1.44 million for infrastructure improvements at commercial service airports.

These moneys do not revert but shall remain available for expenditure until June 30, 2020. However, if the projects are completed in an earlier year, unencumbered or unobligated moneys revert at the close of that fiscal year.