# **Regulatory Analysis**

Notice of Intended Action to be published: Iowa Administrative Code 761—Chapter 635 "Motorcycle Rider Education (MRE)"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 307.12(1)"j" and 321.179 State or federal law(s) implemented by the rulemaking: Iowa Code sections 307.12(1)"j," 321.179 and 321.180B

### Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

October 10, 2024 2 to 2:30 p.m. Microsoft Teams link Or dial: 515.817.6093 Conference ID: 425 744 072 1

#### Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis. Written comments in response to this Regulatory Analysis must be received by the Department of Transportation no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Sara Siedsma 6310 SE Convenience Boulevard Ankeny, Iowa 50021 Email: sara.siedsma@iowadot.us

## Purpose and Summary

The purpose of proposed Chapter 635 is to comply with Iowa Code sections 321.179 and 321.180B(5). The chapter outlines the application, renewal, and eligibility requirements for motorcycle rider education (MRE) courses, sponsors and instructors in the state. The Department is also required to establish the framework under which MRE sponsors may be reimbursed from the Motorcycle Rider Education Fund for the costs of providing MRE courses.

### Analysis of Impact

- 1. Persons affected by the proposed rulemaking:
- Classes of persons that will bear the costs of the proposed rulemaking:

Private or commercial MRE sponsors who are required by the rules to pay a \$25 application fee to the Department and all MRE sponsors and instructors who must be approved by the Department under Iowa Code section 321.180B(5) prior to licensure will bear the costs.

• Classes of persons that will benefit from the proposed rulemaking:

MRE sponsors and instructors will benefit from these rules by knowing the application and eligibility requirements to become a sponsor or instructor as well as the process for MRE sponsors to submit a request for reimbursement from the Motorcycle Rider Education Fund.

Individuals under 18 years old seeking a motorcycle license, who are required under Iowa Code section 321.180B(5) to complete an MRE course approved by the Department prior to licensure, will benefit from course availability.

All applicants for a motorcycle license will benefit from the availability of MRE courses, sponsors and instructors that meet eligibility criteria established by the Department.

- 2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:
  - Quantitative description of impact:

In calendar year 2023, the Department issued or renewed 17 MRE sponsor licenses and 54 MRE instructor licenses. The Department also reimbursed eligible MRE sponsors a total of \$562,454.07 in 2023 from the Motorcycle Rider Education Fund. A private or commercial MRE sponsor is required to pay a \$25 application fee for an MRE sponsor license. Public MRE sponsors are not charged an application fee. The Department collected \$125 in MRE sponsor application fees in 2023.

• Qualitative description of impact:

Reorganizing and streamlining the proposed chapter will create a positive impact by producing a more reader-friendly version of the information MRE sponsors and instructors use to determine the application and eligibility criteria for obtaining a sponsor or instructor license and when an MRE sponsor submits a request for reimbursement from the Motorcycle Rider Education Fund.

- 3. Costs to the State:
- Implementation and enforcement costs borne by the agency or any other agency:

There are no additional implementation or enforcement costs in the proposed rules that were not already required as a result of the underlying statutes. Iowa Code section 321.180B(5) requires individuals under 18 years old seeking a motorcycle license to complete an MRE course approved by the Department prior to licensure. Iowa Code section 321.179 requires the Department to establish by rule the process for distributing funds from the Motorcycle Rider Education Fund to qualified MRE sponsors.

• Anticipated effect on state revenues:

In calendar year 2023, the Department collected \$125 in MRE sponsor application fees. The Department also reimbursed eligible MRE sponsors a total of \$562,454.07 from the Motorcycle Rider Education Fund established by Iowa Code section 321.179. The Motorcycle Rider Education Fund is comprised of a portion of the fees from each issuance of a motorcycle license and from motorcycle rider education license plates, as well as grant funding.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

The benefit of the proposed chapter is consistency and transparency regarding the application and eligibility for an MRE sponsor or instructor license and the process for submitting a request for reimbursement from the Motorcycle Rider Education Fund. The cost of the proposed rules is the same as the cost required by the underlying statute.

The cost of inaction is the inability for MRE sponsors and instructors to be licensed to provide MRE courses in Iowa or to request reimbursement from the Motorcycle Rider Education Fund. There is no benefit of inaction.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

There are no less costly or less intrusive methods to achieve the purpose of the proposed rules, which is to quickly and efficiently provide information to MRE sponsors and instructors seeking information regarding the application and eligibility requirements to become a sponsor or instructor as well as the process for MRE sponsors to submit a request for reimbursement from the Motorcycle Rider Education Fund.

- 6. Alternative methods considered by the agency:
- Description of any alternative methods that were seriously considered by the agency:

The Department did not consider alternatives to the proposed rules. The Department is required by the Iowa Code to approve MRE courses and provide a process for MRE sponsors to request reimbursement from the Motorcycle Rider Education Fund.

• Reasons why alternative methods were rejected in favor of the proposed rulemaking:

No alternatives to the proposed rules were considered.

## Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
  - Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

There is no substantial impact to small business because of the rules. All private and public MRE sponsors must meet the same eligibility criteria to provide MRE courses in the state. Private and commercial MRE sponsors are charged a nominal \$25 application fee, which has not been determined to be a substantial barrier to licensure.

### Text of Proposed Rulemaking

ITEM 1. Rescind 761—Chapter 635 and adopt the following **new** chapter in lieu thereof:

# CHAPTER 635 MOTORCYCLE RIDER EDUCATION (MRE)

761—635.1(307,321) Information and location. Applications, forms and information regarding this chapter are available by mail from the Motor Vehicle Division, Iowa Department of Transportation, P.O. Box 9204, Des Moines, Iowa 50306-9204; in person at 6310 SE Convenience Blvd., Ankeny, Iowa; by telephone at 515.244.8725; by facsimile at 515.239.1837; or by email at mre.dot@iowadot.us.

### 761—635.2(307,321) Definitions.

- "Approved course" means the motorcycle rider education course approved by the department.
- "Instructor" means a person licensed by the department to instruct an approved course.
- "MRE" means motorcycle rider education.
- "Sponsor" means an entity that provides the approved course.

## 761—635.3(307,321) Application, renewal and fees.

**635.3(1)** *Application and renewal.* 

- a. An applicant for a sponsor license must apply to the department in a manner determined by the department prior to the beginning of the first class offered in the approved course and annually thereafter.
- b. An applicant for an instructor license must apply to the department in a manner determined by the department prior to the beginning of the first class of the approved course taught by the instructor and annually thereafter. However, an individual who meets the qualifications for a license except for paragraph 635.5(2) "d" or whose license is denied under subrule 635.6(2) may teach the approved course as provided in paragraph 635.6(2) "b."

- c. A sponsor or instructor license is valid for a calendar year or remainder of a calendar year and expires on December 31 but remains valid for an additional 30 days after the expiration date.
- d. Unless otherwise approved by the department, an application for license renewal is due to the department within 60 days of the expiration date.
- **635.3(2)** Fees. The initial application and annual renewal fee are \$25 for a private or a commercial sponsor. The fee is to be paid in a manner approved by the department.

## 761—635.4(307,321) Approved course in MRE.

635.4(1) Course requirements.

- a. Only an MRE course approved by the department using nationally recognized, research-based curriculum is to be taught by any sponsor providing MRE.
  - b. On-cycle instruction of the approved course must meet the following requirements:
- (1) The student is at least 14 years of age; possesses a valid driver's license as defined in Iowa Code section 321.1; is able to touch the ground with the balls of both feet while sitting astride the training motorcycle; wears a U.S. DOT-approved helmet, an eye-protective device, and protective clothing including gloves, a long-sleeved shirt or jacket, long pants, and shoes or boots that cover the feet and ankles; and completes the motorcycle safety course waiver form, including the signature of a parent or legal guardian if the student is under the age of 18.
- (2) The scheduled time for classroom or on-cycle instruction, or a combination of both, does not exceed eight hours in any one calendar day.
- (3) The student-instructor ratio for classroom instruction does not exceed 36 to 1. The student-instructor ratio for on-cycle instruction does not exceed 6 to 1; however, no more than 12 students may receive on-cycle instruction at one time on a single full-size range.
- (4) The driving range used for on-cycle instruction is paved, free of hazards to motorcycle travel, and has an unobstructed, paved runoff of at least 20 feet in all directions.
- (5) The sponsor provides for each student engaged in on-cycle instruction one fully operational motorcycle manufactured for highway use that has not been modified, does not contain aftermarket equipment, and meets at least two of the following criteria:
- 1. Has an engine displacement of 500 cubic centimeters or less, or an electric motor of 30 kW or less.
  - 2. Has a curb (wet) weight of 440 pounds or less.
  - 3. Has a seat height of 30 inches or less.
- **635.4(2)** Certificate of completion. Only persons successfully completing all elements of the approved course will be issued an Iowa certificate of completion for MRE by the sponsor to be submitted to the department by the methods provided in 761—subrule 602.2(1). The driving test for a Class M driver's license or a motorcycle endorsement may be waived under 761—subrule 604.31(2) within two years of the issuance of a certificate of completion.

## 761—635.5(307,321) Instructor and sponsor qualifications.

635.5(1) Instructor license. To qualify for an instructor's license, an individual must:

- a. Possess a valid Class M driver's license or a motorcycle endorsement or equivalent license or endorsement that is valid for a two-wheel motorcycle.
- b. Successfully complete a nationally recognized, research-based instructor preparation course approved by the department.
- c. Possess a current instructor certification from a nationally recognized motorcycle safety organization approved by the department.
- d. Before a license is granted, teach one class of the approved course under the guidance of an experienced, licensed instructor approved by the department.
- e. After the year in which a license is granted, teach at least one nationally recognized, research-based motorcycle rider preparation course approved by the department in Iowa or another state each calendar year.

- f. After the year in which a license is granted, complete at least one state-sponsored or state-approved instructor update each calendar year. The update must be completed in Iowa every other year.
- g. Have a clear driving record for the previous two years. A clear driving record means the individual has:
- (1) Not been identified as a candidate for driver's license suspension under the habitual violator provisions of rule 761—615.13(321) or the serious violation provisions of rule 761—615.17(321).
  - (2) No driver's license suspensions, revocations, denials, cancellations, disqualifications or bars.
- (3) Not committed an offense that would result in driver's license suspension, revocation, denial, cancellation, disqualification or bar.
- (4) No record of a law enforcement investigative report indicating a contributive motor vehicle accident that caused the death or serious injury of another person.
  - (5) No record of two or more contributive motor vehicle accidents in a two-year period.
- *h*. Comply with any department review and verification of the instructor's qualifications under this subrule.

635.5(2) Sponsor license. To qualify for a sponsor's license, an entity must:

- a. Use only a course approved under rule 761—635.4(307,321).
- b. Use only instructors licensed by the department to teach the approved course.
- c. Maintain liability insurance in an amount of not less than \$1 million, combined single limit, with an aggregate limit of not less than \$2 million, and file a certificate of this insurance with the department verifying coverage for scheduled courses of instruction. The certificate shall name the department and its officers, agents, representatives and employees as additional insureds with respect to all work, deliveries or services performed for the department by the named insured, and specify that the department's motor vehicle division shall be given at least 30 days' prior notice of any material change in or cancellation of the insurance.
- d. Provide written verification of self-insurance to the department if the sponsor is a state agency or public educational institution.
- e. Maintain complete instructional accident report files and furnish this information to the department in a manner determined by the department.
  - f. Maintain a record of costs incurred in providing the approved course.
- g. Allow the department or the department's designee to audit any class of the approved course, either announced or unannounced.
  - h. Involve a program administrator in an annual department-sponsored, in-service seminar.
- *i*. Provide and maintain adequate instructional facilities and equipment to accommodate all components of the approved course, including but not limited to the lecture, audio-visual, and oncycle components.

#### 761—635.6(307,321) Cancellation or denial.

- **635.6(1)** Cancellation. The department shall cancel the license if the sponsor or instructor fails to comply with the applicable provisions of this chapter or Iowa Code section 321.179 or 321.180B(5) or if the course or instructors are no longer approved.
- 635.6(2) Denial. The department shall deny an initial or renewal application if the applicant does not meet the criteria for issuance of a license under this chapter. A denial for an instructor's failure to comply with the provisions of paragraph 635.5(1)"c," "e" or "f" will remain in effect until the instructor completes the following requirements, as applicable:
- a. Presents an unexpired instructor certification from a nationally recognized motorcycle safety organization approved by the department.
- b. Teaches one class of the approved course under the guidance of an experienced, licensed instructor approved by the department.
  - c. Completes at least one state-sponsored or state-approved instructor update.

- 761—635.7(321) Use of MRE fund. The MRE fund may be used for the following purposes:
- **635.7(1)** Course development. New or current sponsors may apply to the department for funds to establish delivery of the approved course at an unserved site. Current sponsors may apply for funds to expand delivery at an existing site.
  - a. Expenditures eligible for funding are limited to:
- (1) Acquisition of necessary classroom furnishings and audio-visual systems if used exclusively to deliver the approved course.
  - (2) Required curriculum materials including necessary audio and visual components.
  - (3) Range development and maintenance excluding land acquisition, surfacing and resurfacing.
- (4) Training motorcycles and motorcycle maintenance equipment if the equipment is to be used exclusively for the upkeep of the motorcycles.
  - (5) On-cycle safety equipment limited to helmets, eye-protective devices and gloves.
- b. Application for funds shall be made in a manner determined by the department. Departmental approval will be based on the geographical area, the number of students to be served and the availability of moneys in the MRE fund. The number of students to be served is determined by range size, the number of courses to be offered, and the number of sponsors providing the course.
- c. Payment to the sponsor for course development expenditures will be on a cost-reimbursement basis and made after claims under subrule 635.7(5) are paid.
- **635.7(2)** *Instructor preparation.* The department will sponsor and accept applications for enrollment in initial instructor preparation courses.
  - a. An instructor preparation course is open to any individual who:
- (1) Possesses a valid Class M driver's license or a motorcycle endorsement or equivalent license or endorsement that is valid for a two-wheel motorcycle.
- (2) Submits verification from an approved sponsor of employment as an instructor of the approved course to be offered within the next 12 months.
- b. Upon proof of successful completion of the instructor preparation course, an individual may be reimbursed for course tuition.
- **635.7(3)** *Instructor updates.* The department will sponsor and fund instructor updates held in Iowa. Instructor updates are open to all state-licensed MRE instructors and instructor trainers.
  - **635.7(4)** *Instructor trainer preparation.*
- a. An experienced, state-licensed MRE instructor may apply to the department for funding assistance on forms provided by the department if both the following occur:
- (1) The instructor is accepted for enrollment in a nationally recognized instructor trainer preparation course approved by the department.
- (2) The instructor agrees to be an instructor trainer in a department-sponsored instructor preparation course within 12 months following successful completion of the instructor trainer preparation course.
- b. The department may approve the application if the department determines there is a need for additional instructor trainers.
  - c. If the department approves the application, then all the following apply:
  - (1) Funding assistance is limited to course tuition, travel, and subsistence (meals and lodging).
- (2) Upon approval of the application, the department will pay for course tuition and travel to the training site.
- (3) Upon receipt by the department of evidence of successful completion accompanied by documentation of subsistence expenses incurred, the department will reimburse the instructor for food and lodging based on the in-state reimbursement limits established for state employees by the department of administrative services.
- (4) If the instructor fails to attend the training, the instructor must repay the department both the course tuition and the travel purchased.

- (5) If the instructor fails to successfully complete the course, the instructor must repay the department one-half the course tuition and one-half the travel purchased. Meal and lodging expenses will not be reimbursed.
- 635.7(5) Reimbursement of per pupil costs. The department will reimburse a sponsor for each student who completes the approved course contingent upon the availability of moneys in the MRE fund.
- a. Reimbursement will be paid twice each calendar year, once for training provided from January to June and once for training provided from July to December.
- b. The reimbursement will be based on a per pupil rate determined semiannually by the department. The rate will be based on the amount of moneys available in the MRE fund, less the administrative and instructor training costs, and will be distributed to sponsors based on the total number of students who complete the approved course.
- c. Claims for reimbursement shall be submitted in a manner determined by the department and include a summary of courses taught with site, date, and instructor information; a report for each class taught that provides the name, age, and driver's license number of each student; and any other information required by the department.
- d. Failure to provide course, instructor and student information; failure to meet instructor certification and licensure requirements; failure to comply with applicable provisions of this chapter in providing the course; or failure to meet prescribed instructor-student ratios shall result in the forfeiture of reimbursement for those courses and students involved.

These rules are intended to implement Iowa Code sections 307.12(1) "j," 321.179 and 321.180B(5).