

Motor Vehicle Division Informational Memorandum # 16-06

Special Registration Plates – Decal

DATE: December 28, 2016

FROM: Tina Hargis, Director, Office of Vehicle & Motor Carrier Services

TO: Vehicle & Motor Carrier Services staff and Iowa County Treasurers

SUBJECT

This Informational Memorandum explains Iowa Acts, 2016, House File 617, Sections 1 through 4 (“HF 617”) which amended section 321.34(13) to eliminate future new special processed emblem plates and establish a new, generic plate that allows customers to display organizational decals provided by approved non-profit organizations. This legislation becomes effective January 1, 2017.

Explanation

Section 321.34(13) of the Iowa Code has long provided a process for any person to apply to the Iowa DOT for a new special registration plate with a processed emblem (special processed emblem). An example of a special processed emblem plate established under this process is:



HF 617 did not eliminate or prohibit use or issuance of special processed emblem plates issued before January 1, 2017, and they will continue to be produced and remain available for purchase and use by customers after that date. It did, however, eliminate the ability for people to establish new special processed emblem plates on and after January 1, 2017, and the Iowa DOT will no longer accept or approve any applications for new special processed emblem plates on and after that date.

HF 617 does, however, establish an alternative to new special processed emblem plates. In place of this process, HF 617 amended section 321.34(13) to establish a new process for the department to produce a generic plate that allows the customer to display an organizational detail, and for nonprofit organizations to apply to the Iowa DOT for permission to produce and distribute decals that a customer may display on the plate. Under this process, the Iowa DOT will produce and distribute as inventory a single, generic plate that provides a

place for the customer to display an approved organization decal, and will conduct the process by which nonprofit obtain approval for decals that may be displayed on the plates. Neither the Iowa DOT nor county treasurers will maintain an inventory of or distribute decals. Instead, the nonprofit organization that has obtained approval for the decal will be responsible for marketing and distributing the decal to customers that want to display it, and the customer will be responsible for applying the decal to the customer's plates.



The legislature made this change to make it easier and less costly to manage license plate inventory. Because each special processed emblem plate is an item in inventory that has to be independently produced and distributed, each new one added increases the amount and complexity of plate inventory management. Providing a single, generic plate allows the Iowa DOT and IPI to produce and manage the inventory of one single plate for multiple organizations, without adding a new plate type every time a new organizational decal is added. Additionally, shifting to this process should make it easier for organizations to establish new plates – to account for the added inventory cost, the previous special processed emblem plate process required the plate sponsor to obtain 500 paid applications before the plate could be produced, which caused many attempts to establish a new special processed emblem plate to fail (and caused many sponsors to them pressure the legislature to establish a new plate by legislative action). The new organizational decal process does not require minimum purchases or orders and will make it easier for organizational sponsors to establish a sponsored plate via an approved decal.

LINK TO LEGISLATION

Iowa Acts, 2016, House File 617, Sections 1 through 4:

<https://www.legis.iowa.gov/legislation/BillBook?ba=HF%20617&ga=86>

INTERNET RESOURCES

Information that may be helpful to the customer and the application form for Decal plates is available on our website at: <http://www.iowadot.gov/mvd/vehicleregistration/plates/plates.htm>

HELPFUL QUESTIONS AND ANSWERS

The following questions and answers provide additional information that will be helpful to you and to customers.

ARE THERE ANY APPROVED DECALS YET? WHERE CAN CUSTOMERS FIND THEM?

There are no approved decals yet. The Office of Vehicle & Motor Carrier Services will manage the approval process for organizational details, and as decals are approved they will be added to the Iowa DOT's website, at <http://www.iowadot.gov/mvd/index.htm>. Eligible organizations may apply for decal approval beginning January 1, 2017. Information on how to request a new non-profit decal will also be available on the DOT's website at <http://www.iowadot.gov/mvd/vehicleregistration/plates.htm>

WHAT IS THE FEE FOR DECAL PLATES, AND WHEN CAN A CUSTOMER OBTAIN THEM?

Customers may obtain a decal plate, at no charge, when they make an initial application for title and registration of a vehicle. They can also change their plate type to a decal plate at any time after a vehicle has been titled and registration, and the fee for that is \$5. (The fee to replace a decal plate that is lost, damaged or stolen is also the customary \$5.)

MAY DECAL PLATES BE PERSONALIZED? WHAT IS THE COST FOR THAT?

Just like special processed emblem plates, decal plates may be personalized. The initial application fee for a personalized plate is \$25, and \$5 at the time of renewal.

DOES A CUSTOMER HAVE TO HAVE A DECAL BEFORE THEY PURCHASE A DECAL PLATE?

No. Customers can purchase decal plates whenever they wish, and they can decide when and whether they obtain a decal and place it on their plate.

DO I NEED TO TRACK OR RECORD WHAT DECAL A CUSTOMER WILL PLACE ON THE PLATE?

No. The decal selected and displayed is entirely at the discretion of the customer, and we will not collect or track that information in ARTS. The only thing we will track is that the vehicle has been assigned a decal plate type.

WHAT IF A CUSTOMER DOES NOT PLACE A DECAL ON PLATE?

Again, it's up to the customer to obtain and place a decal. If they delay doing so or neglect to do so, it does not invalidate the plate, and the plate remains valid and legal as long as the registration remains up to date.

CAN A CUSTOMER CHANGE DECALS? IF SO, WHEN AND HOW?

Customers can change decals whenever and however they like, at their election. Again, we will not track the decal placed on the plate, and once a customer has a decal plate there is no process the customer has to follow to change decals. Decals will be uniform in size, and much like registration stickers customers may apply a new decal over the top of a prior decal. (However, a customer can obtain a replacement plate for \$5 if they wish to start with a clean plate.)

ARE THERE ANY ELIGIBILITY REQUIREMENTS FOR DECAL PLATES?

No. Any customer may obtain a decal plate. Different organizations may have eligibility requirements for the decals they are approved to distribute, but we are not responsible for enforcing those.

DO WE HAVE TO MAINTAIN AN INVENTORY OF DECALS OR COLLECT ANY FEES FOR DECALS?

No. Organizations approved to distribute decals are entirely responsible for doing so; we have no role in supplying, distributing, or issuing approved decals.

ARE THERE ELIGIBILITY REQUIREMENTS OR FEES FOR THE DECALS THEMSELVES?

Again, an approved organization may impose eligibility requirements or charge a fee for the decals that are approved to distribute, but that is at the election and control of the organization. We will have no role in enforcing eligibility requirements or collecting fees for decals.

MAY A CUSTOMER DISPLAY A DECAL THAT IS NOT APPROVED?

No. Section 321.34(13) only allows customers to display decals that have been approved by the Iowa DOT. Displaying a decal that is not approved does not invalidate the vehicle’s registrations, but it is a criminal violation and an officer that observes a plate that has been adorned with a decal not approved by the Iowa DOT may issue the owner a citation.

WHAT IF THE CUSTOMER ONLY PLACES ON DECAL ON THE FRONT OR BACK PLATE, OR DISPLAYS DIFFERENT DECALS ON THE FRONT OR BACK?

Again, the choice of decals and when and whether they are displayed is entirely at the customer’s election. A decal plate remains legal and valid regardless of whether the customer places a decal on the front only, the back only, or places different decals on the front and back, provided the registration remains up to date.

WILL THERE BE ANY NEW PROCESSED EMBLEM (SPECIALTY) PLATES ISSUED IN THE FUTURE?

December 31, 2016, is the last day to submit an application for a new special processed emblem plate under the prior version of section 321.34(13). There are several pending applications for new special processed emblem plates that have been approved but not placed into production because they have not obtained the 500 paid application necessary to initiate production. Under our administrative rules for that process, these applicants have one-year from the date their application was approved to collect the required 500 paid applications. If an approved applicant does so, that special processed emblem plate will be manufactured; if not their application will be closed, and they may instead apply for approval to distribute a decal if eligible. No new applications for special processed emblem plates will be accepted after December 31, 2016.

WHAT INVENTORY WILL COUNTY TREASURERS MAINTAIN?

County treasurers have been issued and will continue to maintain a plate inventory of “large 2” and “large 1” county standard decal plates, and will maintain those through the normal inventory process.

DOES THIS INVALIDATE OR DISCONTINUE ANY PLATES CURRENTLY IN INVENTORY?

No. All plates currently in inventory, collegiate plates, special processed emblem plates approved by the Iowa DOT, or special processed or other plates established by the legislature in section 321.34 remain valid and will continue to be produced and distributed. Private colleges that have not yet established a collegiate plate may still apply for a collegiate plate under separate authority in section 321.34.