

Motor Vehicle Division Informational Memo # 21-19

2021 Legislation – Commercial driver’s license skills testing fees

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FROM: Sara Siedsma, Compliance Officer, MVD

TO: All Motor Vehicle Division, Iowa County Treasurers and County Treasurer’s staff that issue driver’s licenses and non-operator’s identification cards

SUBJECT

This informational memo explains a bill enacted during the 2021 legislative session which authorizes the DOT and county treasurers to charge fees to administer the commercial driver’s license (CDL) skills test and is most applicable to staff that perform skills testing for CDL applicants.

SUMMARY

House File 828 authorizes the DOT and county treasurers to charge fees to administer the commercial driver’s license (CDL) skills test. Specifically, the legislation does the following:

- Allows the DOT to charge \$25 to schedule the pre-trip inspection part of the CDL skills test.
- Allows county treasurers to charge \$25 for each part of the 3-part CDL skills test, for a total of \$75 per CDL skills test administered.
- Provides the DOT may not charge any fee, and a county treasurer may only charge the \$25 pre-trip inspection fee to an employee or volunteer of a government agency who provides proof that a CDL is necessary for the person’s employment or volunteer duties or that the fee is paid by the government agency.
- Provides that any fees authorized under the legislation are non-refundable.
- Provides that fees collected by the DOT are deposited into the statutory allocations fund (SAF) and fees collected by county treasurers are retained in the county general fund.

The legislation has a *DELAYED* effective date of January 1, 2022.

LINK TO LEGISLATION

<https://www.legis.iowa.gov/docs/publications/LGE/89/HF828.pdf>

CURRENT

Under current law, neither the DOT nor the county treasurers are authorized to charge fees for administering the CDL skills test.

NEW

As stated above, effective January 1, 2022, the DOT and county treasurers are authorized to charge fees for administering the CDL skills test.

BUSINESS IMPACT

This legislation will impact the way we administer the CDL skills test. However, because this legislation is not effective until January 1, 2022, we are still in the process of assessing all of the compliance

requirements and also completing the programming changes required to implement this legislation. **Once the process changes have been fully decided and the programming changes are nearing completion, we will update this guidance with the additional steps and information staff will need to know prior to the effective date.**

HELPFUL QUESTIONS AND ANSWERS

The following questions and answers provide additional information for you and for customers.

WHY IS THE CHANGE BEING MADE?

The legislature chose to adopt this legislation in the hopes it will increase the availability of CDL skills testing in the state. Currently, because no fee is charged for testing, applicants often fail to appear for testing or do not appear prepared to pass the test because there is no financial disincentive to simply schedule another appointment. No-shows and early failures take up the limited appointment slots available to assist other CDL customers. The hope is that charging a fee will reduce no shows and failures at the current sites that offer CDL skills testing, thereby opening up more appointment slots for everyone, and will also allow more county locations to offer the service. Additionally, a county treasurer's ability to charge a fee was authorized to incentivize county treasurer offices to provide this service to their communities so that CDL applicants do not have to drive great distances to complete their CDL testing.

WHEN WILL CDL CUSTOMERS BEGIN BEING CHARGED A FEE?

The legislation authorizing fees for CDL skills tests is effective January 1, 2022 and we expect programming changes will be ready at that time to begin charging fees.

CAN THE DOT CHARGE THE \$25 FEE FOR ALL THREE PARTS OF THE CDL SKILLS TEST?

No, the legislation only authorizes the DOT to charge a \$25 fee to schedule the pre-trip inspection.

CAN A COUNTY TREASURER CHARGE THE \$25 FEE FOR ALL THREE PARTS OF THE CDL SKILLS TEST?

Yes, the legislation allows a county treasurer to charge a \$25 fee for each part of the three-part CDL skills test.

CAN A COUNTY TREASURER CHARGE THE WHOLE \$75 FEE AT THE TIME THE TEST IS SCHEDULED?

No. The legislation provides that a county treasurer may charge \$25 to schedule the pre-trip inspection, and then may charge an additional \$25 each for the remaining two parts of the test. The ARTS programming for this has not yet been completed and more information will be forthcoming regarding how the fees should be processed in ARTS.

WHAT HAPPENS IF THE APPLICANT FAILS THE PRE-TRIP INSPECTION?

For any CDL skills test administered, whether by a DOT location or a county treasurer, the legislation specifically provides that if an applicant fails any part of the test, the appointment

shall be canceled. The applicant will need to reschedule another pre-trip inspection and pay another \$25 fee if they wish to continue pursuing a CDL. The fee of \$25 is required for each attempt.

CAN A COUNTY TREASURER CHARGE THE FEES FOR THE REST OF THE TEST IF THE APPLICANT FAILS THE PRE-TRIP INSPECTION?

No. The legislation specifically provides that if an applicant fails any part of the test, the appointment shall be canceled and no other fees are due for the incomplete tests. The applicant will need to reschedule another pre-trip inspection and pay another \$25 fee if they wish to continue pursuing a CDL, and they will need to pay to the county treasurer an additional \$25 for each attempt of each remaining segment of the skills test.

WHAT FEE AMOUNTS WILL THE DOT OR A COUNTY TREASURER CHARGE AND WHAT NOTIFICATION IS REQUIRED?

All DOT locations will charge the \$25 fee for the pre-trip inspection.

For ease of programming and for clarity (from an audit perspective), any county treasurer choosing to charge fees to administer CDL skills tests will need to set the fees at \$25 per each part of the three-part test and notify the DOT thirty days in advance of the date they intend to begin charging the fee or stop charging the fee. The reason we need counties to notify us of their intent to begin charging and to stop charging fees is so that we can make the appropriate updates to ARTS to track the fees for accounting and auditing purposes.

HOW WILL WE KNOW IF AN APPLICANT IS AN EMPLOYEE OR VOLUNTEER OF A GOVERNMENT AGENCY, AND THUS CANNOT BE CHARGED A FEE?

The legislation requires the customer provide us with proof if they are an employee or a volunteer of a government agency, and thus are exempt from paying the fee for the CDL skills test to the DOT and are only required to pay the \$25 pre-trip inspection fee to a county treasurer. We are still discussing what will be considered acceptable proof to waive/reduce the fee under the legislation and will update this guidance closer to the effective date.