

Motor Vehicle Division Informational Memo # 24-09

2024 Legislation – Combined memo on bills relating to Pedestrian Conveyance, Motor Vehicle Service Contracts, ATVs on Park Roads, and Administrative Rulemaking

DATE: May 17, 2024

FROM: Sara Siedsma, Motor Vehicle Division

TO: All Motor Vehicle Division staff; all County Treasurers and County Treasurer staff

EFFECTIVE: ALL NOTED BILLS ARE EFFECTIVE **JULY 1, 2024**

SUBJECT

This combined informational memo explains four separate pieces of legislation enacted during the 2024 legislative session that have minimal impact on MVD functions but may be of interest from an awareness standpoint. The bills relate to convictions for failing to yield the right of way to a person operating a pedestrian conveyance within a walkway, motor vehicle service contract providers, ATVs operated on park roads, and the administrative rulemaking process. This memo is applicable to staff who may receive questions about these subject matter areas.

SUMMARY

Pedestrian Conveyance (House File 2568) – does the following:

- Amends the existing definition of pedestrian to include a person using a pedestrian conveyance. The bill defines a pedestrian conveyance to include devices moved by human power, including wheelchairs, strollers, skateboards and scooters, as well as electric personal assistive mobility devices and electric-powered devices that produce less than 750 watts.
- The bill then further outlines the rights and duties of a person using a pedestrian conveyance to match up with the existing rights and duties of a pedestrian. Of note, motor vehicles must yield to persons operating a pedestrian conveyance in the same manner they are already required to for pedestrians.
- The bill does not create a new conviction type and specifically excludes pedestrian conveyance from being considered a motor vehicle, so this bill does not significantly impact MVD. At the most, the driver's license manual may need to be updated and drive test examiners made aware that a person using a pedestrian conveyance will have the same rights and duties as a pedestrian.

Motor Vehicle Service Contracts (Senate File 2362) – does the following:

- The bill amends the code sections relating to motor vehicle service contracts, which is a contract to perform repairs or maintenance of a motor vehicle or motor vehicle parts. These motor vehicle service contracts (and their service company licensees) are regulated by the commissioner of insurance.
- The bill requires an applicant for a service company license (to sell motor vehicle service contracts) to list each service contract form the company uses in the state and include specific information contained on the form. The bill requires a \$35 fee to be included with the license application to the insurance

commissioner. Finally, the bill provides that a motor vehicle service contract shall not be sold in the state unless the service company files the service contract form with the insurance commissioner and requires the service company to accept cancellation of a service contract by phone, email, mail, etc.

- While MVD regulates licensed motor vehicles dealers, we do not license service companies selling motor vehicle service contracts. It is possible that a motor vehicle dealer could also be a licensed service company with the insurance commissioner, and in that case, it's possible that a failure of a motor vehicle dealer to comply with the provisions of the bill would be an additional prohibited act MVD would investigate and enforce. In those instances, MVD would work with the Consumer Protection Division of the Attorney General's Office on complaints related to the provisions of this bill as is our existing process.

ATVs on State Park Roads (House File 2237) – does the following:

- The bill allows ATVs and UTVs to be operated on state park roadways and anywhere within the boundaries of a state park that a motor vehicle registered under chapter 321 is authorized to operate.
- Before the law change, ATVs and UTVs were prohibited from operating on state park roadways or within a state park.
- This bill does not impact MVD as we do not register or regulate the use of ATVs or UTVs, but we are sometimes asked questions about these vehicles, so we wanted to make staff aware of this new law change.

Administrative Rulemaking (Senate File 2370) – does the following:

- The bill makes several changes to the administrative rulemaking process, including:
 - Adopting permanently the requirement under EO10 to complete a retrospective analysis and regulatory analysis when adopting future rulemakings.
 - When adopting standards by reference to another publication in a rule, we must provide public access via our DOT website (not include a link to someone else's website). This does not apply to federal statutes or regulations we adopt by reference. We are allowed to provide alternative means for the public to access the publication we adopt by reference if the publication is propriety or contains propriety information.
 - Beginning January 1, 2027, all administrative rule chapters will be subject to automatic sunset (on a rolling 5-year review schedule) unless the chapter is readopted.

LINKS TO LEGISLATION

[HF2568.pdf \(iowa.gov\)](#)

[SF2362.pdf \(iowa.gov\)](#)

[HF2237.pdf \(iowa.gov\)](#)

[SF2370.pdf \(iowa.gov\)](#)

BUSINESS IMPACT

We do not anticipate a significant impact to MVD processes because of any of these bills. However, because there are provisions in each of the bills that relate to MVD functions, we wanted you to be aware of the provisions in case you receive questions.