

### Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 761—Chapter 401  
“Personalized and Special Registration Plates”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 307.12(1)“j,” 321.166(2), 321.34(1), 321.34(13), and 321.34(14)

State or federal law(s) implemented by the rulemaking: Iowa Code sections 321.20, 321.34, 321.40, 321.105, and 321.166 and chapters 17A and 321L

#### *Public Hearing*

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

September 12, 2024  
2 to 2:30 p.m.

[Microsoft Teams Link](#)  
Or dial: 515.817.6093  
Conference ID: 653 544 678

#### *Public Comment*

Any interested person may submit written or oral comments concerning this Regulatory Analysis. Written or oral 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:

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#### *Purpose and Summary*

The purpose of the proposed chapter is to implement Iowa Code section 321.34, which authorizes the issuance of certain specialty license plates. The proposed chapter does the following:

- Outlines how individuals seeking certain specialty license plates that have specific eligibility requirements under Iowa Code section 321.34 can obtain the license plates, which ensures that special license plates are only issued to individuals who are eligible for the plates;
- Provides clarity about which specialty license plates can be personalized and which cannot;
- Creates requirements that must be met to issue a nonprofit organizational decal for placement on a decal license plate; and
- Outlines procedures regarding the surrender and reassignment of special license plates and establishes the appeal process if a specialty plate is revoked in order to prevent fraud by ensuring unneeded plates do not remain in circulation and to ensure the public has clear guidelines to follow so they are not subject to enforcement action regarding improper use of license plates.

#### *Analysis of Impact*

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

There are no costs or fees associated with this chapter; rather, it provides clearer guidance for individuals who wish to obtain a specialty plate or a personalized plate text or who wish to create a nonprofit organizational decal. The underlying statute requires application and eligibility for specialty

plates; these proposed rules simply describe the processes and documentation needed for the application and eligibility vetting.

All vehicle owners can obtain a county standard license plate at no cost. All fees related to license plates are adopted in statute.

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

Classes of persons that will benefit from the proposed chapter include the following, who are eligible for a specialty or personalized license plate under these proposed rules:

- Honorably discharged veterans;
- Veterans who have received specific military recognition or honors;
- Retired military members;
- Members of the Iowa National Guard;
- Persons with disabilities;
- Active and retired firefighters;
- Emergency medical services (EMS) professionals and volunteers; and
- Nonprofits seeking to promote awareness or raise funds via the distribution of a nonprofit organizational decal.

Additionally, organizations and state agencies that receive revenue from the issuance of certain specialty license plates—such as the Paul Ryan Memorial Fire Fighter Safety Training Fund, the Emergency Medical Services Fund, and the Veteran License Fee Fund—will benefit from the proposed rules since having clear eligibility and application guidelines will ensure that the statutory license plates are widely available to be purchased by any member of the public who seeks them.

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:

The proposed rule that establishes criteria for personalized plates may have a small quantitative impact to the Road Use Tax Fund, which receives \$25 for each initial issuance of a personalized plate and \$5 for each annual renewal of a personalized plate. This is because the proposed rule (which the Department is proposing to repromulgate unchanged from current language) results in the denial of personalized license plates if the requested text violates one of the criteria, such as reference to an illegal act, a sexual act, or profanity. However, this impact cannot be quantified since most denials of license plate text occur automatically through the online system before the license plate is actually purchased and issued. In FY 2023, there were 255,578 vehicles with personalized license plates registered in Iowa.

The remaining proposed rules do not have a quantitative impact beyond that of the underlying statute, which outlines the fees and eligibility for each specialty plate type. In FY 2023, there were 748,329 vehicles with specialty plates registered in Iowa.

- Qualitative description of impact:

Reorganizing, streamlining, and reducing redundancy in the proposed chapter will create a positive impact by producing a more user-friendly version of information the public relies on for understanding how to obtain and demonstrate eligibility for specialty license plates, what text is allowed on personalized plates, and how to qualify for a nonprofit organizational decal. This provides a benefit to county treasurers who provide vehicle registration services, law enforcement, and organizations or agencies that receive revenue from specialty plates.

3. Costs to the State:

- Implementation and enforcement costs borne by the agency or any other agency:

There are minor costs to the Department to review specialty plate applications and supporting to determine eligibility. This responsibility is a small portion of the workload of a team of six clerks, one administrative assistant, and one supervisor. However, the Department would still be required to review, vet, and approve these applications due to the underlying statute; the additional costs that can

be attributed to the adoption of the proposed rules that specify documentation requirements are minimal.

There is also a minor cost to the Iowa Department of Veterans Affairs and Iowa National Guard for reviewing, vetting, and approving an applicant's eligibility for certain military specialty plates.

- Anticipated effect on state revenues:

There is no anticipated effect on state revenues beyond the underlying statute, which outlines the fees and eligibility for each specialty plate type.

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

The benefits of the proposed rules are consistency and transparency in the processes and requirements for applying for and obtaining specialty plates, personalized plates, and nonprofit organizational decal design approval. The costs of the proposed rules are customer time to apply for the desired product and Department staff time to review, vet, and approve or deny an application based on the standards adopted in the rules.

The cost of inaction would be the inability for the Department to properly review and vet eligibility for specialty plates, personalized plates, and nonprofit organizational decal designs. This could result in inconsistent standards being applied, receipt of a license plate that an individual is not eligible for under Iowa law, or inappropriate (sexual, illegal, profane, etc.) personalized plate text being displayed on vehicles registered in Iowa.

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 is not a less costly or less intrusive method for achieving the purposes of the proposed chapter, which are to outline requirements and eligibility for specialty license plates, personalized license plates, and nonprofit organizational decal designs.

6. Alternative methods considered by the agency:

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

The Department considered changing the criteria for personalized license plate text by analyzing whether the criteria could or should be made more permissive.

The Department did not consider alternatives for the proposed rules regarding issuance of specialty license plates and nonprofit organizational decal designs.

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

This alternative was rejected after consulting with the Department's legal staff and reviewing the standards used by other state motor vehicle divisions, as well as the American Association of Motor Vehicle Administrators (AAMVA) License Plate Standard – Edition 3. Specifically, Standard 6.4 (page 19) states:

*Examples of Unacceptable Vanity License Plate Number Criteria*

*Defined and documented criteria for unacceptable vanity license plates may include:*

- Profanity
- Derogatory reference to a group based on age, race, nationality, ethnicity, gender, or religion
- Reference to illegal substances or criminal acts
- Sexual terms, intimate body parts, and bodily functions or fluids
- Reference to acts of violence

This standard aligns nearly exactly with the Department's existing criteria for personalized plate approval, with the exception of several criteria (including "bodily functions or fluids") that are more restrictive than the Department's current and proposed rules.

*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 small business impact. The proposed rules apply equally to personally owned vehicles and vehicles owned by a business. The same eligibility and application criteria apply.

*Text of Proposed Rulemaking*

ITEM 1. Rescind 761—Chapter 401 and adopt the following **new** chapter in lieu thereof:

CHAPTER 401  
PERSONALIZED AND SPECIAL REGISTRATION PLATES

**761—401.1(307,321) Definitions.**

“*Current firefighter*” means a member of a paid or volunteer fire department who has at least one year of service and is in good standing, as determined by the fire chief.

“*Retired firefighter*” means a former member of a paid or volunteer fire department who has a minimum of ten years’ total service in good standing, as determined by the fire chief.

“*Service director*” means a service director as defined in rule 641—132.1(147A).

“*Special registration plates*” means registration plates issued under Iowa Code section 321.34 or 321.105 other than regular or sample plates.

This rule is intended to implement Iowa Code sections 307.12(1) “j,” 321.34 and 321.105.

**761—401.2(307,321,321L) Application and requirements for certain special registration plates.**

**401.2(1) *Plates available without application.*** Except for the special registration plates listed in subrules 401.2(2) and 401.2(3), and collegiate plates issued under Iowa Code sections 321.34(7) and 321.34(7A), all special registration plates authorized under Iowa Code section 321.34 are available as letter-number designated plates at the county treasurer’s office of the county of registration without separate application.

**401.2(2) *Special registration plates requiring separate application.*** The following special registration plates require that a separate application with any applicable supporting documentation be submitted to the department on Form 411260. Applications are to be submitted by mail to Motor Vehicle Division, Iowa Department of Transportation, P.O. Box 9278, Des Moines, Iowa 50306-9278; by email to [dot.plates@iowadot.us](mailto:dot.plates@iowadot.us), or electronically at [www.iowadot.gov/mvd/vehicleregistration/vehicleregistration/Plate-order-form-1](http://www.iowadot.gov/mvd/vehicleregistration/vehicleregistration/Plate-order-form-1). Form 411260 may be obtained by contacting the motor vehicle division using the information in this subrule, by phone at 515.237.3110, by fax at 515.237.3056, or at any county treasurer’s office.

*a.* Amateur radio call letter plate applications under Iowa Code section 321.34(3) require the number of the amateur radio license issued by the Federal Communications Commission.

b. Medal of honor plate applications under Iowa Code section 321.34(8) require an official government document verifying the applicant's receipt of the medal of honor.

c. Ex-prisoner of war plate applications under Iowa Code section 321.34(8A) require a copy of an official government document verifying that the applicant was a prisoner of war or a signed statement from a person who has knowledge that the person was a prisoner of war.

d. Firefighter plates issued under Iowa Code section 321.34(10) require a certification signed by the fire chief of the paid or volunteer fire department confirming that the applicant is a current or retired firefighter member of the fire department. Renewal for a current firefighter requires a new certification be submitted to the county treasurer's office. Renewal for a retired firefighter does not require a new certification.

e. Emergency medical services plate applications under Iowa Code section 321.34(10A) require a signature from the applicant's service director certifying that the applicant is a current member of a paid or volunteer emergency medical services agency.

f. Legion of Merit plate applications under Iowa Code section 321.34(15) require a copy of the official government document verifying receipt of the Legion of Merit. An eligible applicant who wishes to receive such plates for more than one vehicle is subject to the regular annual registration fee for each additional vehicle.

g. National guard plate applications under Iowa Code section 321.31(16) require certification from the applicant's unit commander on unit letterhead confirming the applicant's eligibility.

h. Pearl Harbor plate applications under Iowa Code section 321.34(17) require a copy of an official government document verifying that the applicant was stationed at Pearl Harbor, Hawaii, as a member of the armed forces on December 7, 1941.

i. Purple heart, silver star, and bronze star plate applications under Iowa Code sections 321.34(18) and 321.34(20) require an official military order, the report of discharge, or DD Form 214 confirming the applicant's receipt of the award.

j. Gold star plate applications under Iowa Code section 321.34(24) require written approval from the Iowa department of veterans affairs confirming the lineage of applicant to the deceased veteran and documentation that the veteran is deceased due to military service.

k. U.S. armed forces retired special plates under Iowa Code section 321.34(19) require documentation that the U.S. armed forces recognizes the person as retired from the U.S. armed forces, in the form of the official military order confirming the applicant's retirement, report of discharge, or DD Form 214.

l. Distinguished service, navy, or air force cross plates under Iowa Code section 321.34(20A) require an official military order, the report of discharge, or DD Form 214 confirming the applicant's receipt of the award.

m. Soldier's, navy and marine corps, or airman's medal plates under Iowa Code section 321.34(20B) require an official military order, the report of discharge, or DD Form 214 confirming the applicant's receipt of the award.

n. U.S. veteran plate applications under Iowa Code section 321.34(27) require a certification from the Iowa department of veterans affairs that the applicant qualifies as an honorably discharged veteran.

o. Disabled veteran plate applications under Iowa Code section 321.166(6) require a certification from the U.S. Department of Veterans Affairs that the United States government has provided or has assisted in providing the motor vehicle to the disabled veteran. A separate certification may be required for any subsequently acquired vehicle or when the veteran moves to another county.

p. Notwithstanding any provision of this rule to the contrary, an applicant seeking any military or armed forces special registration plate may submit alternate documentation if approved by the Iowa office of the adjutant general or the Iowa department of veterans affairs.

**401.2(3)** *Persons with disabilities special registration plates.* Plates issued under Iowa Code section 321.34(14) are available from the department or county treasurer and require the application and statement of disability prescribed by 761—subrule 411.3(2), including certification that the

applicant meets the eligibility requirements of Iowa Code section 321.34(14). If applicable, the application also requires certification of residency on Form 411120. In lieu of the statement of disability, a veteran may submit a certification of disability from the U.S. Department of Veteran's Affairs.

**401.2(4)** *Plates with minimum ordering requirements.* Applicants seeking a combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, combat medical badge, or civil war sesquicentennial plate under Iowa Code section 321.34(20C) or 321.34(25) are to apply to the department.

*a.* Applications for combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, or combat medical badge plates require a copy of an official government document verifying that the applicant received such award.

*b.* Applications for civil war sesquicentennial plates do not require additional documentation.

**401.2(5)** *Fees due.* The applicable statutory issuance fee for each special registration plate under Iowa Code section 321.34 is due at the time of application.

**401.2(6)** *Vehicles eligible.* Unless otherwise specified in Iowa Code section 321.34, special registration plates are available for motor vehicles subject to registration under Iowa Code section 321.109(1), autocycles, motor trucks, motor homes, multipurpose vehicles, motorcycles, trailers, and travel trailers.

This rule is intended to implement Iowa Code sections 307.12(1)“j,” 321.34 and 321.105 and chapter 321L.

**761—401.3(321) Character limits.** In addition to the character requirements of Iowa Code sections 321.34(5), 321.34(12), and 321.166, the following provisions apply to all personalized and special registration plates:

**401.3(1)** Plates will be issued with a minimum of two characters.

**401.3(2)** Plates with a processed emblem, and plates issued under Iowa Code section 321.34(13), are limited to five characters whether personalized or issued as a letter-number designated plate.

This rule is intended to implement Iowa Code sections 321.34 and 321.166.

**761—401.4(17A,321) Nonprofit organization decal approval and issuance.**

**401.4(1)** *Application.* An organization meeting the criteria of Iowa Code sections 321.34(13)“a” and 321.34(13)“b” must apply to the department for approval of the decal design and issuance on Form 411346. The department is to notify the organization of approval or denial of the proposed decal within 60 days of application receipt.

**401.4(2)** *Decal design.* In addition to satisfying the requirements of Iowa Code section 321.34(13)“d,” an approved decal will be limited to dimensions of 2.875” in width and 3” in height and designed to be placed in the space reserved for the decal on the nonprofit organizational decal plate. The department may consult with other organizations, law enforcement authorities, and the public regarding approval or denial of the decal design.

**401.4(3)** *Revocation.* If, following approval of the decal, the department determines a false application was submitted or that the decal or the issuing organization is in violation of Iowa Code section 321.34(13) or this chapter, the department shall revoke the organization's approval to issue the decal.

**401.4(4)** *Notice.* If the department denies or revokes the decal design, the department will send notice of the denial or revocation by certified mail to the organization at the address listed on the application. The revocation or denial takes effect 20 days from the date of mailing. The organization may contest the decision in accordance with 761—Chapter 13. The request will be deemed timely if it is delivered or postmarked on or before the effective date specified in the notice.

This rule is intended to implement Iowa Code chapter 17A and section 321.34.

**761—401.5(307,321) Personalized plates.**

**401.5(1)** Personalized plates under Iowa Code section 321.34(5) are available to order online through the department's website at [www.iowadot.gov/mvd/personalizedplates/home.aspx](http://www.iowadot.gov/mvd/personalizedplates/home.aspx). An applicant unable to order online may contact the motor vehicle division at the address or phone number listed in subrule 401.2(2) to apply in an alternate manner.

**401.5(2)** An application for a personalized plate will be rejected if the requested combination of characters is issued to another vehicle or is reserved for any other vehicle plate series under Iowa Code chapter 321.

**401.5(3)** The department shall not issue any combination of characters it determines is:

- a. Denoting a government agency;
- b. Sexual in connotation;
- c. A term of vulgarity, contempt, prejudice, hostility, insult, or racial or ethnic degradation;
- d. Recognized as a swear word;
- e. A reference to an illegal substance;
- f. A reference to a criminal act;
- g. Offensive; or
- h. A foreign word falling into any of these categories.

**401.5(4)** Personalized plates are not available for the plates listed in paragraphs 401.2(2) "a" through "c," "f," and "o."

This rule is intended to implement Iowa Code sections 307.12(1) "j," 321.34 as amended by 2024 Iowa Acts, House File 2579, and 321.166.

**761—401.6(307,321) Issuance of special registration plates.**

**401.6(1)** Only a person who is an owner or lessee of a vehicle with current registration is eligible to receive special registration plates. The registration plates previously issued to the vehicle are to be surrendered to the county treasurer prior to issuance of new special registration plates.

**401.6(2)** Special registration plate fees are not eligible to be prorated.

**401.6(3)** Special registration plates are void if they are not assigned to a vehicle within 90 days after the date the county receives the plates, or if they are replacement plates issued as part of a periodic replacement cycle, within 90 days after the last day of the month of expiration of registration. If the plates are not picked up within the 90-day period, the plates are to be destroyed and a new application and a new issuance fee are to be submitted.

**401.6(4)** When an applicant provides proof to the department that a special registration plate has been lost or damaged, the applicant may obtain replacement plates containing the applicant's previous plate number upon payment of the statutory fee.

This rule is intended to implement Iowa Code sections 307.12(1) "j," 321.26, 321.34 and 321.42.

**761—401.7(307,321) Renewal.**

**401.7(1)** Registration plates under this chapter are to be renewed at the office of the applicable county treasurer. All applicable annual statutory fees for the special registration plate or personalized plate are due at the same time the regular annual registration fee is due and are in addition to the regular annual registration fee.

**401.7(2)** If renewal of a personalized registration plate is delinquent beyond the period authorized under Iowa Code section 321.40(1), a new application and new statutory issuance fee(s) are required. In addition, the department may issue the combination of characters on personalized plates to another applicant.

This rule is intended to implement Iowa Code sections 307.12(1) "j," 321.20, 321.34, 321.40 and 321.105.

**761—401.8(307,321) Reassignment or surrender of special registration plates.**

**401.8(1)** *Reassignment.*

*a.* A vehicle owner or lessee who has special registration plates assigned to a currently registered vehicle may request that the plates or the plate character sequence be reassigned to another currently registered vehicle owned or leased by that person or owned or leased by another person, provided the assignee is eligible for the special registration plates.

*b.* To reassign plates to a vehicle owned or leased by another person, a written request for reassignment signed by both the assignor and assignee must be submitted to the county treasurer of the assignee's county of residence. The special registration plates will be issued to the assignee by the county treasurer in exchange for the registration plates previously issued.

**401.8(2)** *Qualifying events requiring surrender or reassignment.* Special registration plates issued to a person are to be surrendered to the county treasurer in exchange for regular registration plates within 30 days of a qualifying event. Alternatively, a person may request reassignment of the plates within 30 days of a qualifying event. A qualifying event includes the following:

- a.* The person is no longer eligible for the plates.
- b.* The person has sold or transferred the vehicle to another person.
- c.* The person was the lessee of the vehicle and the lease was terminated.
- d.* The person died, except to the extent that Iowa Code section 321.34 permits another person to retain such plates on the vehicle.

**401.8(3)** *Fees due.* If the vehicle was exempt from the payment of regular registration fees due to the type of special registration plates issued, the vehicle becomes subject to the payment of regular registration fees on the first day of the month following the date of the event that made the person ineligible or the person's death. The regular registration fees will be prorated for the remaining unexpired months of the registration year.

This rule is intended to implement Iowa Code sections 307.12(1) "j," 321.34 and 321.40.

**761—401.9(17A,307,321) Revocation of plates—appeal.**

**401.9(1)** A special registration plate or personalized plate shall be revoked if the department determines it has been issued in conflict with the statutes or rules governing the plate's issuance. The department shall send the notice of revocation to a person's mailing address by certified mail, and the revocation takes effect 20 days from the date of mailing. Revoked plates must be surrendered to the county treasurer within ten days of the date of receipt of the notice.

**401.9(2)** The person may contest the decision of the department in accordance with 761—Chapter 13. The request will be deemed timely if it is delivered or postmarked on or before the effective date specified in the notice.

This rule is intended to implement Iowa Code chapter 17A and sections 307.12(1) "j" and 321.34.

**761—401.10(307,321) Refund of fees.** No refund of fees for special or personalized registration plates shall be allowed unless the plates were issued in error or in conflict with the statutes or rules governing their issuance.

This rule is intended to implement Iowa Code sections 307.12(1) "j" and 321.34.