

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rulemaking related to the highway grade crossing safety fund

The Department of Transportation hereby rescinds Chapter 820, “Highway Grade Crossing Safety Fund,” Iowa Administrative Code, and adopts a new Chapter 820 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 327G.15.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 327G.15 and 327G.19.

Purpose and Summary

Chapter 820 is intended to comply with Iowa Code section 327G.15 governing the processing of claims to the Highway Grade Crossing Safety Fund. This chapter defines the eligibility for operating railroads to receive funds and provides an explanation of the reimbursement process, billing, and proration of claims to the Highway Grade Crossing Safety Fund. The Department adopts by reference, with date certain, the 2025 Revision of the American Railway Engineering and Maintenance-of-Way Association (AREMA) Communications and Signals Manual. This manual defines an American Association of Railroads (AAR) Signal Unit value. This value is assigned to the component parts of an active warning device and is used to determine the number of eligible units for each railroad to submit for reimbursement to the Highway Grade Crossing Safety Fund. This rulemaking ensures uniformity and consistency for the administration of the funds.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on December 10, 2025, as **ARC 9794C**. Public hearings were held on the following date:

- December 30, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on February 17, 2026.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa. The chapter is in accordance with Executive Order 10. This rulemaking brings uniformity and consistency to the fund.

Jobs Impact

This rulemaking has no jobs impact to the State of Iowa. The chapter is in accordance with Executive Order 10.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on April 22, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 761—Chapter 820 and adopt the following **new** chapter in lieu thereof:

CHAPTER 820
HIGHWAY GRADE CROSSING SAFETY FUND

761—820.1(327G) General.

820.1(1) Purpose. This chapter establishes requirements for use of the safety fund to reimburse railroads for a portion of the maintenance costs associated with active warning devices.

820.1(2) Definitions.

“*AAR signal unit*” means the relative maintenance difficulty value assigned to component parts of an active warning device. Units and interpretations are designated by the 2025 Revision of the American Railway Engineering and Maintenance-of-Way Association (AREMA) Communications and Signals Manual, Volume 1, Section 1 (1.3.2) [Recommend Table of Signal and Interlocking Units and Interpretations]. The AREMA publication may be ordered from the website www.arema.org. A member of the public with questions about specific content in the AREMA may contact the department's modal transportation bureau.

“*Active warning devices*” means traffic control devices activated by the approach or presence of a train, such as flashing light signals, flashing light signals with cantilever assemblies, and flashing light signals with automatic gate arms, all of which actively warn motorists of a train.

“*Maintenance costs of active warning devices*” means costs incurred by a railroad associated with the repair or replacement of obsolete, worn out, damaged or missing component parts of an active warning device. Maintenance costs include repair or replacement of damaged, vandalized or stolen component parts only for that amount that exceeds the amount recovered from the liable party or the liable party's insurer.

“*Safety fund*” means the highway grade crossing safety fund established in Iowa Code section 327G.19 and administered by the department.

820.1(3) Information and submissions. For information or submissions on this chapter, contact Modal Transportation Bureau, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; or call 515.239.1108. Submissions may be electronically filed with the safety fund program manager.

761—820.2(327G) Eligibility and reimbursement.

820.2(1) Eligible costs of warning devices. The safety fund provides moneys for the annual maintenance costs of active warning devices ordered or agreed to be installed on or after July 1, 1973, as stated in the individual order or agreement.

a. Orders or agreements that provide for revision of the maximum amount that can be expended from the safety fund by reason of amendment to Iowa Code section 327G.15 are binding. These orders and agreements were amended to read: The fund's participation for calendar years preceding 1977 will be equal to that of the railroad but limited to a maximum of \$450 for any one year, for any one crossing; and for calendar year 1977 and subsequent years, the fund may participate in an amount of up to 75

percent of annual maintenance costs of active warning devices based upon a cost for each eligible AAR signal unit.

b. Orders or agreements issued on or after March 8, 1978, provide that the safety fund may be used to participate in an amount of up to 75 percent of the annual maintenance costs of active warning devices based upon a cost for each eligible AAR signal unit.

c. Participation in annual maintenance costs is on a reimbursement basis.

820.2(2) Reimbursement.

a. Reimbursement to a railroad for its active warning devices that are eligible for reimbursement under this rule equals the number of AAR signal units for that railroad's eligible active warning devices times the average annual maintenance cost per AAR signal unit times the percentage of participation.

(1) Each railroad is to tabulate the number of AAR signal units for each eligible warning device and furnish this tabulation to the department. The department will review the railroads' tabulations for conformance with AAR guidelines.

(2) Each year, the department will compute an average annual maintenance cost per AAR signal unit. This unit cost is to be used by all railroads for billing purposes.

(3) The percentage of participation will not exceed 75 percent.

b. Before April 15 of each year, each railroad is to submit one billing to the department covering maintenance costs for the preceding calendar year for all eligible warning devices. Prior to reimbursement, the department may audit the billings to determine conformity of the billings with the orders or agreements. Reimbursement to a railroad may be denied if the railroad fails to submit its billing before April 15.

c. If, in any year, the balance of the safety fund is inadequate to fully reimburse all railroads, the department will reimburse each railroad on a pro-rata basis.

d. If a warning device has been in operation for less than one calendar year, the maintenance costs will be prorated from the date the device was placed in operation to the end of that calendar year.

These rules are intended to implement Iowa Code sections 327G.15 and 327G.19.

[Filed 2/25/26, effective 4/22/26]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/18/26.