

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to transportation network companies

The Department of Transportation hereby amends Chapter 540, “Transportation Network Companies,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12, 307A.2 and 321N.2.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 321N.

Purpose and Summary

The Department is amending paragraph 540.4(3)“a” to strike the reference to Iowa Code chapter 518. An applicant for a permit to operate as a transportation network company, defined in Iowa Code chapter 321N, must submit several documents, including proof that the applicant has obtained the necessary insurance. Due to the recent change in Iowa Code section 321N.4(6), insurers that are governed by Iowa Code chapter 518 are no longer approved insurers for purposes of applying for a permit to operate a transportation network company. This amendment conforms the rules with 2017 Iowa Acts, Senate File 516, section 25, which amended Iowa Code section 321N.4(6) and implemented a technical correction regarding insurance carriers governed by Iowa Code chapter 518 by removing them from the list of carriers authorized to provide insurance pursuant to Iowa Code chapter 321N.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on January 17, 2018, as **ARC 3572C**. No public comments or requests for oral presentations were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on February 21, 2018.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the person’s circumstances meet the statutory criteria for a waiver may petition the Department for a waiver under 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making 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 rule making will become effective on April 18, 2018.

The following rule-making action is adopted:

Amend paragraph **540.4(3)“a”** as follows:

a. Proof of compliance with the financial responsibility requirements of Iowa Code section 321N.4. Proof of compliance shall be submitted by providing a valid certificate of coverage from an insurer governed by Iowa Code chapter 515 ~~or 518~~, or by a surplus lines insurer governed by Iowa Code chapter 515I. The certificate of coverage shall demonstrate coverage in the amounts and circumstances required by Iowa Code section 321N.4, and shall certify that if insurance maintained by a transportation network company driver under Iowa Code chapter 321N lapses or does not provide coverage in the amounts or types required by Iowa Code section 321N.4, subsection 2 or 3, the insurance certified in the certificate of coverage shall provide coverage in the amounts and types required by Iowa Code section 321N.4, subsection 2 or 3, beginning with the first dollar of the claim, and the insurer providing such coverage shall defend the claim. The certificate of coverage shall also certify that the coverage therein is not dependent on the insurer of a transportation network company driver's personal vehicle first denying a claim, and does not require the insurer of a personal automobile insurance policy to first deny a claim to trigger coverage and defense under the coverage certified.

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