

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to airports and aircraft registration

The Transportation Department hereby amends Chapter 720, "Iowa Airport Registration," and Chapter 750, "Aircraft Registration," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12, 328.12 and 328.19.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 328.

Purpose and Summary

This rule making affects Chapters 720 and 750 and reflects the organizational change of the Modal Transportation Bureau.

The amendments to Chapter 720 revise rules concerning repayment of financial assistance associated with airport closings by removing date references that are no longer applicable because only one airport was closed during the time period between July 1, 2015, and October 4, 2017. That airport (the Onawa Municipal Airport) already applied for and received forgiveness of financial assistance from the Department.

Other amendments to Chapter 720 update references to the Federal Aviation Administration (FAA) Advisory Circular 150/5340-1L (Standards for Airport Markings) to the most current version, 150/5340-1M as amended on May 10, 2019. The FAA recommends the standards and guidelines in the advisory circular to establish uniform application of airfield surface markings for runways, taxiways and aprons. Version 150/5340-1M incorporates numerous changes, including:

- Adding a new criterion for centering runway landing designators (common industry practice).
- Adding a new definition of no-taxi islands applicable to this advisory circular.
- Adding a new red safety box that instructs airport operators not to apply preformed thermoplastic markings on runways because these markings significantly reduce pavement friction as compared with bare pavement.
 - Making the recommendation for training of personnel who apply surface markings.
 - Clarifying that all surface markings painted with the use of stencils are not to leave stencil gaps.
 - Clarifying requirements for black borders.
 - Adding an explanation of the functions and applications of no-taxi islands to mitigate runway incursions and taxiing excursions.
 - Deleting previous criteria for no-taxi islands.
 - Adding "Engineered Materials Arresting Systems" as another example of paved areas prior to the runway end.
 - Clarifying the functions of a displaced threshold, the location where a displaced threshold begins as compared with where a nondisplaced threshold begins, and the use of arrow shafts.
 - Adding criteria for replacing surface marking patterns to protect the approach zones and departure areas of runways.
 - Adding criteria for enhancing the visual cues for runway approach zones and runway safety areas.
 - Revising text to align with the FAA criterion for enhanced taxiway centerline surface markings that are collinear with on-centered surface painted holding position signs.

- Adding an instructional green box with guidance on how to relocate surface painted holding position signs between the two taxiway width categories (off-taxiway centerline placement and on-taxiway centerline placement).
- Adding a new criterion for when a taxiway edge marking is located at a runway holding position to read “a 6-inch (12 cm) gap is left between the holding position marking and the taxiway edge marking.”
- Revising the criterion for a 600-foot runway visual range to a 500-foot runway visual range.
- Adding more guidance regarding when to remove existing runway markings for a runway that has been closed or for an intersecting runway that has been closed.
- Clarifying the design criteria for building taxiways and taxiway intersections with cockpit-over centerline fillets and the marking criteria for using curved taxiway centerline markings.
- Emphasizing the design criteria for the standard width of taxiway entrances with a no-taxi island between entrance taxiways to a runway.
- Reinforcing placement of a vertical sign at runway holding position locations.
- Removing taxiway centerline marking between the surface painted holding position sign and the runway holding position marking.
- Making minor editorial changes throughout.

The amendments to Chapter 750 add a definition of “specified minimum level of aviation services to the general public” for the purpose of aircraft registration fee computations. The definition includes the use of aircraft providing nonagricultural aviation services, including aircraft rental, flight training, or passenger and cargo air carrier operations.

An aviation business that owns and operates aircraft at a publicly owned, public-use airport and that provides, under agreement with the governing body of that airport, a specified minimum level of aviation services to the general public may be eligible for a special annual aircraft registration fee of \$100 pursuant to Iowa Code section 328.21(8). In recent years, a small number of Iowa-resident aerial applicators have sought to make agreements, or had already made agreements, with publicly owned airports to provide services such as airport management, fueling, aircraft maintenance, flight training, and air charter operations in order to qualify for this special registration fee for aerial application aircraft. At the same time, all nonresident owners and most resident owners of aerial application aircraft pay standard aircraft registration fees for business use based on standard fee computations. The result has been the development of an uneven playing field for aerial applicator registration fees, the creation of what appear to be inappropriate operating agreements in an attempt to qualify for the special fee, and the loss of revenue from aircraft registration fees going into the State Aviation Fund.

The State Aviation Fund directs 100 percent of aircraft registration fees and aviation fuel taxes to aviation safety programs and airport infrastructure programs providing critical support to aerial application operations in Iowa. The loss of revenue from aerial applicators trying to utilize the special fee has reduced revenue flow into aviation system programming, and the losses are increasing every year.

Other amendments to Chapter 750 add a new rule requiring aircraft dealer special certificate holders to prove that an aircraft has not been in an inventory for a period of more than 24 calendar months when making application to the Department for a special certificate. The 24-month limit removes the considerable incentive for an aircraft owner to carry an aircraft in a special certificate dealer inventory in lieu of properly registering an aircraft. For several years, the Department has seen a pattern of aircraft owners applying for and using aircraft dealer special certificates in order to avoid paying annual aircraft registration fees and the one-time 6 percent use tax levied against the purchase price of an aircraft. The Department believes 24 calendar months is a reasonable time period for bona fide aircraft dealers to hold aircraft in a special certificate inventory. Aircraft held for longer periods of time are likely being held as investments or restoration projects and should be ineligible for the special certificate.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on July 28, 2021, as **ARC 5805C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on September 15, 2021.

Fiscal Impact

The amendments related to aircraft registration fee computations will have a fiscal impact to the State of Iowa of \$27,575 annually or \$137,875 over five years. The increased fee collections will be deposited into the State Aviation Fund for investment in Iowa's air transportation system, which includes facilities and services used by aerial applicators. The assumption is that 25 of the 350 aerial application aircraft registered with the Department will become ineligible for the special fee and owners of these aircraft will begin paying a standard business fee computation averaging \$1,203 instead of a \$100 special fee.

Estimates of increased revenue to the State Aviation Fund related to the 24-month limit for aircraft dealer special certificate inventories vary widely because they are dependent on the value of individual aircraft that will need to be registered because the affected aircraft will no longer be eligible to be held in an aircraft dealer special certificate inventory and the aircraft will become subject to the standard business fee computation. It is therefore difficult to estimate the fiscal impact of limiting the time that aircraft can be held in special certificate inventories.

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 November 10, 2021.

The following rule-making actions are adopted:

ITEM 1. Amend subrule 720.4(1) as follows:

720.4(1) Application for site approval. The sponsor shall complete Iowa Department of Transportation Form 300025, "Airport Site Approval and New Registration Application," and submit it to the ~~office of aviation~~ modal transportation bureau. This form is available from the ~~Office of Aviation~~ Modal Transportation Bureau, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone (515)239-1468; or through the department's ~~Web site~~ website at www.iowadot.gov.

ITEM 2. Amend rule 761—720.5(328) as follows:

761—720.5(328) Private-use airport. This rule applies to a proposed, new airport to be maintained for private use. The sponsor shall complete an application for a certificate of site approval on Form 300025 and submit it to the ~~office of aviation~~ modal transportation bureau. In the application, the sponsor shall certify that the airport, when completed, will be safe and adequate for the sponsor's intended use.

ITEM 3. Amend paragraph **720.10(2)“b”** as follows:

b. Marking.

(1) Paved runways. Paved runways shall be marked in accordance with FAA Circular ~~150/5340-1L~~ 150/5340-1M (Standards for Airport Markings) as amended through ~~September 27, 2013~~ May 10, 2019.

(2) Nonpaved runways. Airport markers shall be approved by the ~~office of aviation~~ modal transportation bureau. Markers shall be placed 200 feet apart outlining the length of the landing surface. Thresholds shall be marked using six markers placed perpendicular to the runway heading.

ITEM 4. Amend paragraph **720.10(3)“a”** as follows:

a. Approaches shall be clear of obstructions above a glide path of 20:1 from the ends of each usable runway. If an obstruction exists in an approach zone, the runway threshold on a paved runway shall be displaced in accordance with FAA Advisory Circular ~~150/5340-1L~~ 150/5340-1M (Standards for Airport Markings) as amended through ~~September 27, 2013~~ May 10, 2019. On a nonpaved runway, the runway end markers shall be relocated to provide the prescribed obstruction clearance. The runway length remaining between the displaced threshold and the departure end of the runway is the landing distance available.

ITEM 5. Amend rule 761—720.15(328) as follows:

761—720.15(328) Airport closing.

720.15(1) No change.

720.15(2) Marking. All marking indicating a usable runway shall be obliterated. The sponsor shall place at a central location a yellow X in accordance with FAA Advisory Circular ~~150/5340-1L~~ 150/5340-1M (Standards for Airport Markings) as amended through ~~September 27, 2013~~ May 10, 2019.

720.15(3) Temporary closing. When conditions require the temporary closing of a runway, it shall be marked on both ends with a yellow X in accordance with FAA Advisory Circular ~~150/5340-1L~~ 150/5340-1M (Standards for Airport Markings) as amended through ~~September 27, 2013~~ May 10, 2019.

720.15(4) Repayment of financial assistance.

~~*a. Review of closure on or after October 4, 2017.*~~ Within 30 days of closing an airport (other than temporary closing), the sponsor shall request from the department a review of contractual obligations that require repayment of financial assistance. The department will provide a determination detailing grant obligations that must be repaid. Any repayment of grants must be made to the department in no more than five equal annual installments, beginning one year from the airport's closure date. If an alternative future use of the airport facility is planned for a project that creates jobs and expands the economy, the sponsor may, within 30 days of the department's determination, request forgiveness of repayment. The request must include a plan detailing the alternative future use of the airport facility, an explanation of how the alternative future use creates jobs and expands the economy, a cost-benefit analysis from the sponsor, a commitment of private investment in the project equal to at least two times the amount of repayment due to the state, and a commitment from the sponsor, or associated political subdivision(s), to complete the alternative use project within five years. The department will review the request for forgiveness of repayment and approve or deny the request within 60 days of receipt.

~~*b. Review of closure after July 1, 2015, and before October 4, 2017.*~~ An airport that closed after July 1, 2015 (other than temporary closing), but before October 4, 2017, is eligible to request forgiveness for repayment of financial assistance from the department. By November 3, 2017, the sponsor shall request from the department a review of contractual obligations that require repayment of financial assistance. The department will provide a determination detailing grant obligations that must be repaid. Any repayment of grants must be made to the department in no more than two equal annual

installments, beginning one year from October 4, 2017. If an alternative future use of the airport facility is planned for a project that creates jobs and expands the economy, the sponsor may, within 30 days of the department's determination, request forgiveness of repayment. The request must include a plan detailing the alternative future use of the airport facility, an explanation of how the alternative future use creates jobs and expands the economy, a cost-benefit analysis from the sponsor, a commitment of private investment in the project equal to at least two times the amount of repayment due to the state, and a commitment from the sponsor, or associated political subdivision(s), to complete the alternative use project within five years. The department will review the request for forgiveness of repayment and approve or deny the request within 60 days of receipt.

ITEM 6. Amend rule 761—750.1(328) as follows:

761—750.1(328) Purpose. This chapter establishes the procedures for registration of civil aircraft pursuant to Iowa Code chapter 328.

This rule is intended to implement Iowa Code chapter 328.

ITEM 7. Amend rule 761—750.2(328) as follows:

761—750.2(328) Definitions. The definitions in Iowa Code section 328.1 apply to this chapter of rules. In addition, the following definition is established for the purpose of Iowa Code section 328.21(8) and subrule 750.10(3):

“Specified minimum level of aviation services to the general public” means the use of aircraft that provide nonagricultural aviation services including aircraft rental, flight training, or passenger and cargo air carrier operations.

This rule is intended to implement Iowa Code ~~section~~ sections 328.1 and 328.21(8).

ITEM 8. Amend rule 761—750.3(17A) as follows:

761—750.3(17A) Information and forms. Information, instructions and forms are available from the ~~office of aviation~~ modal transportation bureau or on the department's ~~Web site~~ website at www.iowadot.gov. Application forms may also be obtained from aircraft dealers. The mailing address for aircraft registration is: Iowa Department of Transportation, ~~Office of Aviation~~ Modal Transportation Bureau, Aircraft Registration, 800 Lincoln Way, Ames, Iowa 50010.

This rule is intended to implement Iowa Code section 17A.3.

ITEM 9. Renumber rule ~~761—750.30(328)~~ as **761—750.31(328)**.

ITEM 10. Adopt the following new rule 761—750.30(328):

761—750.30(328) Application for special certificate. When applying to the department for a special certificate, the applicant must submit reasonable proof of bona fide status as a manufacturer, transporter or dealer. Dealer applicants must verify that no aircraft have been held in a dealer special certificate inventory for a period of more than 24 calendar months.

This rule is intended to implement Iowa Code section 328.29.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 10/6/21.