

CHAPTER 104
TRANSPORTATION REGULATION
H.F. 704

AN ACT relating to substantive and other provisions affecting the state department of transportation and driver, motor vehicle, and highway regulation, including the definition of road work zones, registration fees for certain disaster relief vehicles, providing grounds for refusing renewal of vehicle registrations, regulation of intrastate motor carriers, imposing fees, providing for an electronic titling and registration program, creating, eliminating, or enhancing penalties, and providing effective dates.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 306B.2, subsection 3, Code 1997, is amended by striking the subsection.

Sec. 2. Section 306C.11, subsection 3, Code 1997, is amended to read as follows:

3. a. Advertising devices within the adjacent area located in commercial or industrial zones or in unzoned commercial or industrial areas in compliance with the regulatory standards of this division and rules promulgated by the department.

b. The rules shall be consistent with national standards promulgated pursuant to 23 U.S.C. § 131 and shall include at least the following:

(1) Provision for a fee schedule to cover the direct and indirect costs related to issuing permits and control of outdoor advertising.

(2) Specific permit requirements.

(3) Criteria for on-premise signs.

(4) Provisions specifying the measurement of required spacing.

(5) Provisions specifying conforming sign configurations.

Sec. 3. Section 306C.18, subsections 1 and 4, Code 1997, are amended to read as follows:

1. The application for a permit shall be on a form provided by the department and shall contain the name and address of the owner of the advertising device and the name and address of the owner of the real property on which it is located; the date of its erection; a description of its location; its dimensions; and such other information required by the department, together with a permit fee as provided in this section or rule adopted by the department.

4. The fee for both types of permits for calendar years 1997 and 1998 shall be one hundred dollars for the initial fee and fifteen dollars for each annual renewal for signs up to three hundred seventy-five square feet in area, twenty-five dollars for each annual renewal for signs at least three hundred seventy-six, but not more than nine hundred ninety-nine, square feet in area, and fifty dollars for each annual renewal for signs one thousand square feet or more in area. Beginning January 1, 1999, fees shall be as determined by rule by the department. The fees collected for the above permits shall be credited to a special account entitled the "highway beautification fund" and all salaries and expenses incurred in administering this chapter shall be paid from this fund or from specific appropriations for this purpose, except that surveillance of, and removal of, advertising devices performed by regular maintenance personnel are not to be charged against the account.

Sec. 4. Section 310.18, Code 1997, is amended to read as follows:

310.18 PARTIAL PAYMENTS DURING CONSTRUCTION.

Partial payments may be made on the work ~~during the~~ in progress thereof, but no such partial payment shall be deemed final acceptance of the work nor a waiver of any defect ~~therein in the work~~. ~~The approval of any claims by the board of supervisors, the county engineer, or by the department may approve claims.~~ Approval may be evidenced by the signature of the county engineer or chairperson of said the board or department, or a major-

ity of the members of the board or department, on the individual claims or on the abstract of a number of claims with the individual claims attached to ~~said~~ the abstract.

Sec. 5. Section 321.1, subsection 64A, Code 1997, is amended to read as follows:

64A. “Road ~~construction~~ work zone” means the portion of a highway which is identified by posted or moving signs as ~~being under the site of construction, maintenance, survey, or utility work~~. The zone starts upon meeting the first sign identifying the zone and continues until a posted or moving sign indicates that the ~~construction~~ work zone has ended.

Sec. 6. Section 321.19, subsection 1, unnumbered paragraph 1, Code 1997, is amended to read as follows:

1. All vehicles owned or leased for a period of sixty days or more by the government and used in the transaction of official business by the representatives of foreign governments; or by officers, boards, or departments of the government of the United States, and by the state, counties, municipalities and other political subdivisions of the state including vehicles used by an urban transit company operated by a municipality or a regional transit system, and self-propelling vehicles used neither for the conveyance of persons for hire, pleasure, or business nor for the transportation of freight other than those used by an urban transit company operated by a municipality or a regional transit system, ~~and~~ all fire trucks, providing they are not owned and operated for a pecuniary profit, and authorized emergency vehicles used only in disaster relief owned and operated by an organization not operated for pecuniary profit, are exempted from the payment of the fees imposed by this chapter, except as provided for urban transit companies in subsection 2, but are not exempt from the penalties provided in this chapter.

Sec. 7. Section 321.20, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding contrary provisions of this chapter or chapter 326 regarding titling and registration by means other than electronic means, the department may develop and implement a program to test the feasibility of electronic applications, titling, registering, and electronic funds transfer for vehicles traveling in interstate commerce in order to improve the efficiency and timeliness of the processes and to reduce costs for all parties involved.

Sec. 8. Section 321.34, Code 1997, is amended by adding the following new subsections:

NEW SUBSECTION. 11A. LOVE OUR KIDS PLATES.

a. Upon application and payment of the proper fees, the director may issue “love our kids” plates to the owner of a motor vehicle subject to registration under section 321.109, subsection 1, light delivery truck, panel delivery truck, pickup, motor home, multipurpose vehicle, or travel trailer.

b. Love our kids plates shall be designed by the department in cooperation with the Iowa department of public health.

c. The special fee for letter number designated love our kids plates is thirty-five dollars. The fee for personalized love our kids plates is twenty-five dollars, which shall be paid in addition to the special love our kids fee of thirty-five dollars. The fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.24, and prior to the crediting of revenues to the road use tax fund under section 423.24, subsection 1, paragraph “d”, the treasurer of state shall transfer monthly from those revenues to the Iowa department of public health the amount of the special fees collected in the previous month for the love our kids plates.

d. Upon receipt of the special registration plates, the applicant shall surrender the current registration receipt and plates to the county treasurer. The county treasurer shall validate the special registration plates in the same manner as regular registration plates are validated under this section. The annual special love our kids fee for letter number designated plates is ten dollars, which shall be paid in addition to the regular annual registration fee.

The annual fee for personalized love our kids plates is five dollars, which shall be paid in addition to the annual special love our kids fee and the regular annual registration fee. The annual love our kids fee shall be credited as provided under paragraph "c".

NEW SUBSECTION. 11B. MOTORCYCLE RIDER EDUCATION PLATES.

a. Upon application and payment of the proper fees, the director may issue "motorcycle rider education" plates to the owner of a motor vehicle subject to registration under section 321.109, subsection 1, light delivery truck, panel delivery truck, pickup, motor home, multi-purpose vehicle, or travel trailer.

b. Motorcycle rider education plates shall be designed by the department.

c. The special fee for letter number designated motorcycle rider education plates is thirty-five dollars. The fee for personalized motorcycle rider education plates is twenty-five dollars, which shall be paid in addition to the special motorcycle rider education fee of thirty-five dollars. The fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.24, and prior to the crediting of revenues to the road use tax fund under section 423.24, subsection 1, paragraph "d", the treasurer of state shall transfer monthly from those revenues to the department for use in accordance with section 321.189, subsection 9, the amount of the special fees collected in the previous month for the motorcycle rider education plates.

d. Upon receipt of the special registration plates, the applicant shall surrender the current registration receipt and plates to the county treasurer. The county treasurer shall validate the special registration plates in the same manner as regular registration plates are validated under this section. The annual special motorcycle rider education fee for letter number designated plates is ten dollars, which shall be paid in addition to the regular annual registration fee. The annual fee for personalized motorcycle rider education plates is five dollars, which shall be paid in addition to the annual special motorcycle rider education fee and the regular annual registration fee. The annual motorcycle rider education fee shall be credited as provided under paragraph "c".

Sec. 9. Section 321.34, subsection 13, paragraph c, Code 1997, is amended to read as follows:

~~c. If the The department recommends approval of a proposed special registration plate, the department shall forward the recommendation to the committees on transportation of the general assembly by January 15 of each year shall adopt rules pursuant to chapter 17A regarding the approval and issuance of special registration plates. The proposed special registration plate shall not be issued unless the special registration plate is enacted into law.~~

Sec. 10. Section 321.34, subsection 13, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. A state agency may submit a request to the department recommending a special registration plate. The alternate fee for letter number designated plates is thirty-five dollars with a ten dollar annual special renewal fee. The fee for personalized plates is twenty-five dollars which is in addition to the alternative fee of thirty-five dollars with an annual personalized plate renewal fee of five dollars which is in addition to the special renewal fee of ten dollars. The alternate fees are in addition to the regular annual registration fee. The alternate fees collected under this paragraph shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.24 and prior to the crediting of the revenues to the road use tax fund under section 423.24, subsection 1, paragraph "d", the treasurer of state shall credit monthly the amount of the alternate fees collected in the previous month to the state agency that recommended the special registration plate.

Sec. 11. Section 321.37, Code 1997, is amended by adding the following new unnumbered paragraph after the first unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Registration plates issued for a motor vehicle which is model year 1948 or older, and reconstructed or specially constructed vehicles built to resemble a model year 1948 vehicle or older, other than a truck registered for more than five tons, motorcycle or truck tractor, may display one registration plate on the rear of the vehicle if the other registration plate issued to the vehicle is carried in the vehicle at all times when the vehicle is operated on a public highway.

Sec. 12. Section 321.40, unnumbered paragraph 4, Code 1997, is amended to read as follows:

The county treasurer shall refuse to renew the registration of a vehicle registered to a person when notified by the department through the distributed teleprocessing network that the person has not paid restitution as defined under section 910.1, subsection 4, to the a clerk of the court located within that county the state. Each clerk of court shall, subject to this section shall on a daily basis, by the last day of each month, notify the county treasurer of that county department through the Iowa court information system of the full name and social security number of all persons who owe delinquent restitution and whose restitution obligation has been satisfied or canceled. Immediately upon the cancellation or satisfaction of the restitution the clerk of court shall notify the county treasurer if that person's name appeared on the last list furnished to the county treasurer. This paragraph does not apply to the transfer of a registration or the issuance of a new registration. The provisions of this paragraph are applicable to counties with a population of twenty five thousand or more. The provisions of this paragraph shall be applicable to any county with a population of less than twenty five thousand upon the adoption of a resolution by the county board of supervisors so providing.

Sec. 13. Section 321.115, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Truck tractors and semitrailers used in combination for exhibition and educational purposes as described in subsection 1 may be registered, exhibited, and driven according to the provisions of subsection 1. Subsection 3 shall not apply to vehicles registered in accordance with this subsection.

Sec. 14. Section 321.166, subsection 1, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Trailers with empty weights of two thousand pounds or less may, upon request, be licensed with regular-sized license plates.

Sec. 15. Section 321.166, subsection 8, Code 1997, is amended to read as follows:

8. The owner of a trailer with an empty weight of two thousand pounds or less shall receive registration plates for the trailer smaller than plates regularly issued for automobiles pursuant to rules adopted by the department in accordance with this section unless the owner requests regular-sized plates.

Sec. 16. Section 321.210, subsection 1, Code 1997, is amended to read as follows:

1. The department is authorized to establish rules providing for the suspension of the license of an operator upon ~~twenty~~ thirty days' notice and without preliminary hearing upon a showing by its records or other sufficient evidence that the licensee:

- a. Is an habitually reckless or negligent driver of a motor vehicle.
- b. Is an habitual violator of the traffic laws.
- c. Is physically or mentally incapable of safely operating a motor vehicle.
- d. Has permitted an unlawful or fraudulent use of the license.
- e. Has committed an offense or acted in a manner in another state or foreign jurisdiction which in this state would be grounds for suspension or revocation.
- f. Has committed a serious violation of the motor vehicle laws of this state.
- g. Is subject to a license suspension under section 321.513.

Prior to a suspension taking effect under paragraph "a", "b", "c", "d", "e", or "f", the licensee shall have received thirty days' advance notice of the effective date of the suspension. Notwithstanding the terms of the Iowa administrative procedure Act, chapter 17A, the filing of a petition for judicial review shall, except for suspensions under paragraph "c", operate to stay the suspension pending the determination by the district court.

Sec. 17. Section 321.218, subsection 1, Code 1997, is amended to read as follows:

1. A person whose motor vehicle license or operating privilege has been denied, canceled, suspended, or revoked as provided in this chapter or as provided in section 252J.8 or section 901.5, subsection 10, and who operates a motor vehicle upon the highways of this state while the license or privilege is denied, canceled, suspended, or revoked, commits a serious misdemeanor.

Sec. 18. Section 321.233, Code 1997, is amended to read as follows:

321.233 ROAD WORKERS EXEMPTED.

This chapter, except sections 321.277 and 321.280, does not apply to persons and motor vehicles and other equipment while actually engaged in work upon the surface of a highway officially closed to traffic but does apply to such persons and vehicles when traveling to or from such work. The minimum speed restriction of section 321.285, subsection 6, and the provisions of sections 321.297, ~~and 321.298, and 321.323~~ do not apply to road workers operating maintenance equipment ~~owned by or under lease to~~ on behalf of any state or local authority while engaged in road maintenance, road blading, snow and ice control and removal, and granular resurfacing work on a highway, whether or not the highway is closed to traffic.

Sec. 19. Section 321.253, unnumbered paragraph 2, Code 1997, is amended to read as follows:

The department shall post signs informing motorists that the scheduled fine for committing a moving traffic violation in a road construction work zone is doubled ~~or is one hundred dollars, whichever is less~~.

Sec. 20. Section 321.288, subsection 6, Code 1997, is amended to read as follows:

6. When approaching and passing through a sign posted ~~construction or maintenance road work~~ zone upon the public highway.

Sec. 21. Section 321.445, subsection 2, paragraph e, Code 1997, is amended to read as follows:

e. A person possessing a written certification from a physician health care provider licensed under chapter 148, 150, 150A, or 151 on a form provided by the department that the person is unable to wear a safety belt or safety harness due to physical or medical reasons. The certification shall specify the time period for which the exemption applies. The time period shall not exceed twelve months, at which time a new certification may be issued unless the certifying physician health care provider is from a United States military facility, in which case the certificate may specify a longer period of time or a permanent exemption.

Sec. 22. Section 321.463, Code 1997, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 3:

NEW UNNUMBERED PARAGRAPH. Machinery defined in section 321.1, subsection 32, paragraph "f", shall be operated in compliance with this section. However, machinery used exclusively for mixing and dispensing nutrients to bovine animals at feedlots is not required to comply with section 321.463 until July 1, 1999.

Sec. 23. Section 321.491, unnumbered paragraph 2, Code 1997, is amended to read as follows:

Within ten days after the conviction or forfeiture of bail of a person upon a charge of violating any provision of this chapter or other law regulating the operation of vehicles on

highways every magistrate of the court or clerk of the district court of record in which the conviction occurred or bail was forfeited shall prepare and immediately forward to the department an abstract of the record of the case. The abstract must be certified by the person preparing it to be true and correct. The clerk of the district court shall collect a fee of fifty cents for each copy of any record of conviction or forfeiture of bail furnished to any requestor except the department or other local, state, or federal government entity. Moneys collected under this section shall be transferred to the department as a repayment receipt, as defined in section 8.2, to enhance the efficiency of the department to process records and information between the department and the Iowa court information system.

Sec. 24. Section 321.555, subsection 1, Code 1997, is amended by adding the following new paragraphs:

NEW PARAGRAPH. g. Eluding or attempting to elude a pursuing law enforcement vehicle in violation of section 321.279.

NEW PARAGRAPH. h. Serious injury by a vehicle in violation of section 707.6A, subsection 3.

Sec. 25. Section 321E.8, subsection 4, Code 1997, is amended by striking the subsection.

Sec. 26. Section 321E.9, subsection 2, Code 1997, is amended to read as follows:

2. Vehicles with indivisible loads exceeding the width, length, and total gross weight provided in subsection 1, may be moved in special or emergency situations, provided the permitting authority has reviewed the route and has approved the movement of the vehicle and load. ~~The vehicle and load shall be accompanied by an escort as required by rules adopted pursuant to chapter 17A.~~ The issuing authority may impose any special restrictions as deemed necessary on movements or exempt movements from the restrictions of section 321E.11 by permit under this subsection.

Sec. 27. Section 321E.9, subsection 3, Code 1997, is amended by striking the subsection.

Sec. 28. Section 321E.11, unnumbered paragraph 1, Code 1997, is amended to read as follows:

Movements by permit in accordance with this chapter shall be permitted only during the hours from thirty minutes prior to sunrise to thirty minutes following sunset unless the issuing authority determines that the movement can be better accomplished at another period of time because of traffic volume conditions or the vehicle subject to the permit has an overall length not to exceed one hundred feet, an overall width not to exceed eleven feet, and an overall height not to exceed fourteen feet, four inches, and the permit requires the vehicle to operate only on those highways designated by the department. Additional safety lighting and escorts may be required for movement at night.

Sec. 29. NEW SECTION. 321E.34 ESCORT REQUIREMENTS.

1. An operator of an escort vehicle, serving as an escort in the movement of vehicles and loads of excess size and weight under permits required by this chapter shall have a motor vehicle license as defined in section 321.1 valid for the operation of the escort vehicle.

2. Vehicles under permit, the width of which, including any load, exceeds that prescribed in section 321.454 but does not exceed fourteen feet six inches including appurtenances, may be moved on two-lane highways of this state without an escort if the highway being traversed has a minimum lane width of twelve feet and a sufficient shoulder width and if an amber revolving light or strobe light is displayed on the power unit and on the rear extremity of the vehicle or load. In addition, vehicles moving under permit, including any load, with an overall width not exceeding sixteen feet six inches may be moved on an interstate or four-lane highway of this state without an escort if an amber revolving light or strobe light is displayed on the power unit and on the rear extremity of the vehicle or load.

3. The department shall adopt rules pursuant to chapter 17A for all escort requirements other than those exempted in subsection 2. The rules shall include escorting requirements

for annual permits, single-trip permits, multitrip permits, special or emergency situations, length, height, and weight.

Sec. 30. Section 321J.13, subsection 3, Code 1997, is amended to read as follows:

3. After the hearing the department shall order that the revocation be either rescinded or sustained. Upon receipt of the decision of the department to sustain a revocation, the person contesting the revocation has ten days to file a request for review of the decision by the director. The director or the director's designee shall review the decision within ~~fifteen~~ thirty days and shall either rescind or sustain the revocation or order a new hearing. If the director orders a new hearing, the department shall grant the person a new hearing within twenty days of the director's order.

Sec. 31. Section 321J.13, subsection 4, Code 1997, is amended by striking the subsection.

Sec. 32. NEW SECTION. 325A.1 DEFINITIONS.

As used in this chapter:

1. "Department" means the state department of transportation.
2. "Highway" means a street, road, bridge, or thoroughfare of any kind in this state.
3. "Interstate motor carrier number" means a United States department of transportation number or motor carrier number issued by the federal highway administration.
4. "Intrastate" means a movement of property or passengers from one location to another within this state. "Intrastate" does not include transportation of property or passengers which is a furtherance of an interstate movement.
5. "Motor carrier" means a person defined in subsection 7, 8, or 9.
6. "Motor carrier certificate" means a certificate issued by the department to any person transporting passengers on any highway of this state for hire. This certificate is transferable.
7. "Motor carrier of household goods" means a person engaged in the transportation, for hire, of personal effects and property used or to be used in a dwelling, and includes the following:
 - a. Furniture, fixtures, equipment and the property of stores, offices, museums, institutions, hospitals, or other establishments when a part of the stock, equipment, or supply of such establishment; except, this paragraph shall not be construed to include the stock-in-trade of any establishment, except when transported as an incident to the removal of the establishment from one location to another.
 - b. Articles including objects of art, displays, and exhibits, which because of their unusual nature or value, require the specialized handling and equipment usually employed in moving household goods.
8. "Motor carrier of liquid commodities" means a person engaged in the transportation, for hire, of liquid commodities or compressed gases in bulk upon any highway in this state.
9. "Motor carrier of property" means a person engaged in the transportation, for hire, of property by motor vehicle.
10. "Motor carrier permit" means a permit issued by the department to any person operating any motor vehicle on any highway of this state to transport property for hire. A motor carrier permit is not transferable unless it was issued to a motor carrier of household goods.
11. "Motor vehicle" means an automobile, motor truck, truck tractor, road tractor, motor bus, or other self-propelled vehicle, or a trailer, semitrailer, or other device used in connection with the transportation of property or passengers. "Motor vehicle" does not include a motor vehicle owned by a school district or used exclusively in conveying school children to and from school or school activities.
12. "Private carrier" means a person who provides transportation of property or passengers by motor vehicle, is not a for-hire motor carrier, or transports commodities of which the person is the owner, lessee, or bailee and the transportation is a furtherance of the person's primary business or occupation.

13. "Transportation for-hire" means all transportation of property or passengers made available by a person for compensation.

Sec. 33. NEW SECTION. 325A.2 DUTIES OF DEPARTMENT.

The department shall do all of the following:

1. Prescribe and enforce safety and financial responsibility regulations for motor carriers and require the filing of reports regarding safety and financial responsibility.
2. Approve a tariff for motor carriers of household goods.
3. Issue, amend, suspend, or revoke motor carrier permits and certificates.

Sec. 34. NEW SECTION. 325A.3 APPLICATION AND ISSUANCE OF PERMIT OR CERTIFICATE.

1. Upon the filing of an application by a motor carrier and compliance with the terms and conditions of this chapter, the department shall issue to the applicant a permit or certificate. The actual operation by a motor carrier of a motor vehicle shall not begin without the permit or certificate being issued by the department.

2. All applications shall be in writing and contain the following:

- a. The name and tax identification number of the person making the application.
 - b. The applicant's principal place of business.
 - c. The type of permit or certificate being requested.
 - d. A signed statement agreeing to comply with all applicable safety regulations as prescribed by the department.
 - e. A copy of all existing tariffs provided to the department for approval by motor carriers of household goods.
 - f. A financial statement completed by motor carriers of liquid commodities or passengers from which the department can determine the financial fitness of the applicant to engage in the transport of liquid commodities or passengers.
 - g. A sponsor certification of support statement provided by charter carriers establishing a need for the proposed service.
 - h. A verification of liability and property damage insurance coverage as required in section 325A.6, in a form prescribed by the department.
3. The provisions of subsection 2, paragraph "f" and subsection 4, shall not apply to the transportation of dairy products.
4. Motor carriers of liquid commodities or passengers shall complete a motor carrier safety education seminar provided by or approved by the department. This seminar must be completed within six months of the permit or certificate issuance.

Sec. 35. NEW SECTION. 325A.4 FEES.

1. The department shall charge the following fees:
 - a. One hundred fifty dollars for a new application.
 - b. One hundred fifty dollars for a reinstatement.
 - c. Twenty-five dollars to change an address or name.
 - d. Ten dollars for tariff updates.
 - e. One hundred fifty dollars to transfer a passenger certificate.
 - f. Twenty-five dollars for a duplicate permit or certificate.
2. Changes in ownership of motor carrier permits require a new application and the new application fee of one hundred fifty dollars shall be assessed.
3. The department shall collect a fee of two hundred dollars to cover the cost of the motor carrier safety education seminar.

Sec. 36. NEW SECTION. 325A.5 FEES — CREDITED TO ROAD USE TAX FUND — SEMINAR RECEIPTS.

All fees received for applications and permits or certificates under this chapter shall be remitted to the treasurer of state and credited to the road use tax fund. All fees collected for the motor carrier safety education seminar shall be considered a repayment receipt as de-

financed in section 8.2, and shall be remitted to the department to be used to pay for the seminars.

Sec. 37. NEW SECTION. 325A.6 INSURANCE.

All motor carriers subject to this chapter shall have minimum insurance coverage which meets the limits established in the federal motor carrier safety regulations in 49 C.F.R. ch. 387.

Sec. 38. NEW SECTION. 325A.7 CHARGES.

All charges filed under the tariff by any motor carrier of household goods for any service shall be just, reasonable, and nondiscriminating and every unjust, unreasonable, or discriminating charge for such service or any part thereof is prohibited and declared unlawful.

Sec. 39. NEW SECTION. 325A.8 REQUIRED MARKING.

The motor carrier shall attach distinctive markings or tags to each motor vehicle. If a motor vehicle has both an interstate and intrastate motor carrier number, only the interstate motor carrier number must be displayed.

If a motor carrier is renting a vehicle on a daily basis, a copy of the lease must be carried in the vehicle. Violation of this section is a scheduled violation subject to the fine provided in section 805.8, subsection 2, paragraph "ad".

Sec. 40. NEW SECTION. 325A.9 ADVERTISING.

An advertisement to the general public concerning for-hire transportation must include the permit or motor carrier certificate number issued under this chapter.

Sec. 41. NEW SECTION. 325A.10 RULES FOR OPERATION.

The department shall adopt rules pursuant to chapter 17A as necessary to govern and control the operation, maintenance, and inspection of vehicles covered by this chapter upon the highways.

Sec. 42. NEW SECTION. 325A.11 PASSENGER TRANSPORTATION.

In addition to the requirements of subchapter 1, motor carriers of passengers and charter carriers shall comply with the requirements of this subchapter.

Sec. 43. NEW SECTION. 325A.12 DEFINITIONS.

As used in this subchapter:

1. "Car pool" means transportation of a group of at least two riders in a motor vehicle having a seating capacity of not more than eight passengers between a rider's, owner's, or operator's residence or other designated location and a rider's, owner's, or operator's place of employment or other common destination of the group, if the motor vehicle is driven by one of the members of the group.

2. "Charter" means an agreement whereby the owner of a motor vehicle lets the motor vehicle to a group of persons as one party for a specified sum and for a specified act of transportation at a specified time and over an irregular route.

3. "Charter carrier" means a person engaged in the business of transporting the public by motor vehicle under charter. "Charter carrier" does not include any of the following:

a. Taxicabs with a seating capacity of not more than eight passengers, or persons having a license, contract, or franchise with an Iowa city to carry or transport passengers for-hire while operating within the guidelines of the license, contract, or franchise.

b. A city engaged in the business of carrying or transporting passengers for-hire over regular routes.

c. School bus operators when engaged in transportation involving any school activity.

d. A regular-route motor carrier of passengers.

4. "Regional transit system" means a public transit system serving one county or all or part of a multicounty area whose boundaries correspond to the same boundaries as those of the regional planning areas designated by the governor except as agreed upon by the county

or the department. Each county board of supervisors within the region is responsible for determining the service and funding within its county. However, the administration and overhead support services for the overall regional transit system shall be consolidated into one existing or new agency to be mutually agreed upon by the participating members. Privately chartered bus services and uses other than providing services that are open and public on a shared-ride basis shall not be construed to be a regional transit system.

5. "Regular-route motor carrier of passengers" means a person engaged in the for-hire transportation of passengers by motor vehicle over regular routes by scheduled service and available to the general public.

6. "Van pool" means transportation of a group of riders in a vehicle having a seating capacity of not less than eight passengers and not more than fifteen passengers between a rider's, owner's, or operator's residence or other designated location and a rider's, owner's, or operator's place of employment or other common destination of the group, if the vehicle is driven by one of the members of the group.

Sec. 44. NEW SECTION. 325A.13 CERTIFICATE OF CONVENIENCE AND NECESSITY AND REGULAR-ROUTE PASSENGER CERTIFICATE.

1. It is unlawful for a charter carrier to transport passengers by motor vehicle for hire from any point or place in this state to another place in this state irrespective of the route or highway traversed, without first having obtained from the department a certificate declaring that public convenience and necessity require the operation.

2. a. It is unlawful for a regular-route motor carrier of passengers to transport passengers for-hire upon the highways of this state in intrastate commerce without first having obtained from the department a regular-route passenger certificate. The department shall issue a regular-route passenger certificate without hearing, if the department finds that the applicant is fit, willing, and able.

b. In determining whether a regular-route motor carrier of passengers is fit, willing, and able, the department shall only consider the applicant's compliance with safety, financial fitness, and insurance requirements.

c. A regular-route passenger certificate authorizing the transportation of passengers includes the authority to transport newspapers, baggage of passengers, express packages, or mail in the same motor vehicle with passengers.

d. A regular-route motor carrier of passengers holding a regular-route passenger certificate may at any time commence scheduled service over any regular route from any point or place in this state to another place in this state irrespective of the route or highway traversed and may at any time discontinue any part of its regular-route service.

e. A regular-route motor carrier of passengers granted a certificate prior to the effective date of this Act, which authorized motor carrier passenger operations, may continue to provide motor carrier passenger service with all rights and privileges granted by a regular-route passenger certificate issued under this section.

f. A regular-route motor carrier of passengers shall not operate as a charter carrier in this state unless it possesses a certificate of convenience and necessity to engage in the business of a charter carrier.

g. An Iowa urban transit system as defined in section 452A.57, subsection 6, may operate within the metropolitan area which it serves and between its service area and another city which is located not more than ten miles from its service area without obtaining a regular-route passenger certificate if the other city is not served by another motor carrier of passengers operating under a regular-route passenger certificate.

3. A motor carrier providing primarily passenger service for elderly, handicapped, and other transportation-disadvantaged persons is exempt from the certification requirements of this section if it satisfies all of the following requirements:

a. The motor carrier is not a corporation organized for-profit under the laws of Iowa or any other state or the motor carrier is a governmental organization.

b. The motor carrier received or receives operating funds from federal, state, or local government sources.

c. The motor carrier does not duplicate a transportation service provided by a motor carrier issued a regular-route passenger certificate.

4. A person operating a motor vehicle in a car pool or van pool is exempt from the requirement of this chapter.

5. Except for a person operating a car pool or van pool, each motor carrier exempt from the requirement for obtaining a certificate under this section shall obtain a nontransferable permit from the department. Such motor carriers shall comply with all safety, insurance, and other rules of the department pertaining to a publicly funded transit system.

Sec. 45. NEW SECTION. 325A.15 APPLICATION FOR CERTIFICATE.

All applications for a charter carrier or regular-route passenger certificate shall be in writing and, in addition to any other information required by this chapter, shall contain all of the following:

1. A complete description of the area in which the applicant proposes to operate.
2. An applicant for a regular-route passenger certificate, in lieu of the information required by subsection 1, shall indicate that statewide regular-route passenger authority is being sought.

Sec. 46. NEW SECTION. 325A.16 PROTESTS AGAINST APPLICATIONS.

1. Upon the filing of the application, the department shall publish a notice to the citizens of each county in which the proposed motor carrier passenger service will be rendered. The notice shall be published once in a newspaper of general circulation in each county.

2. Any person, city, or county whose rights or interests may be affected may file written objections to the proposed service with the department.

3. An objection filed against the granting of an application shall state specifically the grounds upon which it is made and contain a concise statement of the interest of the person filing the objection in the proceeding.

4. An objection shall be filed with the department not later than thirty days from the date of the publication of notice.

5. Upon receipt of an objection complying with subsection 3, the department shall request the department of inspections and appeals to set the matter for hearing not less than ten days following the expiration of the time in which objections may be made. The department of inspections and appeals shall give notice to all persons who have filed objections of the time and place of the hearing.

6. This section applies to all intrastate motor carriers of passengers except regular-route motor carriers of passengers.

Sec. 47. NEW SECTION. 325A.17 RULES OF PROCEDURE.

The department shall adopt rules pursuant to chapter 17A establishing the procedure to be followed in the filing of applications for a motor carrier passenger certificate and the department of inspections and appeals shall adopt rules pursuant to chapter 17A for the conduct of hearings regarding objections by other persons to the issuance of a motor carrier certificate to an applicant.

Sec. 48. NEW SECTION. 325A.18 UNCONTESTED CASE PROCEDURE.

If an objection is not filed, the department shall consider the application and any relevant evidence in determining whether to grant the certificate requested in the application.

Sec. 49. NEW SECTION. 325A.19 GRANTING APPLICATION — RESTRICTIONS.

The department may grant the application in whole or in part upon terms and restrictions established by the department. However, no condition or restriction on a regular-route passenger certificate shall be established, and all regular-route passenger certificates shall grant statewide regular-route passenger authority. The actual operation shall not begin without a written statement of approval from the department to the effect that the applicant has complied with applicable safety provisions.

If a certificate is granted to a charter carrier, the department may attach to the exercise of the rights conferred by the certificate such terms and conditions as in its judgment the public convenience and necessity require.

Sec. 50. NEW SECTION. 325A.20 EXPENSE OF HEARING.

The applicant and any persons objecting to the granting of a certificate to the applicant shall split equally and pay all the costs of the hearing before the application is granted. The department of inspections and appeals shall establish appropriate fees which shall be paid to the department of inspections and appeals.

Sec. 51. NEW SECTION. 325A.21 REVIEW.

A decision of the department of inspections and appeals is subject to review by the state department of transportation. Judicial review of the decisions and actions of the state department of transportation may be sought in accordance with chapter 17A. A petitioner shall file with the clerk of the district court a bond for costs in the sum of not less than five hundred dollars.

Sec. 52. NEW SECTION. 325A.22 TRANSFER OF CERTIFICATE.

1. A certificate of convenience and necessity shall not be sold, transferred, leased, or assigned and a contract or agreement with reference to or affecting a certificate shall not be entered into without the written approval of the department. The department may request the department of inspections and appeals to hold a hearing regarding the transfer of the certificate. The state department of transportation shall approve the sale, transfer, lease, or assignment upon a finding by the department of inspections and appeals that there has been continuous service under the certificate for at least ninety days prior to the transfer, that the transferee is fit, willing, and able to perform the operations authorized by the certificate, and that the transfer is consistent with the public interest. Pending determination of an application filed with the department for approval of a sale, transfer, lease, or assignment, the department may grant temporary approval of the proposed operation upon a finding of good cause.

2. A regular-route passenger certificate shall not be sold, transferred, leased, or assigned without the approval of the department. The department shall approve the sale, transfer, lease, or assignment if the person obtaining or seeking to obtain ownership or control of a certificate is found to be fit, willing, and able to perform the service proposed. In determining the fitness of the person seeking transfer of the certificate, the department shall consider only the person's compliance with safety, financial fitness, and insurance requirements.

Sec. 53. NEW SECTION. 325A.23 RIDING ON OUTSIDE PART.

Passengers shall not ride on the running boards, fenders, or on any other outside part of passenger-carrying motor vehicles.

Sec. 54. NEW SECTION. 325A.24 AMEND, SUSPEND, OR REVOKE PERMIT OR CERTIFICATE.

The department may, in addition to other penalties, revoke or suspend the permit or certificate of a motor carrier for a violation of this chapter or a rule adopted under this chapter. For flagrant or persistent violations of safety or hazardous materials rules by the holder of a permit or certificate or the holder's agent, the department may suspend the permit or certificate of necessity until the rules adopted by the department are complied with, or the department may revoke the permit or certificate for continued noncompliance.

Sec. 55. NEW SECTION. 325A.25 SCHEDULED FINES — PENALTY.

A person who violates this chapter or a rule adopted pursuant to this chapter for which a penalty is not otherwise established, or who aids or abets a person in a failure to comply with this chapter or a rule adopted pursuant to this chapter, is subject to the fine provided in section 805.8, subsection 2, paragraph "ad".

Sec. 56. NEW SECTION. 325A.26 CERTIFICATES PRIOR TO JANUARY 1, 1998.

1. A certificate or permit, or both, which was issued under chapter 325, before January 1, 1998, and which authorized a person to transport property in intrastate commerce by motor vehicle as a common carrier or contract carrier, or both, is void. However, to the extent a certificate or permit, or portion of a certificate or permit, authorized a person to transport household goods over irregular routes or passengers in intrastate commerce, this subsection does not apply.

2. A person who owned a certificate or permit, or both, that was a valid certificate or permit, or both, on December 31, 1997, is deemed to have a valid certificate or permit, unless the person's certificate or permit has been suspended, revoked, or transferred to another person as provided by law. A person deemed to have a valid certificate or permit under this subsection is not required to file an application pursuant to section 325A.3 to continue providing intrastate transportation, but rather, upon such person's compliance with the requirements of section 325A.3, subsection 2, the person is deemed to have a valid certificate or permit in force as required pursuant to section 325A.3, subsection 1, authorizing the person to transport property except household goods in intrastate commerce on the public highways, unless the person's certificate or permit is suspended, revoked, or transferred to another person as provided by law. Within a reasonable time after January 1, 1998, the department shall issue certificates or permits to all persons who are deemed to be qualified under this subsection.

Sec. 57. Section 422.45, Code 1997, is amended by adding the following new subsection: NEW SUBSECTION. 7A. The refund of sales and use tax paid on transportation construction projects let by the state department of transportation are subject to the special provisions of this subsection.

a. A contractor awarded a contract for a transportation construction project is considered the consumer of all building materials, building supplies and equipment and shall pay sales tax to the supplier or remit consumer use tax directly to the department.

b. The contractor is not required to file information with the department of transportation stating the amount of goods, wares, or merchandise, or services rendered, furnished, or performed and used in the performance of the contract or the amount of sales or use tax paid.

c. The department of transportation shall file a refund claim based on a formula that considers the following:

(1) The quantity of material to complete the contract, and quantities of items of work.

(2) The estimated cost of these materials included in the items of work, and the state sales or use tax to be paid on the tax rate in effect in section 422.43.

The quantity of materials shall be determined after each letting based on the contract quantities of all items of work let to contract. The quantity of individual component materials required for each item shall be determined and maintained in a database. The total quantities of materials shall be determined by multiplying the quantities of component materials for each contract item of work by the total quantities of each contract item for each letting. Where variances exist in the cost of materials, the lowest cost shall be used as the base cost.

d. Only the state sales or use tax is refundable. Local option taxes paid by the contractor are not refundable.

Sec. 58. Section 805.8, subsection 2, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. ad. For violation of section 325A.8, the scheduled fine is fifty dollars. For violation of chapter 325A, other than a violation of section 325A.8, the scheduled fine is two hundred fifty dollars.

Sec. 59. Section 805.8, subsection 2A, Code 1997, is amended to read as follows:

2A. MOVING TRAFFIC VIOLATIONS — CONSTRUCTION ROAD WORK ZONES. The

scheduled fine for any moving traffic violations under chapter 321 as provided in this section shall be doubled ~~or shall be set at one hundred dollars, whichever is less~~, if the violation occurs within any road ~~construction~~ work zone, as defined in section 321.1.

Sec. 60.

1. Chapters 325, 327, and 327A, Code 1997, are repealed.
2. Section 321E.26, Code 1997, is repealed.

Sec. 61. EFFECTIVE AND IMPLEMENTATION DATES.

1. Sections 12, 32 through 56, 58, and 60, subsection 1, of this Act take effect January 1, 1998.
2. Section 6 of this Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 1, 1997

CHAPTER 105

LEGALIZATION OF SERGEANT BLUFF URBAN REVITALIZATION PLAN

H.F. 717

AN ACT to legalize the proceedings taken by the Sergeant Bluff city council to grant an urban revitalization tax exemption for certain property and providing an effective and retroactive applicability date.

WHEREAS, the city of Sergeant Bluff decided in February of 1996 to designate a portion of the city as an urban revitalization area under chapter 404; and

WHEREAS, Sioux City Brick and Tile held a groundbreaking ceremony on April 11, 1996, and began construction on property within the urban revitalization area on August 1, 1996; and

WHEREAS, the Sergeant Bluff city council adopted, on December 17, 1996, a resolution in accordance with section 404.2 stating the necessity for establishing the urban revitalization area in which property owned by Sioux City Brick and Tile would be eligible for the urban revitalization property tax exemption; and

WHEREAS, the Sergeant Bluff city council held a public hearing on the proposed urban revitalization area and adopted the plan for the revitalization area in accordance with section 404.2 on January 28, 1997; and

WHEREAS, the Sergeant Bluff city council erroneously believed that the Sioux City Brick and Tile property would be qualified for the urban revitalization tax exemption as of January 28, 1997, even though construction was completed prior to that date; and

WHEREAS, section 404.3, subsection 7, requires the construction to be undertaken during the period in which the property was in a designated urban revitalization area; **NOW THEREFORE,**

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. All proceedings taken by the Sergeant Bluff city council regarding the adoption of the urban revitalization plan are hereby legalized and constitute a valid adoption of an urban revitalization plan.