

761—910.5(324A) Standards for compliance. A provider shall be found compliant if the provider meets both of the following standards:

910.5(1) All vehicles used for the public transit services it provides or contracts for are insured for \$1 million per accident for all hazards or the provider maintains a self-insurance fund adequate to provide equivalent protection.

910.5(2) The provider:

- a.* Purchases all services from a designated public transit system, or
- b.* Operates all services open to the public under contract with and under control of a designated transit system, or
- c.* Purchases all services from a private-for-profit operator of public transit services, or
- d.* Operates its own services which:
 - (1) The designated public transit system is currently unable to provide, or
 - (2) When considered as a whole using fully allocated costs, prove to be more economical than the purchase of equivalent services from the designated public transit system.
- e.* Uses a combination of services in paragraphs “*a.*,” “*b.*,” “*c.*,” and “*d.*”

This rule is intended to implement Iowa Code section 324A.4.

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