

761—524.7(325A) Insurance—suspension.

524.7(1) Insurance. Each motor carrier shall at all times maintain on file with the department the effective certificate(s) of insurance or a surety bond on a form prescribed by the department.

a. The insurance or the surety bond shall be written for a period of one year or more.

b. The department shall be given written notice 30 days prior to the cancellation of the insurance or the surety bond.

524.7(2) Self-insurance. In lieu of maintaining the above insurance, intrastate carriers that also operate interstate and have been approved by a federal agency to self-insure may apply to the department to self-insure by submitting a written request to the office of vehicle and motor carrier services. The written request shall include a copy of the federal agency's approval. The department shall allow self-insurance as long as a federal agency has approved the carrier to self-insure and the motor carrier provides the department with copies of any information required by that federal agency. The department must be notified immediately by the motor carrier if there is any change in the status of the self-insurance for interstate operation.

524.7(3) Suspension for no insurance. If a motor carrier fails to maintain the required insurance on file with the department, the department shall suspend the motor carrier's permit or certificate in accordance with Iowa Code chapter 325A and rule 761—524.17(325A). The suspension shall remain in effect until the requirements are met and a reinstatement fee is paid. A motor carrier shall not continue operation without proper insurance.

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