



[HF 2518](#) – Cranes, Annual Permit (LSB5556HV.2)
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Fiscal Note Version – Final Action

Description

[House File 2518](#) amends Iowa Code section [321E.7](#) to allow cranes with a single axle load not exceeding 80,000 pounds and within current height and weight specifications to be eligible for any type of permit, including annual permits. Under the Bill, annual permits for cranes cost \$400.

Background

Under current law, cranes being temporarily moved on streets, roads, or highways are exempt from the provisions of Iowa Code chapter [321E](#) (vehicles of excessive size and weight), which generally limits the gross weight on any one axle of a vehicle or combination of vehicles, including such vehicles traveling under any permit issued under Iowa Code chapter 321E, to 20,000 pounds. Each single-trip permit under current law costs \$35, and a single-trip permit must be purchased each time a crane is moved.

Cranes being temporarily moved on streets, roads, or highways are provided with single-trip permits through the Department of Transportation's (DOT) administrative rules for cranes with a single axle load that does not exceed 80,000 pounds.

To be eligible for the other permits included in Iowa Code section 321E.7, cranes must still conform to the vehicle dimensions and other requirements that are currently set forth in the law for those permits.

Assumptions

- The cost-benefit of the annual permit will only apply to 26 customers who have smaller cranes that will be impacted by the Bill.
- In 2019, 167 customers purchased single-trip permits for cranes.
- The Bill will eliminate revenue to the Road Use Tax Fund (RUTF) from annual permits that totals \$18,000. This estimate assumes the following:
 - The 26 customers who own smaller cranes that will be impacted by the Bill spend \$35 per single-trip permit under current law and purchase a permit for 20 trips per crane per year.
 - Under House File 2518, the 26 customers who own smaller cranes will spend \$400 on an annual permit rather than purchasing a single-trip permit for cranes 20 times each per year. This would equate to \$10,000 in annual revenue to the RUTF.
- There is an estimated annual cost of \$2,000 in order to update the embargo map, which displays the weight and travel limits of Iowa's infrastructure.
- There is an estimated \$40,000 payment to a vendor in order to cover a one-time increase in cost for DOT operations.

Fiscal Impact

House File 2518 is estimated to reduce net revenue to the RUTF by \$8,000 annually. The annual trip permit for cranes will result in \$10,000 in revenue, while eliminating single-trip permits will reduce revenue by \$18,000. There is also a one-time cost of \$40,000 and an estimated annual cost of \$2,000 for the DOT.

Sources

Department of Transportation, Motor Vehicle Division
Department of Transportation, Bridges and Structures Bureau
Iowa Online Permitting System

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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