

FEB 28 1984

Place On Calendar

*Substituted for
S.F. 2249 S/S*

HOUSE FILE 2386

BY COMMITTEE ON TRANSPORTATION

(Formerly Study Bill 503)

Passed House, Date 3-5-84 (p. 701) Passed Senate, Date 4-4-84 (p. 1245)

Vote: Ayes 95 Nays 1 Vote: Ayes 45 Nays 0

Approved May 8, 1984

*Repassed House - 4-17-84 (p. 2175)
96-0*

A BILL FOR

1 An Act relating to transportation programs by defining a pub-
2 lic transit system, requiring coordinated funding and ser-
3 vices, establishing criteria to determine compliance, and
4 providing penalties for violations.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HOUSE FILE 2386

H-5391

1 Amend House File 2386 as follows:
2 1. Page 4, line 35, by striking the word "of" and
3 inserting in lieu thereof the word "or".

H-5391 FILED MARCH 5, 1984 BY WOODS of Polk
ADOPTED BY UNANIMOUS CONSENT

(p. 700)

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145 2386

1 Section 1. Section 601J.1, Code 1983, is amended by adding
2 the following new subsections:

3 NEW SUBSECTION. 5. "Public transit system" means an urban
4 or regional transit system providing transit services
5 accessible to the general public and receiving federal, state
6 or local tax support.

7 NEW SUBSECTION. 6. "Urban transit system" means a sys-
8 tem designated by the department in which motor buses are
9 operated primarily upon the streets of cities for the trans-
10 portation of passengers who present themselves for transpor-
11 tation without discrimination up to the limit of the capacity
12 of each motor bus. "Urban transit system" also includes motor
13 buses operated upon the streets of adjoining cities, whether
14 interstate or intrastate for the transportation of passengers
15 without discrimination up to the limit of the capacity of
16 each motor bus. A privately chartered bus service or
17 interurban carrier subject to the jurisdiction of the state
18 department of transportation is not an urban transit system.

19 NEW SUBSECTION. 7. "Regional transit system" means a
20 public transit system serving one county or all or part of
21 a multicounty area whose boundaries correspond to the same
22 boundaries as those of the regional planning areas designated
23 by the governor except as agreed upon by the county and the
24 department. Each county, through the county board of
25 supervisors, within the region shall be responsible for
26 determining the service and funding within its own county.
27 However, the administration and overhead support services
28 for the regional transit system shall be consolidated into
29 one existing or new agency to be mutually agreed upon by the
30 participating members.

31 Sec. 2. Section 601J.2, subsections 1 and 2, Code Supple-
32 ment 1983, are amended to read as follows:

33 1. An evaluation of existing ~~urban-and-rural-trans-~~
34 ~~portation~~ public transit systems, including but not limited
35 to an evaluation of rolling stock, the costs of operation

1 including the costs of fuel, maintenance and personnel and
2 the development of common management and operating systems
3 and procedures.

4 2. An analysis of existing urban and rural transit system
5 services provided for transportation disadvantaged persons
6 and the service needs of transportation disadvantaged persons,
7 including an evaluation of specialized equipment required
8 to meet the service needs of transportation disadvantaged
9 persons.

10 Sec. 3. Section 601J.4, subsection 1, Code 1983, is amended
11 to read as follows:

12 1. The department shall compile and maintain current
13 information on available and pending federal, state, local,
14 and private aid effecting urban and rural public transit
15 programs. Public, private, and private nonprofit organizations
16 applying for or receiving federal, state or local aid for
17 providing transit services shall provide a copy of their
18 fiscal year operating budget annually prior to ~~December~~ June
19 1 depicting funds used for public transit programs and such
20 other information as the department may require prior to
21 receiving any federal or state funds or any aid from a
22 political subdivision of the state. The operating budget
23 shall list all of the funding sources of the organization
24 along with the listing of funds expended by that organization
25 during the preceding fiscal year. The department, in co-
26 operation with the regional planning agencies as the
27 responsible agency for annual updating the regional transit
28 development programs, shall compile this information annually.
29 Any state agency or organization administering funds for
30 transit services is required to submit all funding requests
31 through the regional and state clearinghouse and the state
32 department of transportation. Any organization ~~receiving~~
33 ~~federal, state or local aid to provide or contract for transit~~
34 services, state agency, political subdivision, and public
35 transit system, except public school transportation, ~~must~~

1 ~~be-in-compliance-with-the-state-transit-plan~~ receiving federal,
2 state or local aid to provide or contract for public transit
3 services or transportation to the general public and specific
4 client groups, must coordinate and consolidate funding and
5 resulting service, to the maximum extent possible, with the
6 urban or regional transit system.

7 Sec. 4. Section 601J.4, subsection 2, Code 1983, is amended
8 to read as follows:

9 2. Upon request, the department shall provide assistance
10 to political subdivisions for federal aid applications for
11 urban and rural ~~public~~ transit system program aid. The
12 department, in co-operation with the regional planning
13 agencies, shall maintain current information reflecting the
14 amount of federal, state and local aid received by the public
15 and private nonprofit organizations providing public transit
16 services and the purpose for which ~~such~~ the aid is received.
17 The department shall annually prepare a report to be submitted
18 to the general assembly, the office for planning and
19 programming, and to the governor, prior to February 1 of each
20 year, stating the receipts and disbursements made during the
21 preceding fiscal year and the adequacy of programs financed
22 by federal, state, local, and private aid in the state. The
23 department shall analyze the programs financed and recommend
24 methods of avoiding duplication and increasing the efficacy
25 of programs financed. The department shall use the following
26 criteria to determine compliance with subsection 1:

27 a. Elimination of duplicative and inefficient adminis-
28 trative costs, policies and management.

29 b. Utilization of resources for transportation services
30 effectively and efficiently.

31 c. Elimination of duplicative and inefficient transporta-
32 tion services.

33 d. Development of transportation services for the general
34 public as well as transportation disadvantaged persons.

35 e. Protection of the rights of private enterprise public

1 transit providers.

2 f. Coordination of planning for transportation services
3 at the urban and regional level by all agencies or organiza-
4 tions receiving public funds that are purchasing or providing
5 transportation services.

6 g. Management of equipment and facilities purchased with
7 public funds so that efficient and routine maintenance and
8 replacement is accomplished.

9 h. Training of transit management, drivers and maintenance
10 personnel to provide safe, efficient, and economical transpor-
11 tation services.

12 Eligibility to receive or expend federal, state or local
13 funds for transportation services by all agencies or organiza-
14 tions purchasing or providing these services shall be
15 contingent upon compliance with these criteria as determined
16 by the department.

17 Sec. 5. Chapter 601J, Code 1983, is amended by adding
18 the following new section:

19 NEW SECTION. 601J.5 COORDINATION OF TRANSPORTATION SER-
20 VICES.

21 1. Prior to July 1, 1985 all agencies or organizations
22 purchasing or providing transportation services with federal,
23 state or local funds shall comply with section 601J.4.

24 2. Any agency or organization found to be in noncompliance
25 with section 601J.4 shall be notified in writing by the depart-
26 ment of those activities which are not in compliance. The
27 notice shall also provide for a period of thirty days during
28 which compliance with section 601J.4 can be accomplished
29 without penalty or sanction.

30 3. If noncompliant activities continue after the period
31 of thirty days, the department shall, in cooperation with
32 the attorney general and the state comptroller, initiate the
33 following actions:

34 a. If the activities that are not in compliance with sec-
35 tion 601J.4 are funded with state or federal funds which are

1 administered by the state and can be used by agencies or
2 organizations that are in compliance with section 601J.4,
3 then upon notice by the department, the state comptroller
4 shall not permit the expenditure of ten percent of the funds
5 during fiscal year 1986, an additional twenty percent of funds
6 during the following year, an additional thirty percent during
7 the third year, and the remaining funds in the fourth year
8 that the activities remain in noncompliance. Any funds
9 retained by the state comptroller shall be distributed to
10 agencies and organizations eligible to receive the funds for
11 transportation purposes. Any agency or organization which
12 is found not to be in compliance with section 601J.4 and
13 denied funds under this paragraph may appeal the decision
14 to a joint subcommittee of the senate and house standing
15 committees on transportation appointed by the chairs of the
16 senate and house standing committees on transportation. All
17 costs of the appeal shall be paid by the department.

18 b. If the activities that are not in compliance with sec-
19 tion 601J.4 are funded with state, federal or local funds
20 which are not administered by the state or cannot be used
21 by agencies and organizations that are in compliance with
22 section 601J.4, then upon notice by the department, the
23 attorney general shall file an action to enjoin agencies or
24 organizations from expending any funds until and unless
25 compliance with section 601J.4 is achieved. If federal funds
26 are involved in such cases, then the attorney general shall
27 notify the responsible federal agency of the actions and
28 request its cooperation.

29 EXPLANATION

30 The bill places definitions of transit systems in chapter
31 601J dealing with transportation programs. It requires en-
32 titles to coordinate transportation services which are offered.
33 The bill also bases eligibility of agencies to receive tax
34 funds for transit upon compliance with certain criteria mea-
35 sured by the state department of transportation. The bill
36 takes effect July 1 following enactment.

SENATE AMENDMENT TO HOUSE FILE 2386

H-6083

- 1 Amend House File 2386 as amended and passed by
2 the House as follows:
- 3 1. Page 1, by inserting after line 30 the following
4 new subsection:
5 "NEW SUBSECTION. 8. "Transportation" means the
6 movement of individuals in a four or more wheeled
7 motorized vehicle designed to carry passengers,
8 including a car, van, or bus, between one geographic
9 point and another geographic point. "Transportation"
10 does not include emergency or incidental trans-
11 portation or transportation conducted by the department
12 of human services at its institutions."
- 13 2. Page 1, line 31, by inserting after the figure
14 "601J.2," the words and figure "unnumbered paragraph
15 1 and".
- 16 3. Page 1, by inserting after line 32 the
17 following:
18 "The department may shall, at the request of a
19 state agency, political subdivision, or public transit
20 system or organization affected by this chapter,
21 provide to them the following technical transportation
22 assistance to the political subdivision:".
- 23 4. Page 2, by inserting after line 9 the following
24 new section:
25 "Sec. ____ . Section 601J.3, unnumbered paragraph
26 1, Code 1983, is amended to read as follows:
27 The department may shall at the request of a
28 political subdivision, or public and private providers
29 of transportation services affected by this chapter
30 assist such the providers in the development of a
31 fiscal and service plan which may be used by political
32 subdivisions them to co-ordinate and consolidate all
33 forms of urban and rural transportation services
34 except public school transportation, including but
35 not limited to, the following:".
- 36 5. Page 2, line 14, by striking the word
37 "effecting" and inserting in lieu thereof the words
38 "effecting affecting".
- 39 6. Page 3, line 10, by inserting after the word
40 "subdivisions" the words ", state agencies, and
41 organizations affected by this chapter".
- 42 7. Page 3, line 25, by inserting after the period
43 the words "The department shall receive comments from
44 the department of human services, commission on aging,
45 and the officers and agents of the other affected
46 state and local government units relative to the
47 department's analysis."
- 48 8. Page 3, line 26, by inserting after the word
49 "to" the words "adopt rules to".
- 50 9. Page 3, line 26, by inserting after the word

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Page Two

1 "with" the words "and exceptions to".

2 10. Page 3, line 33, by striking the word "for"
3 and inserting in lieu thereof the words "which meet
4 the needs of".

5 11. Page 3, line 34, by striking the words "as
6 well as" and inserting in lieu thereof the words "and
7 insure services adequate to the needs of".

8 12. Page 4, line 16, by inserting after the word
9 "department" the following: ", except that services
10 provided by or purchased by the department of human
11 services, which include transportation, shall be
12 subject to section 601J.5, subsection 3, paragraph
13 c".

14 13. Page 4, line 20, by inserting after the period
15 the following: "The department of human services,
16 commission on aging, and the officers and agents of
17 other state and local governmental units shall assist
18 the department in carrying out section 601J.4,
19 subsections 1 and 2, insofar as the functions of these
20 respective officers and departments are concerned
21 with the health, welfare and safety of any recipient
22 of transportation services."

23 14. Page 4, line 22, by inserting after the word
24 "services" the words ", except public school trans-
25 portation,".

26 15. Page 5, line 11, by striking the words "Any
27 agency or organization which".

28 16. Page 5, by striking lines 12 through 17.

29 17. Page 5, line 24, by striking the words "any
30 funds" and inserting in lieu thereof the words "funds
31 for transportation purposes".

32 18. Page 5, by inserting after line 28 the
33 following:

34 "c. The department of human services shall not
35 purchase services from any provider which has been
36 denied a certificate of compliance with chapter 601J
37 from the department.

38 d. The department shall establish an appeal process
39 under chapter 17A which allows those agencies or
40 organizations determined to not be in compliance with
41 this chapter an opportunity for a timely hearing
42 before the department.

43 e. The department shall, in accordance with chapter
44 17A, adopt and enforce rules setting minimum standards
45 for determination of compliance and certification.
46 The rules and standards required by this section shall
47 be formulated in consultation with all affected state
48 agencies, local government units with professional
49 and consumer groups affected, and shall be designed
50 to further the accomplishment of the purposes of this

H-6083

Page Three

1 chapter."

2 19. Page 5, by inserting after line 28 the
3 following new section:

4 "Sec. _____. The department shall establish two
5 pilot projects to evaluate the feasibility of
6 developing area-wide ride-sharing programs. One pilot
7 project shall be located in an urban area and the
8 other in a rural area. The department shall coordinate
9 its efforts with state and local agencies, existing
10 transportation providers and planning agencies. The
11 department shall consult with public and private
12 organizations to ascertain ride-sharing needs and
13 opportunities for client participation. Ride-sharing
14 in privately-owned vehicles shall be included in the
15 project. The department shall monitor the progress
16 of the projects and report at least once annually
17 to the general assembly and participating agencies.
18 It is intended that if the pilot programs prove that
19 ride-sharing is feasible, administration will be
20 delegated to the urban and regional transit systems.
21 The department shall implement in the pilot projects
22 appropriate telecommunications and data processing
23 technology to implement ride-sharing programs."

24 20. Renumber sections and correct internal
25 references as are necessary in accordance with this
26 amendment.

H-6083 FILED APRIL 4, 1984

RECEIVED FROM THE SENATE

Letter received 4/18 (p 2175)

S-5650

1 Amend House File 2386 as amended and passed by
2 the House, as follows:

3 1. Page 1, by inserting after line 30 the following
4 new subsection:

5 "NEW SUBSECTION. 8. "Transportation" means the
6 movement of individuals in a four or more wheeled
7 motorized vehicle designed to carry passengers,
8 including a car, van, or bus; between one geographic
9 point and another geographic point. "Transportation"
10 does not include emergency or incidental trans-
11 portation or transportation conducted by the department
12 of human services at its institutions."

13 2. Page 1, line 31, by inserting after the figure
14 "601J.2," the words and figure "unnumbered paragraph
15 1 and".

16 3. Page 1, by inserting after line 32 the
17 following:

18 "The department may shall, at the request of a
19 state agency, political subdivision, or public transit
20 system or organization affected by this chapter,
21 provide to them the following technical transportation
22 assistance ~~to the political subdivision~~:".

23 4. Page 2, by inserting after line 9 the following
24 new section:

25 "Sec. . Section 601J.3, unnumbered paragraph
26 1, Code 1983, is amended to read as follows:

27 The department may shall at the request of a
28 political subdivision, or public and private providers
29 of transportation services affected by this chapter
30 assist such the providers in the development of a
31 fiscal and service plan which may be used by political
32 subdivisions them to co-ordinate and consolidate all
33 forms of urban and rural transportation services
34 except public school transportation, including but
35 not limited to, the following:".

36 5. Page 2, line 14, by striking the word
37 "effecting" and inserting in lieu thereof the words
38 "effecting affecting".

39 6. Page 3, line 10, by inserting after the word
40 "subdivisions" the words ", state agencies, and
41 organizations affected by this chapter".

42 7. Page 3, line 25, by inserting after the period
43 the words "The department shall receive comments from
44 the department of human services, commission on aging,
45 and the officers and agents of the other affected
46 state and local government units relative to the
47 department's analysis."

48 8. Page 3, line 26, by inserting after the word
49 "to" the words "adopt rules to".

50 9. Page 3, line 26, by inserting after the word

S-5650
PAGE 2

1 "with" the words "and exceptions to".

2 10. Page 3, line 33, by striking the word "for"
3 and inserting in lieu thereof the words "which meet
4 the needs of".

5 11. Page 3, line 34, by striking the words "as
6 well as" and inserting in lieu thereof the words "and
7 insure services adequate to the needs of".

8 12. Page 4, line 16, by inserting after the word
9 "department" the following: "except that services
10 provided by or purchased by the department of human
11 services, which include transportation, shall be
12 subject to section 601J.5, subsection 3, paragraph
13 c".

A 14 13. Page 4, line 20, by inserting after the period
15 the following: "The department of human services,
16 commission on aging, and the officers and agents of
17 other state and local governmental units shall assist
18 the department in carrying out section 601J.4,
19 subsections 1 and 2, insofar as the functions of these
20 respective officers and departments are concerned
21 with the health, welfare and safety of any recipient
22 of transportation services."

23 14. Page 5, line 11, by striking the words "Any
24 agency or organization which".

25 15. Page 5, by striking lines 12 through 17.

26 16. Page 5, by inserting after line 28 the
27 following:

28 "c. The department of human services shall not
29 purchase services from any provider which has been
30 denied a certificate of compliance with chapter 601J
31 from the department.

32 d. The department shall establish an appeal process
33 under chapter 17A which allows those agencies or
34 organizations determined to not be in compliance with
35 this chapter an opportunity for a timely hearing
36 before the department.

37 e. The department shall, in accordance with chapter
38 17A, adopt and enforce rules setting minimum standards
39 for determination of compliance and certification.
40 The rules and standards required by this section shall
41 be formulated in consultation with all affected state
42 agencies, local government units with professional
43 and consumer groups affected, and shall be designed
44 to further the accomplishment of the purposes of this
45 chapter."

46 17. Page 5, by inserting after line 28 the
47 following new section:

48 "Sec. ____ Chapter 601J, Code 1983, is amended
49 by adding the following new section:

50 NEW SECTION. 601J.6 SCHOOL TRANSPORTATION

SENATE 15
MARCH 30, 1984

S-5650
PAGE 3

1 COORDINATION. Each school district shall submit a
2 report to the department not later than July 1, 1985
3 to identify those uses of the school transportation
4 system which are subject to section 601J.4. Not later
5 than March 1, 1986, the department shall submit a
6 report to the general assembly making its
7 recommendations for coordination of the public school
8 transportation system with the state transit plan.
9 School districts shall conform with section 601J.4
10 on or before July 1, 1987."

11 18. Renumber sections and correct internal
12 references as are necessary in accordance with this
13 amendment.

S-5650 FILED BY JOE WELSH
MARCH 29, 1984

DIVISION A - *Adopted 3/30 (p. 1201)*

DIVISION B - *House (p. 1202)*
Motion to Reconsider (p. 1202) and of order 4/4 (1205)

HOUSE FILE 2386

S-5353

1 Amend House File 2386 as passed by the House as
2 follows:

3 1. Page 5, line 24, by striking the words "any
4 funds" and inserting in lieu thereof the words "funds
5 for transportation purposes".

S-5353 FILED

BY C. JOSEPH COLEMAN

MARCH 12, 1984

Adopted 3/30 (p 1201)

HOUSE FILE 2386

S-5366

1 Amend House File 2386, as amended and passed by
2 the House, as follows:

3 1. Page 5, by inserting after line 28 the following
4 new section:

5 "Sec. ____ The department shall establish two
6 pilot projects to evaluate the feasibility of
7 developing area-wide ride-sharing programs. One pilot
8 project shall be located in an urban area and the
9 other in a rural area. The department shall coordinate
10 its efforts with state and local agencies, existing
11 transportation providers and planning agencies. The
12 department shall consult with public and private
13 organizations to ascertain ride-sharing needs and
14 opportunities for client participation. Ride-sharing
15 in privately-owned vehicles shall be included in the
16 project. The department shall monitor the progress
17 of the projects and report at least once annually
18 to the general assembly and participating agencies.
19 It is intended that if the pilot programs prove that
20 ride-sharing is feasible, administration will be
21 delegated to the urban and regional transit systems.
22 The department shall implement in the pilot projects
23 appropriate telecommunications and data processing
24 technology to implement ride-sharing programs."

25 2. Renumber sections and correct internal
26 references as necessary in accordance with this
27 amendment.

S-5366 FILED

BY ARNE WALDSTEIN

MARCH 13, 1984

JOE J. WELSH

Adopted 3/30 (p 1202)

RICHARD F. DRAKE

HOUSE FILE 2386

S-5415

1 Amend House File 2386 as follows:

2 1. Page 4, line 22, by inserting after the word
3 "services" the words ", except public school trans-
4 portation,".

S-5415 FILED

BY HURLEY W. HALL

MARCH 15, 1984

Adopted 3/30 (p 1201)
Motion to reconsider (p 1209) Lost 4/4 (p 1245)

HOUSE FILE 2386

AN ACT

RELATING TO TRANSPORTATION PROGRAMS BY DEFINING A PUBLIC TRANSIT SYSTEM, REQUIRING COORDINATED FUNDING AND SERVICES, ESTABLISHING CRITERIA TO DETERMINE COMPLIANCE, AND PROVIDING PENALTIES FOR VIOLATIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 601J.1, Code 1983, is amended by adding the following new subsections:

NEW SUBSECTION. 5. "Public transit system" means an urban or regional transit system providing transit services accessible to the general public and receiving federal, state or local tax support.

NEW SUBSECTION. 6. "Urban transit system" means a system designated by the department in which motor buses are operated primarily upon the streets of cities for the transportation of passengers who present themselves for transportation without discrimination up to the limit of the capacity of each motor bus. "Urban transit system" also includes motor buses operated upon the streets of adjoining cities, whether interstate or intrastate for the transportation of passengers without discrimination up to the limit of the capacity of each motor bus. A privately chartered bus service or interurban carrier subject to the jurisdiction of the state department of transportation is not an urban transit system.

NEW SUBSECTION. 7. "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 and the department. Each county, through the county board of supervisors, within the region shall be responsible for determining the service and funding within its own county. However, the administration and overhead support services for the regional transit system shall be consolidated into one existing or new agency to be mutually agreed upon by the participating members.

NEW SUBSECTION. 8. "Transportation" means the movement of individuals in a four or more wheeled motorized vehicle designed to carry passengers, including a car, van, or bus, between one geographic point and another geographic point. "Transportation" does not include emergency or incidental transportation or transportation conducted by the department of human services at its institutions.

Sec. 2. Section 601J.2, unnumbered paragraph 1 and subsections 1 and 2, Code Supplement 1983, are amended to read as follows:

The department ~~may shall~~, at the request of a state agency, political subdivision, or public transit system or organization affected by this chapter, provide to them the following technical transportation assistance ~~to the political subdivision~~:

1. An evaluation of existing ~~urban-and-rural-transportation~~ public transit systems, including but not limited to an evaluation of rolling stock, the costs of operation including the costs of fuel, maintenance and personnel and the development of common management and operating systems and procedures.

2. An analysis of existing urban and rural transit system services provided for transportation disadvantaged persons and the service needs of transportation disadvantaged persons.

including an evaluation of specialized equipment required to meet the service needs of transportation disadvantaged persons.

Sec. 3. Section 601J.3, unnumbered paragraph 1, Code 1983 is amended to read as follows:

The department ~~may~~ shall at the request of a political subdivision, or public and private providers of transportation services affected by this chapter assist ~~such~~ the providers in the development of a fiscal and service plan which may be used by ~~political subdivisions~~ them to co-ordinate and consolidate all forms of urban and rural transportation services except public school transportation, including but not limited to, the following:

Sec. 4. Section 601J.4, subsection 1, Code 1983, is amended to read as follows:

1. The department shall compile and maintain current information on available and pending federal, state, local, and private aid ~~effecting~~ affecting urban and rural public transit programs. Public, private, and private nonprofit organizations applying for or receiving federal, state or local aid for providing transit services shall provide a copy of their fiscal year operating budget annually prior to ~~December June~~ 1 depicting funds used for public transit programs and such other information as the department may require prior to receiving any federal or state funds or any aid from a political subdivision of the state. The operating budget shall list all of the funding sources of the organization along with the listing of funds expended by that organization during the preceding fiscal year. The department, in co-operation with the regional planning agencies as the responsible agency for annual updating the regional transit development programs, shall compile this information annually. Any state agency or organization administering funds for transit services is required to submit all funding requests through the regional and state clearinghouse and the state

department of transportation. Any organization ~~receiving federal, state or local aid to provide or contract for transit services, state agency, political subdivision, and public transit system, except public school transportation, must be in compliance with the state transit plan~~ receiving federal, state or local aid to provide or contract for public transit services or transportation to the general public and specific client groups, must coordinate and consolidate funding and resulting service, to the maximum extent possible, with the urban or regional transit system.

Sec. 5. Section 601J.4, subsection 2, Code 1983, is amended to read as follows:

2. Upon request, the department shall provide assistance to political subdivisions, state agencies, and organizations affected by this chapter for federal aid applications for urban and rural ~~public~~ transit system program aid. The department, in co-operation with the regional planning agencies, shall maintain current information reflecting the amount of federal, state and local aid received by the public and private nonprofit organizations providing public transit services and the purpose for which ~~such~~ the aid is received. The department shall annually prepare a report to be submitted to the general assembly, the office for planning and programming, and to the governor, prior to February 1 of each year, stating the receipts and disbursements made during the preceding fiscal year and the adequacy of programs financed by federal, state, local, and private aid in the state. The department shall analyze the programs financed and recommend methods of avoiding duplication and increasing the efficacy of programs financed. The department shall receive comments from the department of human services, commission on aging, and the officers and agents of the other affected state and local government units relative to the department's analysis. The department shall use the following criteria to adopt rules to determine compliance with and exceptions to subsection 1:

- a. Elimination of duplicative and inefficient administrative costs, policies and management.
- b. Utilization of resources for transportation services effectively and efficiently.
- c. Elimination of duplicative and inefficient transportation services.
- d. Development of transportation services which meet the needs of the general public and insure services adequate to the needs of transportation disadvantaged persons.
- e. Protection of the rights of private enterprise public transit providers.
- f. Coordination of planning for transportation services at the urban and regional level by all agencies or organizations receiving public funds that are purchasing or providing transportation services.
- g. Management of equipment and facilities purchased with public funds so that efficient and routine maintenance and replacement is accomplished.
- h. Training of transit management, drivers and maintenance personnel to provide safe, efficient, and economical transportation services.
- i. Eligibility to receive or expend federal, state or local funds for transportation services by all agencies or organizations purchasing or providing these services shall be contingent upon compliance with these criteria as determined by the department, except that services provided by or purchased by the department of human services, which include transportation, shall be subject to section 601J.5, subsection 3, paragraph c.

Sec. 6. Chapter 601J, Code 1983, is amended by adding the following new section:

NEW SECTION. 601J.5 COORDINATION OF TRANSPORTATION SERVICES. The department of human services, commission on aging, and the officers and agents of other state and local governmental units shall assist the department in carrying

out section 601J.4, subsections 1 and 2, insofar as the functions of these respective officers and departments are concerned with the health, welfare and safety of any recipient of transportation services.

1. Prior to July 1, 1985 all agencies or organizations purchasing or providing transportation services, except public school transportation, with federal, state or local funds shall comply with section 601J.4.

2. Any agency or organization found to be in noncompliance with section 601J.4 shall be notified in writing by the department of those activities which are not in compliance. The notice shall also provide for a period of thirty days during which compliance with section 601J.4 can be accomplished without penalty or sanction.

3. If noncompliant activities continue after the period of thirty days, the department shall, in cooperation with the attorney general and the state comptroller, initiate the following actions:

a. If the activities that are not in compliance with section 601J.4 are funded with state or federal funds which are administered by the state and can be used by agencies or organizations that are in compliance with section 601J.4, then upon notice by the department, the state comptroller shall not permit the expenditure of ten percent of the funds during fiscal year 1986, an additional twenty percent of funds during the following year, an additional thirty percent during the third year, and the remaining funds in the fourth year that the activities remain in noncompliance. Any funds retained by the state comptroller shall be distributed to agencies and organizations eligible to receive the funds for transportation purposes.

b. If the activities that are not in compliance with section 601J.4 are funded with state, federal or local funds which are not administered by the state or cannot be used by agencies and organizations that are in compliance with

section 6013.4, then upon notice by the department, the attorney general shall file an action to enjoin agencies or organizations from expending funds for transportation purposes until and unless compliance with section 6013.4 is achieved. If federal funds are involved in such cases, then the attorney general shall notify the responsible federal agency of the actions and request its cooperation.

c. The department of human services shall not purchase services from any provider which has been denied a certificate of compliance with chapter 6013 from the department.

d. The department shall establish an appeal process under chapter 17A which allows those agencies or organizations determined to not be in compliance with this chapter an opportunity for a timely hearing before the department.

e. The department shall, in accordance with chapter 17A, adopt and enforce rules setting minimum standards for determination of compliance and certification. The rules and standards required by this section shall be formulated in consultation with all affected state agencies, local government units with professional and consumer groups affected, and shall be designed to further the accomplishment of the purposes of this chapter.

Sec. 7. The department shall establish two pilot projects to evaluate the feasibility of developing area-wide ride-sharing programs. One pilot project shall be located in an urban area and the other in a rural area. The department shall coordinate its efforts with state and local agencies, existing transportation providers and planning agencies. The department shall consult with public and private organizations to ascertain ride-sharing needs and opportunities for client participation. Ride-sharing in privately-owned vehicles shall be included in the project. The department shall monitor the progress of the projects and report at least once annually to the general assembly and participating agencies. It is intended that if the pilot programs prove

that ride-sharing is feasible, administration will be delegated to the urban and regional transit systems. The department shall implement in the pilot projects appropriate telecommunications and data processing technology to implement ride-sharing programs.

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DONALD D. AVERSON
Speaker of the House

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CHARLES P. MILLER
President Pro Tempore of the
Senate

I hereby certify that this Bill originated in the House and is known as House File 2386, Seventieth General Assembly

JOSEPH O'HEARN
Chief Clerk of the House

Approved May 8 1984

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TERRY E. BRANSTAD
Governor