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FILED APR 13 1989
ways & means

SENATE FILE **524**
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 374)

Passed Senate, Date 4-18-89 (p.152) Passed House, Date 4-27-89 (p.2135)
Vote: Ayes 32 Nays 17 Vote: Ayes 64 Nays 35
Approved June 2, 1989

A BILL FOR

1 An Act relating to funding available for roads including
2 appropriations of moneys to the affected jurisdictions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 524

3757

1 Section 1. Section 306.4, subsection 3, Code 1989, is
2 amended by adding the following new unnumbered paragraph:
3 NEW UNNUMBERED PARAGRAPH. The county board of supervisors
4 has the duty to provide snow removal on all extensions of the
5 trunk and trunk collector systems located within a city with a
6 population of less than one thousand persons. The population
7 of a city, for purposes of this paragraph, shall be the total
8 population of the city and shall be determined in the same
9 manner as provided in section 312.3, subsections 2 through 5.

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10 Sec. 2. Section 310.10, Code 1989, is amended to read as
11 follows:

12 310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

13 The farm-to-market road system shall embrace those roads as
14 defined in section 306.3, subsection 5. However, a road which
15 is classified as being part of the arterial or arterial
16 connector system under chapter 306 but whose jurisdiction
17 still vests in the county in which it is located, shall be
18 deemed to be part of the farm-to-market road system until the
19 time the jurisdiction of the road is transferred to the
20 department.

21 Sec. 3. Section 312.1, unnumbered paragraph 2, Code 1989,
22 is amended to read as follows:

23 Notwithstanding section 453.7, subsection 2, interest or
24 earnings on investments or time deposits of the moneys in the
25 road use tax fund and the funds to which moneys from the road
26 use tax fund are credited shall be credited to the respective
27 funds-which-generated-the-interest-or-earnings road use tax
28 fund.

3776 29 Sec. 4. Section 312.2, subsections 1 through 4, Code 1989,
30 are amended to read as follows:

31 1. To the primary road fund, ~~forty-five~~ forty-six percent.

32 2. To the secondary road fund of the counties, ~~twenty-~~
33 ~~eight~~ twenty-seven percent in the fiscal year beginning July
34 1, 1989, and twenty-six percent beginning July 1, 1990.

35 3. To the farm-to-market road fund, ~~nine~~ eight percent.

1 4. To the street construction fund of the cities, eighteen
2 nineteen percent in the fiscal year beginning July 1, 1989,
3 and twenty percent beginning July 1, 1990.

4 Sec. 5. Section 312.2, Code 1989, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 19. a. For the fiscal period beginning
7 July 1, 1989, and ending June 30, 1991, the treasurer of
8 state, before making the allotments provided in this section,
9 shall annually credit to the secondary road fund an amount to
10 hold harmless the secondary road fund from changes in the
11 allocation formula incorporated in this Act. The amount
12 credited under this paragraph shall equal the amount, if any,
13 by which the base year amount exceeds the amount of moneys
14 credited to the secondary road fund under subsection 2. For
15 purposes of this paragraph, the "base year amount" is the
16 amount of moneys credited to the secondary road fund from the
17 state road use tax fund for the fiscal year beginning July 1,
18 1988.

19 b. For the fiscal period beginning July 1, 1989, and
20 ending June 30, 1991, the treasurer of state, before making
21 the allotments provided in this section, shall annually credit
22 to the farm-to-market road fund an amount to hold harmless the
23 farm-to-market road fund from changes in the allocation
24 formula incorporated in this Act. The amount credited under
25 this paragraph shall equal the amount, if any, by which the
26 base year amount exceeds the amount of moneys credited to the
27 farm-to-market road fund under subsection 3. For purposes of
28 this paragraph, the "base year amount" is the amount of moneys
29 credited to the farm-to-market road fund from the state road
30 use tax fund for the fiscal year beginning July 1, 1988.

31 c. This subsection is repealed effective July 1, 1991.

32 Sec. 6. Section 312.16, Code 1989, is amended to read as
33 follows:

34 312.16 DEFINITION DEFINITIONS.

35 As used in this chapter, unless the context otherwise

1 requires ~~7~~ -- "department":

2 1. "Department" means the state department of
3 transportation.

4 2. "Fiscal year" means the period of twelve months
5 beginning on July 1 and ending on June 30.

3757 > 6 Sec. 7. Section 315.4, Code 1989, is amended by adding the
7 following new unnumbered paragraph:

8 NEW UNNUMBERED PARAGRAPH. Commencing June 30, 1990, all
9 uncommitted moneys in the RISE fund on June 30 of each year
10 which are allocated under this section for the use of counties
3781 11 on secondary road projects shall be credited to the secondary
12 road fund.

3778 > 13 Sec. 8. 1988 Iowa Acts, chapter 1019, sections 21, 23, and
14 24, are repealed.

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15 EXPLANATION

16 Section 1 provides that each county board of supervisors
17 has the duty to provide snow removal on all extensions of the
18 trunk and trunk collector systems located within a city having
19 a population under one thousand.

20 Section 2 provides that a road which has been classified as
21 being part of the arterial or arterial connector systems
22 (primary roads) but whose jurisdiction still vests in the
23 county shall be deemed to be part of the farm-to-market road
24 system until the time the jurisdiction of the road is
25 transferred to the state department of transportation. This
26 allows farm-to-market road funds to be used on these roads.

27 Section 3 provides for the crediting to the road use tax
28 fund of any interest or earning on investments or time
29 deposits of the moneys in the road use tax fund and the funds
30 to which moneys from the road use tax fund are credited.

31 Section 4 assigns the allocation of road use tax funds
32 after the application of all the off-the-top allocations.
33 Forty-six percent is allocated to the primary road fund;
34 beginning July 1, 1989, twenty-seven percent, and beginning
35 July 1, 1990, twenty-six percent is allocated to the secondary

1 road fund of the counties; eight percent is allocated to the
2 farm-to-market road fund; and beginning July 1, 1989, nineteen
3 percent, and beginning July 1, 1990, twenty percent is
4 allocated to the street construction fund of the cities.

5 Section 5 provides an off-the-top allocation of road use
6 tax funds to hold harmless the amounts allocated in the
7 formula to the secondary road fund and the farm-to-market road
8 fund for a two-year period beginning July 1, 1989.

9 Section 6 adds the definition of fiscal year to chapter
10 312.

11 Section 7 provides that commencing June 30, 1990, all
12 uncommitted RISE fund moneys on June 30 of each year which are
13 allocated for use of counties on secondary road projects are
14 to be credited to the secondary road fund.

15 Section 8 repeals sections from a gas tax increase bill
16 enacted in 1988 which provided for special allocations of road
17 use tax fund moneys effective July 1, 1989, and April 1, 1990.

18 This bill may contain a state mandate as defined in section
19 25B.3.

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SENATE FILE 524

S-3757

1 Amend Senate File 524 as follows:

2 1. Page 1, by inserting before line 1 the
3 following:

4 "Sec. _____. NEW SECTION. 111A.12 COUNTY
5 ALLOCATION OF SECONDARY ROAD FUNDS FOR COUNTY
6 CONSERVATION PROJECTS.

7 A county board of supervisors may make available to
8 its county conservation board for the improvement,
9 construction, or reconstruction of the county
10 conservation parkways within the county any portion of
11 the county's allotment of secondary road funds as
12 provided under section 309.93A."

13 2. Page 1, by inserting before line 10 the
14 following:

15 "Sec. _____. NEW SECTION. 309.93A COUNTY
16 ALLOCATION OF SECONDARY ROAD FUNDS FOR COUNTY
17 CONSERVATION PARKWAY PROJECTS.

18 A county, in any year, by resolution of its board
19 of supervisors, may make available for improvement,
20 construction, or reconstruction of county conservation
21 parkways within the county any portion of its
22 allotment of secondary road funds to its county
23 conservation board. However, the improvement,
24 construction, or reconstruction project for the county
25 conservation parkway shall be included as part of the
26 county's secondary road construction program under
27 section 309.22 and is subject to review by the
28 department under section 309.94, and subject to
29 program operation requirements under section 309.96,
30 subsection 2."

31 3. Page 3, by inserting after line 5 the
32 following:

33 "Sec. _____. Section 315.3, Code 1989, is amended by
34 adding the following new subsection:

35 NEW SUBSECTION. 1A. The fund is also appropriated
36 for and may be used for expenditures that are of a
37 nonrecurring nature which result in long-term
38 improvements in state park roads, county conservation
39 parkways, or the great river road. As used in this
40 subsection, "great river road" means great river road
41 as defined in section 308.3. For purposes of sections
42 315.4 and 315.6, expenditures for great river road
43 projects may be funded from primary road projects,
44 secondary road projects, and city street projects
45 depending upon the classification of that portion of
46 the great river road involved in the project. For
47 purposes of section 315.4, a state park road project
48 shall be deemed to be a primary road project and a
49 county conservation parkway project shall be deemed to
50 be a secondary road project. Except for subsection 7

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1 of section 315.11, section 315.11 does not apply to
2 applications submitted for funds under this
3 subsection. Notwithstanding section 315.5, the
4 department in ranking applications for funds shall
5 only consider the proportion of political subdivision
6 matching funds to be provided, if any, the proportion
7 of private contributions to be provided, if any, and
8 the level of need.

9 Sec. ____ . Section 315.3, subsection 2, Code 1989,
10 is amended to read as follows:

11 2. The fund is also appropriated and shall be used
12 for the reimbursement or payment to cities or counties
13 of all or part of the interest and principal on
14 general obligation bonds issued by cities or counties
15 for the purpose of financing approved road and street
16 projects meeting the requirements of subsection 1 or
17 1A."

By JIM LIND

S-3757 FILED APRIL 18, 1989

RULED OUT OF ORDER

4-18-89 (p.1527)

SENATE FILE 524

S-3776

- 1 Amend Senate File 524 as follows:
- 2 1. By striking page 1, line 31, through page 2,
- 3 line 3, and inserting the following:
- 4 "1. To the primary road fund, forty-five fifty-two
- 5 percent.
- 6 2. To the secondary road fund of the counties,
- 7 twenty-eight twenty-two percent.
- 8 3. To the farm-to-market road fund, nine seven
- 9 percent.
- 10 4. To the street construction fund of the cities,
- 11 eighteen nineteen percent."

By MICHAEL E. GRONSTAL

S-3776 FILED APRIL 18, 1989
LOST 4-18-89 (p.1328)

SENATE FILE 524

S-3778

- 1 Amend Senate File 524 as follows:
- 2 1. Page 3, by inserting before line 13 the
- 3 following:
- 4 "Sec. _____. Section 307.38, Code 1989, is repealed.
- 5 This section applies to amounts which, except for the
- 6 provisions of this section, would have been due and
- 7 payable under section 307.38 after the effective date
- 8 of this section."

By JULIA B. GENTLEMAN
ELAINE SZYMONIAK

S-3778 FILED APRIL 18, 1989
RULED OUT OF ORDER 4-18-89 (p.1528)

SENATE FILE 524

S-3779

- 1 Amend Senate File 524 as follows:
- 2 1. Page 3, by inserting before line 15 the
- 3 following:
- 4 "Sec. _____. Except for the provisions of section 5
- 5 of this Act relating to hold harmless of funding for
- 6 secondary roads and farm-to-market roads, it is the
- 7 intent of the general assembly that no additional
- 8 statutory off-the-top allocations from the road use
- 9 tax fund shall be enacted by the general assembly."

By JOHN W. JENSEN

S-3779 FILED APRIL 18, 1989
ADOPTED 4-18-89 (p.1509)

SENATE FILE 524

S-3781

- 1 Amend Senate File 524 as follows:
- 2 1. Page 3, lines 11 and 12, by striking the words
- 3 "secondary road fund" and inserting the following:
- 4 "RISE fund and allocated on a competitive basis for
- 5 the use of the department on primary road projects and
- 6 the cities on city street projects".

By ELAINE SZYMONIAK
JULIA GENTLEMAN

S-3781 FILED APRIL 18, 1989
LOST 4-18-89 (p.1524)

SENATE FILE 524

FISCAL NOTE

A fiscal note for **SENATE FILE 524** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 524 establishes a new formula for allocation of the Road Use Tax Fund receipts, changes the credit of interest and earnings from the Road Use Tax Fund and its beneficiary funds, and provides for year end uncommitted county RISE funds to be credited to the Secondary Road Fund.

SECTION ANALYSIS

Section 3 credits any interest or earnings on investments or deposits of moneys, in the beneficiary funds of the Road Use Tax Fund, to the Road Use Tax Fund.

Under current law the Road Use Tax Fund and its' beneficiary funds receive a proportionate share of interest based on the balance in those funds to the total investment pool. This change is estimated to increase Road Use Tax Fund receipts by \$7 million annually. This increase will be offset by a loss of that interest being credited to the beneficiary funds, primarily the RISE fund.

Section 4 establishes a new allocation formula for distribution of the Road Use Tax Fund.

Section 5 provides an off-the-top allocation of Road Use Tax Funds to hold harmless the amounts allocated in the formula to the Secondary Road Fund and the Farm-to-Market Road Fund. The base year for the hold harmless provision is FY 1989.

The table below shows the estimated distribution of FY 1990 and FY 1991 receipts under current and proposed law.

(dollars in thousands)

	Fiscal Year 1990			Fiscal Year 1991		
	Current	Proposed	Increase	Current	Proposed	Increase
	Law	Law	(Decrease)	Law	Law	(Decrease)
REVENUE	\$ 645,800	\$ 652,800	\$ 7,000	\$ 662,100	\$ 669,100	\$ 7,000
DISTRIBUTION						
Primary	\$ 261,400	\$ 262,000	\$ 600	\$ 260,200	\$ 268,900	\$ 8,700
Farm-Market	\$ 50,200	\$ 46,100	\$ (4,100)	\$ 51,200	\$ 46,300	\$ (4,900)
Secondary	\$ 146,200	\$ 147,000	\$ 800	\$ 154,700	\$ 145,500	\$ (9,200)
Rises	\$ 93,800	\$ 103,400	\$ 9,600	\$ 99,500	\$ 111,900	\$ 12,400
RISE	\$ 33,200	\$ 33,200	\$ 0	\$ 33,400	\$ 33,400	\$ 0
Off-the-top	\$ 61,000	\$ 61,100	\$ 100	\$ 63,100	\$ 63,100	\$ 0
Total	\$ 645,800	\$ 652,800	\$ 7,000	\$ 662,100	\$ 669,100	\$ 7,000

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Table Notes:Current Law

1. Assumes a 2.5% growth in total receipts credited to the Road Use Tax Fund From FY 1990 to FY 1991.
2. Rise Funds are allocated 50% state, 25% county, 25% city.
3. FY 1990 allocations include a special one time appropriation to the funds.
4. Primary amounts equal \$11.5 million "off-the-top" plus 45% of net Road Use Tax Fund revenues.
5. Farm-Market amount equals \$1.5 million "off-the-top" plus 9% of the net Road Use Tax Fund revenues.
6. Secondary amount equals 28% of the net Road Use Tax Fund revenues.
7. Cities amount equals 18% of the net Road Use Tax Fund revenues.

Proposed Law

1. Assumes a 2.5% growth in total receipts credited to the Road Use Tax Fund from FY 1990 to FY 1991.
2. Interest is credited to Road Use Tax Fund, as specified in Section 3.
3. Rise Funds are allocated 50% state, 25% county, 25% city.
4. Primary amounts equal \$11.5 million "off-the-top" plus 46% of net Road Use Tax Fund revenues.
5. Farm-Market amount equals \$1.5 million "off-the-top" plus 8% of the net Road Use Tax Fund revenues.
6. Secondary amount equals 27%, in FY 1990, of the net Road Use Tax Fund revenues, and 26% in FY 1991.
7. Cities amount equals 19%, in FY 1990, of the net Road Use Tax Fund revenues, and 20% in FY 1991.

Section 7 provides that uncommitted RISE funds, at the end of each fiscal year, which are allocated for use of counties on secondary road projects are to be credited to the Secondary Road Fund.

The balance which will be uncommitted in FY 1989 is currently estimated at \$7.5 million. Year end balances will change significantly depending on project submissions and approvals.

Source: Department of Transportation

(LSB 2694sw, DER)

FILED APRIL 19, 1989

BY DENNIS PROUTY, FISCAL DIRECTOR

4111 amended
1 Section 1. Section 306.4, subsection 3, Code 1989, is
2 amended by adding the following new unnumbered paragraph:
3 NEW UNNUMBERED PARAGRAPH. The county board of supervisors
4 has the duty to provide snow removal on all extensions of the
5 trunk and trunk collector systems located within a city with a
6 population of less than one thousand persons. The population
7 of a city, for purposes of this paragraph, shall be the total
8 population of the city and shall be determined in the same
9 manner as provided in section 312.3, subsections 2 through 5.

10 Sec. 2. Section 310.10, Code 1989, is amended to read as
11 follows:

12 310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

13 The farm-to-market road system shall embrace those roads as
14 defined in section 306.3, subsection 5. However, a road which
15 is classified as being part of the arterial or arterial
16 connector system under chapter 306 but whose jurisdiction
17 still vests in the county in which it is located, shall be
18 deemed to be part of the farm-to-market road system until the
19 time the jurisdiction of the road is transferred to the
20 department.

21 Sec. 3. Section 312.1, unnumbered paragraph 2, Code 1989,
22 is amended to read as follows:

23 Notwithstanding section 453.7, subsection 2, interest or
24 earnings on investments or time deposits of the moneys in the
25 road use tax fund and the funds to which moneys from the road
26 use tax fund are credited shall be credited to the respective
27 funds-which-generated-the-interest-or-earnings road use tax
28 fund.

29 Sec. 4. Section 312.2, subsections 1 through 4, Code 1989,
30 are amended to read as follows:

31 1. To the primary road fund, ~~forty-five~~ forty-six percent.

32 2. To the secondary road fund of the counties, ~~twenty-~~
33 eight ~~twenty-seven~~ percent in the fiscal year beginning July
34 1, 1989, and twenty-six percent beginning July 1, 1990.

35 3. To the farm-to-market road fund, ~~nine~~ eight percent.

1 4. To the street construction fund of the cities, eighteen
2 nineteen percent in the fiscal year beginning July 1, 1989,
3 and twenty percent beginning July 1, 1990.

4 Sec. 5. Section 312.2, Code 1989, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 19. a. For the fiscal period beginning
7 July 1, 1989, and ending June 30, 1991, the treasurer of
8 state, before making the allotments provided in this section,
9 shall annually credit to the secondary road fund an amount to
10 hold harmless the secondary road fund from changes in the
11 allocation formula incorporated in this Act. The amount
12 credited under this paragraph shall equal the amount, if any,
13 by which the base year amount exceeds the amount of moneys
14 credited to the secondary road fund under subsection 2. For
15 purposes of this paragraph, the "base year amount" is the
16 amount of moneys credited to the secondary road fund from the
17 state road use tax fund for the fiscal year beginning July 1,
18 1988.

19 b. For the fiscal period beginning July 1, 1989, and
20 ending June 30, 1991, the treasurer of state, before making
21 the allotments provided in this section, shall annually credit
22 to the farm-to-market road fund an amount to hold harmless the
23 farm-to-market road fund from changes in the allocation
24 formula incorporated in this Act. The amount credited under
25 this paragraph shall equal the amount, if any, by which the
26 base year amount exceeds the amount of moneys credited to the
27 farm-to-market road fund under subsection 3. For purposes of
28 this paragraph, the "base year amount" is the amount of moneys
29 credited to the farm-to-market road fund from the state road
30 use tax fund for the fiscal year beginning July 1, 1988.

31 c. This subsection is repealed effective July 1, 1991.

32 Sec. 6. Section 312.16, Code 1989, is amended to read as
33 follows:

34 312.16 DEFINITION DEFINITIONS.

35 As used in this chapter, unless the context otherwise

1 requires,--"department":

2 1. "Department" means the state department of
3 transportation.

4 2. "Fiscal year" means the period of twelve months
5 beginning on July 1 and ending on June 30.

6 Sec. 7. Section 315.4, Code 1989, is amended by adding the
7 following new unnumbered paragraph:

8 NEW UNNUMBERED PARAGRAPH. Commencing June 30, 1990, all
9 uncommitted moneys in the RISE fund on June 30 of each year
10 which are allocated under this section for the use of counties
11 on secondary road projects shall be credited to the secondary
12 road fund.

13 Sec. 8. 1988 Iowa Acts, chapter 1019, sections 21, 23, and
14 24, are repealed.

15 Sec. 9. Except for the provisions of section 5 of this Act
16 relating to hold harmless of funding for secondary roads and
17 farm-to-market roads, it is the intent of the general assembly
18 that no additional statutory off-the-top allocations from the
19 road use tax fund shall be enacted by the general assembly.

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SENATE FILE 524

H-4111

1 Amend Senate File 524, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

4238-5 "Section 1. Section 306.4, Code 1989, is amended
6 by adding the following new subsection:

4245-7 NEW SUBSECTION. 2A. a. Commencing July 1, 1990,
8 the jurisdiction and control over an extension of the
9 trunk or trunk collector system within a city with a
10 total population of less than five hundred persons
11 vests in the county board of supervisors.

12 b. Commencing July 1, 1990, the jurisdiction and
13 control over an extension of the trunk or trunk
14 collector system within a city with a total population
15 of at least five hundred persons but less than one
16 thousand persons vests in the county board of
17 supervisors unless the city certifies by January 1,
18 1990, to the department that the city by ordinance or
19 resolution has elected to exercise its option of
20 having the jurisdiction and control over the extension
21 vest with the city.

22 If after July 1, 1990, a city wishes to exercise
23 its option of having the jurisdiction and control over
24 the extension vest with the city, or wishes to rescind
25 its election of having jurisdiction and control over
26 the extension vest with the city, it shall certify
27 that the city has by ordinance or resolution so
28 elected or rescinded, and the effective date of the
29 election or rescission shall be July 1 following a
30 five-year period from the date of the certification of
31 the election or rescission with the department.

32 However, the jurisdictional and control change shall
33 be effective at an earlier date if the city and all
34 affected counties agree to an earlier transition date.

35 c. The population of a city for purposes of this
36 subsection, shall be the total population of the city
37 and shall be determined in the same manner as provided
38 in section 312.3, subsections 2 through 5. If
39 application of paragraph "a" or "b" changes for a city
40 due to a new federal census, a boundary annexation, or
41 a consolidation, the effective date of the changed
42 application of paragraphs "a" and "b" shall commence
43 July 1 following the five-year period from the date of
44 the taking of the new federal census or the date of
45 the annexation or consolidation. However, the
46 jurisdictional and control change shall be effective
47 at an earlier date if the city and all affected
48 counties agree to an earlier transition date. If the
49 change in application is such that the exercise of
50 jurisdiction and control is at the option of the city,

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1 the jurisdiction and control of the extension shall
2 vest in the county board of supervisors unless the
3 city elects to have the jurisdiction and control vest
4 with the city as provided in paragraph "b".

5 If the jurisdiction and control of an extension
6 vests in the county board of supervisors under this
7 subsection and the city extends into more than one
8 county, each county board of supervisors shall
9 exercise jurisdiction and control of the extension
10 within its own county.

4140-11 Sec. 2. Section 310.10, Code 1989, is amended to
12 read as follows:

13 310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

14 The farm-to-market road system shall embrace those
15 roads as defined in section 306.3, subsection 5.

16 However, a road which is classified as being part of
17 the arterial or arterial connector system under
18 chapter 306 but whose jurisdiction still vests in the
19 county in which it is located, shall be deemed to be
20 part of the farm-to-market road system until the time
21 the jurisdiction of the road is transferred to the
22 department.

23 Sec. 3. Section 312.1, unnumbered paragraph 2,
24 Code 1989, is amended to read as follows:

4231-25 Notwithstanding section 453.7, subsection 2,
26 interest or earnings on investments or time deposits
27 of the moneys in the road use tax fund and the funds
28 to which moneys from the road use tax fund are
29 credited shall be credited to the respective funds
4114-30 which generated the interest or earnings primary road
31 fund.

4081-32 Sec. 4. Section 312.2, subsections 1 through 4,
33 Code 1989, are amended to read as follows:

4081-34 1. To the primary road fund, forty-five forty-
35 eight percent.

4081-36 2. To the secondary road fund of the counties,
4114-37 twenty-eight twenty-four percent.

38 3. To the farm-to-market road fund, nine eight
39 percent.

40 4. To the street construction fund of the cities,
41 eighteen twenty percent.

4140-42 Sec. 5. Section 312.2, subsection 14, Code 1989,
43 is amended to read as follows:

44 14. The treasurer of state, before making the
45 allotments provided for in this section, shall credit
46 monthly from the road use tax fund to the revitalize
47 Iowa's sound economy fund, created under section
48 315.2, the revenue accruing to the road use tax fund
49 in the amount equal to two-thirds of the revenues
50 collected under each of the following:

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Page 3

- 1 a. From the excise tax on motor fuel and special
2 fuel imposed under the tax rate of section 324.3
3 except aviation gasoline:
4 ~~---(1)---For the period July 1, 1985, through December~~
5 ~~31, 1985, the amount of excise tax collected from two~~
6 ~~cents per gallon.~~
7 ~~---(2)---From and after January 1, 1986, the amount of~~
8 ~~excise tax collected from three one and one-half cents~~
9 ~~per gallon.~~
- 10 b. From the excise tax on special fuel for diesel
11 engines:
12 ~~---(1)---For the period July 1, 1985, through December~~
13 ~~31, 1985, the amount of excise tax collected from one~~
14 ~~cent per gallon.~~
15 ~~---(2)---For the period January 1, 1986, through~~
16 ~~December 31, 1986, the amount of excise tax collected~~
17 ~~from two cents per gallon.~~
18 ~~---(3)---From and after January 1, 1987, the amount of~~
19 ~~excise tax collected from three one and one-half cents~~
20 ~~per gallon.~~
- 21 Sec. 6. Section 312.2, Code 1989, is amended by
22 adding the following new subsection:
23 NEW SUBSECTION. 14A. The treasurer of state,
24 before making the allotments provided for in this
25 section, shall credit monthly from the road use tax
26 fund to the secondary road fund the revenue accruing
27 to the road use tax fund in the amount equal to the
28 revenues collected under each of the following:
- 29 a. From the excise tax on motor fuel and special
30 fuel imposed under the tax rate of section 324.3,
31 except aviation gasoline, the amount of excise tax
32 collected from one-half cent per gallon.
- 33 b. From the excise tax on special fuel for diesel
34 engines, the amount of excise tax collected from one-
35 half cent per gallon.
- 36 Sec. 7. Section 312.2, Code 1989, is amended by
37 adding the following new subsection:
38 NEW SUBSECTION. 19. a. The treasurer of state,
39 before making the allotments provided in this section,
40 shall annually credit to the secondary road fund an
41 amount to hold harmless the secondary road fund from
42 changes in the allocation formula incorporated in this
43 Act. The amount credited under this paragraph shall
44 equal the amount, if any, by which the base year
45 amount exceeds the amount of moneys credited to the
46 secondary road fund under subsection 2. For purposes
47 of this paragraph, the "base year amount" is one
48 hundred thirty-nine million eight hundred thousand
49 dollars.
- 50 b. The treasurer of state, before making the

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1 allotments provided in this section, shall annually
2 credit to the farm-to-market road fund an amount to
3 hold harmless the farm-to-market road fund from
4 changes in the allocation formula incorporated in this
5 Act. The amount credited under this paragraph shall
6 equal the amount, if any, by which the base year
7 amount exceeds the amount of moneys credited to the
8 farm-to-market road fund under subsections 3 and 11.
9 For purposes of this paragraph, the "base year amount"
10 is forty-six million dollars.

11 c. This subsection is repealed effective July 1,
12 1991.

424F 13 Sec. 8. Section 312.3, subsection 1, Code 1989, is
14 amended by striking the subsection and inserting in
15 lieu thereof the following:

16 1. Apportion among the counties the need allotment
17 of secondary road funds and the area allotment of
18 secondary road funds from road use tax funds credited
19 to the secondary road fund.

20 For the purposes of this subsection:

21 a. "Need allotment of secondary road funds" means
22 the moneys credited to the secondary road fund of the
23 counties to be distributed in accordance with needs.
24 These moneys shall be apportioned among the counties
25 in the ratio that the needs of the secondary roads of
26 each county bear to the total needs of the secondary
27 roads of the state for each fiscal year based upon the
28 total needs of secondary roads of the state as shown
29 in the latest quadrennial need study report developed
30 by the department and which is on record at the
31 department. The need allotment of secondary road
32 funds for the fiscal year beginning July 1, 1990, is
33 eighty percent, and for the fiscal year beginning July
34 1, 1991, and all succeeding fiscal years is one
35 hundred percent, of moneys credited from the road use
36 tax fund to the secondary road fund of the counties.

37 b. "Area allotment of secondary road funds" means
38 the moneys credited to the secondary road fund of the
39 counties to be distributed in accordance with area.
40 These moneys shall be apportioned among the counties
41 in the ratio that the area of each county bears to the
42 total area of the state. The area allotment of
43 secondary road funds for the fiscal year beginning
44 July 1, 1990, is twenty percent of moneys credited
45 from the road use tax fund to the secondary road fund
46 of the counties.

423F 47 Sec. 9. Section 312.3, subsection 2, Code 1989, is
48 amended to read as follows:

49 2. Apportion among the cities of the state, in the
50 ratio which the population of each city, as shown by

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1 the latest available federal census, bears to the
2 total population of all such cities in the state, the
3 percentage of the road use tax funds which is credited
4 to the street fund of the cities, and shall remit to
5 the city clerk of each such city the amount so
6 apportioned to such the city.

4237-7 However, if a city has an extension of the trunk or
8 trunk collector system within the boundaries of the
9 city and the jurisdiction and control over the
10 extension vests with a county board of supervisors
11 under section 306.4, subsection 2A, a portion of the
12 moneys otherwise allocated to a city under this
13 section shall be allocated to the county or counties.
14 The allocation to the county or counties shall be in
15 the amount of all moneys otherwise allocated to a city
16 under this section times the ratio that the vehicle
17 miles traveled on the extension or extensions bear to
18 the total vehicle miles traveled on the roads within
19 the city, but in no case shall the allocation to the
20 county or counties exceed fifty percent of all moneys
21 otherwise allocated to a city under this section. If
22 the extension lies within two or more counties, moneys
23 allocated to the counties shall be apportioned among
24 the counties in the ratio which the length of the
25 extension or extensions within a county bears to the
26 total length of all such extensions within the city.
27 The state department of transportation shall assist
28 the treasurer of state in determining the allocation
29 of moneys under this paragraph.

30 PARAGRAPH DIVIDED. A city may have one special
31 federal census taken each decade, and the population
32 figure thus obtained shall be used in apportioning
33 amounts under this subsection beginning the calendar
34 year following the year in which the special census is
35 certified by the secretary of state.

36 Sec. 10. NEW SECTION. 312.3A STREET RESEARCH
37 FUND.

38 Prior to the allocation to the cities under section
39 312.3, subsection 2, the department is authorized to
40 set aside each year not to exceed one-half percent of
41 the receipts of the street construction fund of the
42 cities in a fund to be known as the street research
43 fund. The street research fund shall be used by the
44 department solely for the purpose of financing
45 engineering studies and research projects which have
46 as their objective the more efficient use of funds and
47 materials that are available for the construction and
48 maintenance of city streets, including city street
49 bridges and culverts. The research projects and
50 engineering studies authorized shall be conducted in

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1 cooperation with the city engineers. On or before
2 January 31 each year the department shall file a
3 report with the governor, state transportation
4 commission, city engineers, chief clerk of the house
5 of representatives, and secretary of the senate
6 showing the work accomplished and projects undertaken
7 under this section.

7340-8 Sec. 11. Section 312.5, Code 1989, is amended to
9 read as follows:

10 312.5 DIVISION OF FARM-TO-MARKET ROAD FUNDS.

11 ~~The road use tax funds credited to the farm-to-~~
12 ~~market road fund by the treasurer of state are hereby~~
13 ~~divided as follows, and are to be known respectively~~
14 ~~as:~~

15 1.--Need allotment farm-to-market road funds, sixty
16 percent; and

17 2.--Area allotment farm-to-market road funds, forty
18 percent.

19 All farm-to-market road funds, except funds which
20 under section 310.20 come from any county's allotment
21 of the road use tax funds, shall be allotted among the
22 counties by the department. Area allotment farm-to-
23 market road funds and federal aid secondary road funds
24 received by the state, shall be allotted among all the
25 counties of the state in the ratio that the area of
26 each county bears to the total area of the whole
27 state.

28 Need allotment farm-to-market road funds shall be
29 allotted among the counties in the ratio that the
30 needs of the farm-to-market roads in each county bear
31 to the total needs of the farm-to-market roads in the
32 state for each fiscal year based upon the total needs
33 of the farm-to-market roads in the state as shown in
34 the latest quadrennial need study report developed by
35 the state department of transportation, and which is
36 on record at the department.

37 The need allotment farm-to-market road funds for
38 the fiscal year beginning July 1, 1990, is eighty
39 percent and for the fiscal year beginning July 1,
40 1991, and all succeeding fiscal years is one hundred
41 percent, of money credited from the road use tax fund
42 to the farm-to-market road fund.

43 The area allotment farm-to-market road funds for
44 the fiscal year beginning July 1, 1990, is twenty
45 percent of moneys credited from the road use tax fund
46 to the farm-to-market road fund.

47 Sec. 12. Section 312.16, Code 1989, is amended to
48 read as follows:

49 312.16 ~~DEFINITION~~ DEFINITIONS.

50 As used in this chapter, unless the context

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1 otherwise requires, "department":

2 1. "Department" means the state department of
3 transportation.

4 2. "Fiscal year" means the period of twelve months
5 beginning on July 1 and ending on June 30.

6 Sec. 13. Section 315.3, subsection 2, Code 1989,
7 is amended to read as follows:

8 2. The fund is also appropriated and shall be used
9 for the reimbursement or payment to cities or counties
10 of all or part of the interest and principal on
11 general obligation bonds issued by cities or counties
12 for the purpose of financing approved road and street
13 projects meeting the requirements of subsection 1.

14 Sec. 14. Section 315.4, Code 1989, is amended to
15 read as follows:

16 315.4 ALLOCATION OF FUND.

17 Moneys credited to the RISE fund shall be allocated
18 as follows:

19 1. Fifty-percent Two-thirds for the use of the
20 department on primary road projects exclusively for
21 highways which are identified under section 307A.2 as
22 being part of the network of commercial and industrial
23 highways.

24 ~~2. Twenty-five-percent-for-the-use-of-counties-on~~
25 ~~secondary-road-projects-~~

26 3. 2. Twenty-five-percent One-third for the use
27 of cities on city street projects.

28 Sec. 15. Section 315.5, Code 1989, is amended to
29 read as follows:

30 315.5 ADMINISTRATION OF FUND.

31 Qualifying road and street projects shall be
32 selected by the state transportation commission for
33 full or partial financing from the fund after
34 consultation with organizations representing interests
35 of counties and cities. ~~Counties-and-cities~~ Cities
36 may make application for qualifying road and street
37 projects with the department. In ranking applications
38 for funds, the department shall, in addition to
39 effects listed in section 315.3, subsection 1,
40 consider the proportion of political subdivision
41 matching funds to be provided, if any, the proportion
42 of private contributions to be provided, if any, the
43 total number of jobs to be created, the level of need,
44 the impact of the proposed project on the economy of
45 the area affected, and the factors and requirements in
46 section 315.11. The proportion of funding shall be
47 determined by the department or, in the case of
48 cooperative projects, by agreement between the
49 department and the city councils of participating
50 cities, or boards of supervisors of participating

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1 counties, or other participating public agencies or
2 private parties.

3 Sec. 16. Section 315.6, Code 1989, is amended to
4 read as follows:

5 315.6 FUNDING OF PROJECTS.

6 Qualifying projects may be funded as follows:

7 1. Primary road and state park road projects may
8 be financed entirely by the fund, or by combining
9 money from the fund with money from the primary road
10 fund, federal aid primary funds received by the state,
11 money from cities or counties raised through the sale
12 of general obligation bonds of the cities or counties,
13 other city or county revenues, or money from
14 participating private parties.

15 ~~2. Secondary road, state park road, and county~~
16 ~~conservation parkway projects may be funded entirely~~
17 ~~by the fund or by combining money from the fund with~~
18 ~~money from the county's portion of road use tax funds,~~
19 ~~federal aid secondary funds, other county revenues,~~
20 ~~money raised through the sale of general obligation~~
21 ~~bonds of the county, or money from participating~~
22 ~~private parties.~~

23 ~~3 2.~~ City street and state park road projects may
24 be funded entirely by the fund, or by combining money
25 from the fund with money from the city's portion of
26 road use tax funds, federal aid urban system funds,
27 other municipal revenues, money raised through the
28 sale of general obligation bonds of the city, or money
29 from participating private parties.

30 A county or city may, at its option, apply moneys
31 allocated for use on ~~secondary road or city street~~
32 projects under section 315.4, subsection 2 or 3,
33 toward qualifying primary road, and state park road,
34 and county conservation parkway projects.

35 Sec. 17. Section 315.8, Code 1989, is amended to
36 read as follows:

37 315.8 ACCOUNTS AND RECORDS REQUIRED.

38 The department shall keep accounts in relation to
39 the allocation of moneys to the fund including all
40 amounts credited to the fund and all amounts of duly
41 and finally approved vouchers for claims chargeable to
42 the fund. The department shall also keep accounts in
43 relation to agreements with ~~counties and cities~~ for
44 the reimbursement of interest and principal costs for
45 general obligation bonds of ~~counties or cities~~ issued
46 for the purpose of financing road or street projects
47 under this chapter.

48 ~~43A~~ Sec. 18. All unencumbered and unobligated moneys
49 in the RISE fund on July 1, 1989, which are allocated
50 under section 315.4 for the use of counties on

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1 secondary road projects shall be credited to the
2 secondary road fund.

3 Sec. 19. The state department of transportation
4 shall have appointed to the Iowa highway research
5 board, at a minimum, four city engineers or engineers
6 employed by a city. Efforts shall be made for the
7 appointments to provide statewide geographical
8 representation and representation among the city
9 population groups.

10 Sec. 20. The counties shall by January 1, 1990,
11 make a recommendation for the allocation of secondary
12 road fund moneys and farm-to-market road fund moneys
13 among the counties to the governor and the general
14 assembly. Sections 8 and 11 of this Act take effect
15 July 1, 1990, unless contrary provisions providing for
16 the allocation of such moneys are enacted.

17 Sec. 21. Section 13, and sections 15 through 17 of
18 this Act do not apply to road projects which have been
19 selected by the state transportation commission under
20 section 315.5 prior to July 1, 1989.

21 Sec. 22. 1988 Iowa Acts, chapter 1019, sections
22 21, 23, and 24, are repealed."

23 2. Title page, line 2, by inserting after the
24 word "jurisdictions" the following: "and providing
25 effective dates".

By COMMITTEE ON WAYS AND MEANS
TABOR of Jackson, Chairperson

4111 FILED APRIL 19, 1989

Adopted 4-27-89 (p. 2135)

SENATE FILE 524
SENATE FILE 524 AS AMENDED BY H-4111
FISCAL NOTE

A fiscal note for SENATE FILE 524 AS AMENDED by H-4111 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 524, as amended by the H-4111, establishes a new formula for allocation of the Road Use Tax Fund receipts, eliminates the RISE program for counties and instead credits money directly to the Secondary Road Fund, changes the allocation of the Secondary and Farm-to-Market Road Fund, and changes the allocation of interest or earnings to the Road Use Tax Fund and its beneficiary funds.

SECTION ANALYSIS

Section 1 provides that the jurisdiction and control of extension of a trunk or trunk collector system, within a city, or a population less than 5,000 persons, vests in the county board of supervisors. Jurisdiction is extended in cities over five hundred but less than one thousand in population, vest in the county board of supervisors unless the city elects and takes action to have the jurisdiction and control over the extension vest with the city. If the city is under five hundred in population, or if the city does not opt for control, then Section 9 allocates a portion of the moneys allocated to the city from the Street Construction Fund, to the county, if the change occurs.

Information is not available on the potential fiscal impact to individual counties and cities.

Section 3 credits any interest or earnings on investments or deposits, of moneys in the Road Use Tax Fund or its beneficiary funds, to the Primary Road Fund.

Under current law the Road Use Tax Funds and its' beneficiary funds receive a proportionate share of interest based on the balance in those funds to the total investment pool. This change is estimated to increase the Primary Road Fund receipts by approximately \$7 million annually. This increase will be offset by a loss of that interest being credited to the other beneficiary funds, primarily the RISE fund.

Section 4 establishes a new allocation formula for distribution of the Road Use Tax Fund.

Section 5 reduces the credit from the Road Use Tax Fund to the Rise Fund, from fuel tax revenues, by one-half cent per gallon. Section 6 credits the one-half cent per gallon receipts directly to the Secondary Road Fund.

The revenues raised by one half cent per gallon are approximately \$8.3 million

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in FY 1990. Other sections eliminate references in the Code of Iowa to counties receiving RISE funds.

Section 7 provides an "off-the-top" credit of Road Use Tax funds to the Secondary and Farm-to-Market Road funds in FY 1990 and FY 1991, an amount equal to the difference, if any, between the formula allocation in those fiscal years and the FY 1989 allocation. This hold harmless provision is repealed effective July 1, 1991.

The table below shows the estimated distribution of FY 1990 and FY 1991 receipts under current and proposed law.

(dollars in thousands)

	Fiscal Year 1990			Fiscal Year 1991		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
DISTRIBUTION						
Primary	\$ 261,400	\$ 268,500	\$ 7,100	\$ 260,200	\$ 278,500	\$ 18,300
Farm-Market	\$ 50,200	\$ 46,000	\$ (4,200)	\$ 51,200	\$ 46,000	\$ (5,200)
Secondary	\$ 146,200	\$ 148,100	\$ 1,900	\$ 154,700	\$ 148,200	\$ (6,500)
Cities	\$ 93,800	\$ 104,200	\$ 10,400	\$ 99,500	\$ 108,300	\$ 8,800
RISE	\$ 33,200	\$ 24,900	\$ (8,300)	\$ 33,400	\$ 25,000	\$ (8,400)
Off-the-top	\$ 61,000	\$ 61,100	\$ 100	\$ 63,100	\$ 63,100	\$ 0
Total	\$ 645,800	\$ 652,800	\$ 7,000	\$ 662,100	\$ 669,100	\$ 7,000

Table Notes:

Current Law

1. Assumes a 2.5% growth in total receipts credited to the Road Use Tax Fund from FY 1990 to FY 1991.
2. Rise Funds are allocated 50% state, 25% county, 25% city.
3. FY 1990 allocations include a special one time appropriation to the funds.
4. Primary amounts equal \$11.5 million "off-the-top" plus 45% of net Road Use Tax Fund revenues.
5. Farm-Market amount equals \$1.5 million "off-the-top" plus 9% of the net Road Use Tax Fund revenues.
6. Secondary amount equals 28% of the net Road Use Tax Fund revenues.
7. Cities amount equals 18% of the net Road Use Tax Fund revenues.

Proposed Law

1. Assumes a 2.5% growth in total receipts credited to the Road Use Tax Fund from FY 1990 to FY 1991.
2. County share of RISE is credited directly to Secondary Road Fund.
3. Interest is credited to Primary Road Fund, as specified in Section 3.
4. Primary amounts equal \$11.5 million "off-the-top" plus 48% of net Road Use Tax Fund revenues, plus \$7 million in interest.
5. Farm-Market amount equals \$1.5 million "off-the-top" plus 8% of the net Road Use Tax Fund revenues.
6. Secondary amount equals 24% of the net Road Use Tax Fund revenues plus 8.3 million which formerly went to the county RISE program.
7. Cities amount equals 20% of the net Road Use Tax Fund revenues.

Section 8 changes the apportionment formula of Secondary Road Funds to

counties. Beginning FY 1991, the funds are allocated eighty percent based on need and twenty percent based on area. For FY 1992, and all succeeding fiscal years, the allotment among counties is based entirely on need. Current law allocates sixty percent need and forty percent area.

Gains in revenues to some counties from this change will be offset by losses to other counties. Based on the FY 1989 estimated distribution, the maximum increase any one county will receive from an apportionment based entirely on need versus the current allotment, is \$469,367. The maximum decrease in funds to any county is \$259,660. These amounts will change depending on future revenues to the Secondary Road Fund.

Section 10 establishes a Street Research Fund. One-half percent of the receipts of the Street Construction Fund of the cities will be set aside. In FY 1990, this is estimated at \$558,500.

Section 11 changes the allotment of the Farm-to-Market Road Fund to counties. Beginning in FY 1991, the funds are allocated eighty percent based on need and twenty percent based on area. For FY 1992, and all succeeding fiscal years the allotment among counties is based entirely on need. Current law allocates sixty percent need and forty percent area.

Gains in revenues to some counties from this change will be offset by losses to other counties. Based on the FY 1989 estimated distribution, the maximum increase any one county will receive from an allotment based entirely on need versus the current allotment, is \$205,506. The maximum decrease in funds to any county is \$244,032. These amounts will change depending on future revenues to the Farm-to-Market Road Fund.

Section 18 closes out the RISE Fund balance of moneys allocated to counties and credits the unobligated moneys on July 1, 1989, to the Secondary Road Fund. The balance which will be unobligated at the end of FY 1989 is currently estimated at \$7.5 million.

Source: Department of Transportation

(LSB 2694sv.2, DER)

FILED APRIL 20, 1989

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 524

4140

Amend amendment, H-4111, to Senate File 524, as amended, passed, and reprinted by the Senate, as follows:

1. Page 2, by inserting before line 11 the following:

"Sec. _____. Section 309.10, unnumbered paragraph 2, Code 1989, is amended to read as follows:

A county shall not use farm-to-market road funds as described in this section unless the total funds that the county transferred or provided during the prior fiscal year pursuant to section 331.429, subsection 1, paragraphs "a", "b", "d", and "e", are at least seventy-five ninety percent of the maximum funds the county could have transferred in the prior fiscal year pursuant to section 331.429, subsection 1, paragraphs "a" and "b".

2. Page 2, by inserting after line 41 the following:

"Sec. _____. Section 312.2, subsection 8, Code 1989, is amended to read as follows:

8. The treasurer of state, before making any allotments to counties under this section, shall reduce the allotment to a county for the secondary road fund by the amount by which the total funds that the county transferred or provided during the prior fiscal year under section 331.429, subsection 1, paragraphs "a", "b", "d", and "e", are less than seventy-five ninety percent of the maximum funds that the county could have transferred in the prior fiscal year under section 331.429, subsection 1, paragraphs "a" and "b". Funds remaining in the secondary road fund of the counties due to a reduction of allocations to counties for failure to maintain a minimum local tax effort shall be reallocated credited to the special bridge fund, which is hereby created, for use of counties that are not reduced under this subsection pursuant to the allocation provisions of section 312.2, subsection 1, based upon the needs and area of the county transferred or provided during the prior fiscal year under section 331.429, subsection 1, paragraphs "a", "b", "d", and "e", not less than ninety-six percent of the maximum funds that the county could have transferred in the prior fiscal year under section 331.429, subsection 1, paragraphs "a" and "b". Moneys credited to the special bridge fund shall be distributed to qualifying counties for bridge projects in accordance with rules adopted by the state department of transportation which shall require matching funds to be provided by the county toward approved bridge projects.

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1 PARAGRAPH DIVIDED. Information necessary to make
2 allocations under this subsection shall be provided by
3 the state department of transportation or the director
4 of the department of management upon request by the
5 treasurer of state."

By KOENIGS of Mitchell
CONNOLLY of Dubuque

H-4140 FILED APRIL 20, 1989

Adopted 4-27-89 (p. 2132)

SENATE FILE 524

H-4130

1 Amend the amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 9, by inserting before line 21 the fol-
5 lowing:
6 "Sec. _____. There is appropriated from the road use
7 tax fund to the state department of transportation the
8 sum of \$15,000 or so much thereof as is necessary, for
9 the purpose of conducting a study, in consultation
10 with the department of natural resources and
11 representatives of cities and counties, to analyze and
12 report on the impact of waterway opening and
13 floodplain requirements existing in federal or state
14 law, regulations, administrative rules or design
15 guides, on current and future road and bridge
16 requirements, costs, and needs. The analysis shall
17 consider what economies the various road programs
18 might achieve by modifying these requirements,
19 including reducing or eliminating the liability a road
20 jurisdiction might have with current or alternative
21 future requirements for road and bridge features for
22 waterways and floodplains, including analyzing the
23 risk to and benefits for roads and bridges and the
24 risks and costs to land, improvements, and human
25 activity. The study shall recommend methods for
26 reducing the future highway program costs for
27 providing bridges in Iowa. The study shall be
28 submitted to the governor, the chief clerk of the
29 house, and the secretary of the senate not later than
30 January 31, 1990."
31 2. By renumbering as necessary.

By DE GROOT of Lyon
CONNOLLY of Dubuque

H-4130 FILED APRIL 20, 1989

Adopted 4-27-89 (p. 2134)

SENATE FILE 524

H-4145

1 Amend amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 7, by inserting after line 5, the
5 following:

6 "Sec. ____ . NEW SECTION. 314.22 NATURAL AND
7 HISTORIC PRESERVATION.

8 Cities, counties, and the department shall to the
9 extent practicable preserve and protect the natural
10 and historic heritage of the state in the design,
11 construction, reconstruction, relocation, repair, or
12 maintenance of roads, streets, or highways.
13 Destruction or damage to natural areas, including but
14 not limited to prime agricultural land, parks,
15 preserves, woodlands, wetlands, recreation areas,
16 greenbelts, historical sites, or archaeological sites
17 shall be avoided, if reasonable alternatives are
18 available for the location of roads, streets, or
19 highways at no significantly greater cost. In
20 implementing this section, cities, counties, and the
21 department shall make a diligent effort to identify
22 and examine the comparative cost of utilizing
23 alternative locations for roads, streets, or
24 highways."

By FULLER of Hardin
SVOBODA of Tama
BROWN of Lucas

H-4145 FILED APRIL 20, 1989

Withdrawn 4-27-89 (p2133)

SENATE FILE 524

H-4144

1 Amend amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 2, by striking lines 32 through 39 and
5 inserting the following:

6 "Sec. ____ . Section 312.2, subsections 1, 2, and 4,
7 Code 1989, are amended to read as follows:

8 1. To the primary road fund, forty-five forty-four
9 percent.

10 2. To the secondary road fund of the counties,
11 twenty-eight twenty-seven percent."

By BROWN of Lucas

HIBBARD of Madison

BRAND of Benton

JESSE of Jasper

MERTZ of Kossuth

SHEARER of Louisa

H-4144 FILED APRIL 20, 1989

Withdrawn 4-27-89 (p2133)

SENATE FILE 524

H-4169

- 1 Amend amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 2, line 30, by striking the words
5 "primary road" and inserting the following: "road use
6 tax".
7 2. Page 2, lines 34 and 35, by striking the word
8 "forty-eight" and inserting the following: "forty-
9 nine".
10 3. Page 2, line 37, by striking the word "twenty-
11 four" and inserting the following: "twenty-three".
By CONNOLLY of Dubuque

H-4169 FILED APRIL 24, 1989

Adopted 4-27-89 (p. 2132)

SENATE FILE 524

H-4254

- 1 Amend the amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 8, by inserting after line 47 the
5 following:
6 "Sec. ____ Section 331.423, subsection 2, Code
7 1989, is amended to read as follows:
8 2. For rural county services, ~~three-dollars-and~~
9 ~~ninety-five~~ seventy-five cents per thousand dollars of
10 the assessed value of taxable property in the county
11 outside of incorporated city areas."
By MAULSBY of Calhoun

H-4254 FILED APRIL 26, 1989

lost 4-27-89 (p. 2134)

SENATE FILE 524

H-4205

Amend amendment, H-4111, to Senate File 524, as amended, passed, and reprinted by the Senate, as follows:

1. By striking page 1, line 7 through page 2, line 10, and inserting the following:

"NEW SUBSECTION. 2A. a. Commencing July 1, 1990, the jurisdiction and control over an extension of the trunk or trunk collector system within a city with a total population of less than one thousand persons vests in the county board of supervisors unless the city certifies by January 1, 1990, to the department that the city by ordinance or resolution has elected to exercise its option of having the jurisdiction and control over the extension vest with the city.

If after July 1, 1990, a city wishes to exercise its option of having the jurisdiction and control over the extension vest with the city, or wishes to rescind its election of having jurisdiction and control over the extension vest with the city, it shall certify that the city has by ordinance or resolution so elected or rescinded, and the effective date of the election or rescission shall be July 1 following a five-year period from the date of the certification of the election or rescission with the department.

However, the jurisdictional and control change shall be effective at an earlier date if the city and all affected counties agree to an earlier transition date.

b. The population of a city for purposes of this subsection, shall be the total population of the city and shall be determined in the same manner as provided in section 312.3, subsections 2 through 5. If application of paragraph "a" changes for a city due to a new federal census, a boundary annexation, or a consolidation, the effective date of the changed application of paragraph "a" shall commence July 1 following the five-year period from the date of the taking of the new federal census or the date of the annexation or consolidation. However, the jurisdictional and control change shall be effective at an earlier date if the city and all affected counties agree to an earlier transition date. If the change in application is such that the exercise of jurisdiction and control is at the option of the city, the jurisdiction and control of the extension shall vest with the county board of supervisors unless the city elects to have the jurisdiction and control vest with the city as provided in paragraph "a".

If the jurisdiction and control of an extension vests in the county board of supervisors under this subsection and the city extends into more than one

H-4205

Page 2

1 county, each county board of supervisors shall
2 exercise jurisdiction and control of the extension
3 within their own county."

By SCHRADER of Marion
JAY of Appanoose
DAGGETT of Adams

H-4205 FILED APRIL 25, 1989

adopted 4-27-89 (p.2130)

SENATE FILE 524

H-4240

- 1 Amend amendment, H-4111, to Senate File 524, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:

- 4 1. Page 6, by striking lines 8 through 46.

By SHEARER of Louisa

BRAND of Benton

BROWN of Lucas

HIBBARD of Madison

MERTZ of Kossuth

H-4240 FILED APRIL 25, 1989

Withdrawn 4-27-89 (p 213)

SENATE FILE 524

H-4241

- 1 Amend amendment, H-4111, to Senate File 524, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:

- 4 1. Page 4, by striking lines 13 through 46.

By SHEARER of Louisa

HIBBARD of Madison

MERTZ of Kossuth

BROWN of Lucas

BRAND of Benton

H-4241 FILED APRIL 25, 1989

Withdrawn 4-27-89 (p 213)

SENATE FILE 524

H-4242

- 1 Amend the amendment, H-4111, to Senate File 524, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:

- 4 1. Page 2, lines 34 and 35, by striking the word
- 5 "forty-eight" and inserting the following: "forty-
- 6 six".

- 7 2. Page 2, line 37, by striking the word "twenty-
- 8 four" and inserting the following: "twenty-six".

By SHEARER of Louisa

HIBBARD of Madison

MERTZ of Kossuth

BROWN of Lucas

BRAND of Benton

H-4242 FILED APRIL 25, 1989

Out of Order 4-27-89 (p 2132)

SENATE FILE 524

H-4237

1 Amend amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 5, by striking lines 16 through 21 and
5 inserting the following: "under this section times
6 the ratio of the trunk or trunk collector to the total
7 needs of the city. If".

By SHEARER of Louisa

H-4237 FILED APRIL 25, 1989

LOST 4-27-89 (p. 2133)

SENATE FILE 524

H-4238

1 Amend the amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. By striking page 1, line 5 through page 2,
5 line 10.
6 2. By striking page 4, line 47 through page 5,
7 line 35.

By SHEARER of Louisa

BRAND of Benton

BROWN of Lucas

HIBBARD of Madison

MERTZ of Kossuth

H-4238 FILED APRIL 25, 1989

LOST 4-27-89 (p. 2136)

SENATE FILE 524

H-4239

1 Amend the amendment, H-4111, to Senate File 524, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 2, by striking lines 29 through 30 and
5 inserting the following: "credited shall be credited
6 to the respective funds which generated the interest
7 or earnings, and credit to the primary road fund any
8 interest not otherwise credited."

By SHEARER of Louisa

MERTZ of Kossuth

HIBBARD of Madison

BROWN of Lucas

BRAND of Benton

H-4239 FILED APRIL 25, 1989

LOST 4-27-89 (p. 2132)

**SENATE FILE 524
FISCAL NOTE**

A fiscal note for **SENATE FILE 524, AS AMENDED BY S-3991** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 524, as amended by S-3991, establishes a new formula for allocation of the Road Use Tax Fund receipts, eliminates the RISE program for counties and instead credits money directly to the Secondary Road Fund, and changes the allocation of the Secondary and Farm-to-Market Road Fund. Comparison of these and other changes are provided in the analysis below.

ANALYSIS**Extensions of Trunk and Trunk Collector Systems**

House Amendment: Provides that the jurisdiction and control of extensions of the trunk or trunk collector system, within a city of a population less than one thousand in population, vest in the county board of supervisors unless the city elects and takes action to have the jurisdiction and control over the extension vest with the city. If the city does not opt for control, the Amendment allocates a portion of the moneys apportioned to the city from the Street Construction Fund to the county, based on vehicle miles traveled, not to exceed fifty percent of the moneys which are apportioned to the city. Information is not available on the potential fiscal impact to individual counties and cities. Approximately 698 miles, as measured by the centerline, could be effected by this action.

Senate File 524 Comparison: Provides that each county board of supervisors has the duty to provide snow removal on these extensions.

Interest Credited to the Road Use Tax Fund

House Amendment: Credits any interest or earnings on investments or deposits, of moneys in the beneficiary funds of the Road Use Tax fund, to the Road Use Tax Fund. Under current law the Road Use Tax Funds and its' beneficiary funds receive a proportionate share of interest based on the balance in those funds to the total investment pool. This change is estimated to increase the Road Use Tax Fund receipts by approximately \$7 million annually. This increase will be offset by a loss of that interest being credited to the other beneficiary funds, primarily the RISE fund.

Senate File 524 Comparison: Same provision in Section 3 of the Bill.

RISE Program

House Amendment: Reduces the credit from the Road Use Tax Fund to the Rise Fund, from fuel tax revenues, by one-half cent per gallon, and instead credits the one-half cent per gallon receipts directly to the Secondary Road Fund. The revenues raised by one half cent per gallon are

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approximately \$8.3 million in FY 1990. The Amendment eliminates references in the Code of Iowa to counties receiving RISE funds.

Senate File 524 Comparison: No similar provision.

RISE Balance

House Amendment: Closes out the Rise Fund balance of moneys allocated to counties and credits the unobligated moneys on July 1, 1989, to the Secondary Road Fund. The balance which will be unobligated at the end of FY 1989 is currently estimated at \$7.5 million.

Senate File 524 Comparison: Provides that uncommitted RISE Funds at the end of each fiscal year, which are allocated to counties for secondary road projects, are to be credited to the Secondary Road Fund.

Hold Harmless Provision

House Amendment: Provides an "off-the-top" credit of Road Use Tax funds to the Secondary and Farm-to-Market Road funds in FY 1990 and FY 1991, an amount equal to the difference, if any, between the formula allocation in those fiscal years and a base year. This hold harmless provision is repealed effective July 1, 1991.

Senate File 524 Comparison: Similar provision, however the House Amendment specifies the base year amount and includes a \$1.5 million off-the-top credit to the Farm-to-Market Road Fund in its specification.

Allocation of Secondary Road Fund

House Amendment: Changes the apportionment formula of Secondary Road Funds to counties. Beginning FY 1991, the funds are allocated eighty percent based on need and twenty percent based on area. For FY 1992, and all succeeding fiscal years, the allotment among counties is based entirely on need. Current law allocates sixty percent need and forty percent area.

Gains in revenues to some counties from this change will be offset by losses to other counties. Based on the FY 1989 estimated distribution, the maximum increase any one county would receive from an apportionment based entirely on need versus the current allotment, is \$469,367. The maximum decrease in funds to any county is \$259,660. These amounts will change depending on future revenues to the Secondary Road Fund.

Senate File 524 Comparison: No similar provision.

Street Research Fund

House Amendment: Establishes a Street Research Fund. One-half percent of the receipts of the Street Construction Fund of the cities will be set aside. In FY 1990, this is estimated at \$558,500.

Senate File 524 Comparison: No similar provision.

Allocation of Farm-to-Market Road Funds

House Amendment: Changes the allotment of the Farm-to-Market Road Fund to counties. Beginning in FY 1991, the funds are allocated eighty percent

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based on need and twenty percent based on area. For FY 1992, and all succeeding fiscal years the allotment among counties is based entirely on need. Current law allocates sixty percent need and forty percent area.

Gains in revenues to some counties from this change will be offset by losses to other counties. Based on the FY 1989 estimated distribution, the maximum increase any one county would receive from an allotment based entirely on need versus the current allotment, is \$205,506. The maximum decrease in funds to any county is \$244,032. These amounts will change depending on future revenues to the Farm-to-Market Road Fund.

Senate File 524 Comparison: No similar provision.

Study

House Amendment: Appropriates \$15,000 from the Road Use Tax Fund, to the Department of Transportation, to conduct a study which shall recommend methods for reducing future highway program costs for providing bridges in Iowa.

Senate File 524 Comparison: No similar provision.

Minimum Local Tax Effort

House Amendment: Increases minimum local tax effort requirements on generating local receipts from 75% of the maximum potential road levy, to 90%. If this effort is not met, then the county can not transfer Farm-to-Market Road Funds for use on secondary road projects and will have it's Secondary Road Funds reduced by an amount by which the funds raised by the county are less than the 90% requirement. Funds remaining in the Secondary Road Fund, due to a reduction of allocations for failure to maintain a minimum tax effort, are credited to a special bridge fund for counties. An estimate of funds which may be remaining is not available. It will depend on the number of counties which fail to raise local revenues equal to 90% of their potential, and the amount of this difference. Under the current 75% level, FY 1989 data show only two counties had receipts which totaled less than the 75% required local effort, which resulted in \$101,000 in reductions.

Senate File 524 Comparison: No similar provision.

Distribution of Road Use Tax Fund Revenues

House Amendment: Establishes a new allocation formula for distribution of the Road Use Tax Fund: 49% Primary Road Fund, 8% Farm-to-Market Road Fund, 23% Secondary Road Fund, and 20% to the Street Construction Fund.

Senate File 524 Comparison: Establishes a new allocation formula, for FY 1990: 46% Primary Road Fund, 8% Farm-to-Market Road Fund, 27% Secondary Road Fund, and 19% to the Street Construction Fund. For FY 1991 and subsequent years: 46% Primary Road Fund, 8% Farm-to-Market Road Fund, 26% Secondary Road Fund, and 20% to the Street Construction Fund.

The table below shows a comparison of the distribution of FY 1990 and FY 1991 receipts under Senate File 524 and Amendment S-3991.

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(dollars in thousands)						
	Fiscal Year 1990			Fiscal Year 1991		
	SF 524	Amendment S-3991	S-3991 vs SF 524	SF 524	Amendment S-3991	S-3991 vs SF 524
DISTRIBUTION						
Primary	\$ 262,000	\$ 268,000	\$ 6,000	\$ 268,900	\$ 278,000	\$ 9,100
Farm-Market	\$ 46,100	\$ 46,000	\$ (100)	\$ 46,300	\$ 46,000	\$ (300)
Secondary	\$ 147,000	\$ 148,100	\$ 1,100	\$ 145,500	\$ 148,200	\$ 2,700
Cities	\$ 103,400	\$ 104,700	\$ 1,300	\$ 111,900	\$ 108,800	\$ (3,100)
RISE	\$ 33,200	\$ 24,900	\$ (8,300)	\$ 33,400	\$ 25,000	\$ (8,400)
Off-the-top	\$ 61,100	\$ 61,100	\$ 0	\$ 63,100	\$ 63,100	\$ 0
Total	\$ 652,800	\$ 652,800	\$ 0	\$ 669,100	\$ 669,100	\$ 0

Table Notes:Senate File 524

1. Assumes a 2.5% growth in total receipts credited to the Road Use Tax Fund From FY 1990 to FY 1991.
2. Rise Funds are allocated 50% state, 25% county, 25% city.
3. Interest is credited to the Road Use Tax Fund as specified in Section 3.
4. Primary amounts equal \$11.5 million "off-the-top" plus 46% of net Road Use Tax Fund.
5. Farm-Market amount equals \$1.5 million "off-the-top" plus 8% of the net Road Use Tax Fund Revenues. Held harmless at \$46 million in FY 1990, and 1991.
6. Secondary amount equals 27% of the net Road Use Tax Fund Revenues in FY 1990, and 26% in FY 1991. Held harmless at \$139.8 million in FY 1990 and 1991.
7. Cities amount equals 19% of the net Road Use Tax Fund Revenues in FY 1990, and 20% in FY 1991.

Amendment S-3991

1. Assumes a 2.5% growth in total receipts credited to the Road Use Tax Fund from FY 1990 to FY 1991.
2. County share of RISE is credited directly to Secondary Road Fund.
3. Interest is credited to Road Use Tax Fund, as specified in Section 3.
4. Primary amounts equal \$11.5 million "off-the-top" plus 49% of the net Road Use Tax Fund revenues.
5. Farm-to-Market amount equals \$1.5 million "off-the-top" plus 8% of the net Road Use Tax Fund revenues. Held harmless at \$46 million in FY 1990 and 1991.
6. Secondary amounts equal 23% of the net Road Use Tax Fund revenues plus \$8.3 million which formerly went to the county RISE program. Held harmless at 139.8 in FY 1990 and 1991.
7. Cities amount equals 20% of the Net Road Use Tax Fund revenues.

Source: Department of Transportation

(LSB 2694sv.3, DER)

FILED MAY 2, 1989

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE AMENDMENT TO
SENATE FILE 524

S-3991

1 Amend Senate File 524, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. Section 306.4, Code 1989, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 2A. a. Commencing July 1, 1990,
8 the jurisdiction and control over an extension of the
9 trunk or trunk collector system within a city with a
10 total population of less than one thousand persons
11 vests in the county board of supervisors unless the
12 city certifies by January 1, 1990, to the department
13 that the city by ordinance or resolution has elected
14 to exercise its option of having the jurisdiction and
15 control over the extension vest with the city.

16 If after July 1, 1990, a city wishes to exercise
17 its option of having the jurisdiction and control over
18 the extension vest with the city, or wishes to rescind
19 its election of having jurisdiction and control over
20 the extension vest with the city, it shall certify
21 that the city has by ordinance or resolution so
22 elected or rescinded, and the effective date of the
23 election or rescission shall be July 1 following a
24 five-year period from the date of the certification of
25 the election or rescission with the department.
26 However, the jurisdictional and control change shall
27 be effective at an earlier date if the city and all
28 affected counties agree to an earlier transition date.

29 b. The population of a city for purposes of this
30 subsection, shall be the total population of the city
31 and shall be determined in the same manner as provided
32 in section 312.3, subsections 2 through 5. If
33 application of paragraph "a" changes for a city due to
34 a new federal census, a boundary annexation, or a
35 consolidation, the effective date of the changed
36 application of paragraph "a" shall commence July 1
37 following the five-year period from the date of the
38 taking of the new federal census or the date of the
39 annexation or consolidation. However, the
40 jurisdictional and control change shall be effective
41 at an earlier date if the city and all affected
42 counties agree to an earlier transition date. If the
43 change in application is such that the exercise of
44 jurisdiction and control is at the option of the city,
45 the jurisdiction and control of the extension shall
46 vest with the county board of supervisors unless the
47 city elects to have the jurisdiction and control vest
48 with the city as provided in paragraph "a".

49 If the jurisdiction and control of an extension
50 vests in the county board of supervisors under this

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1 subsection and the city extends into more than one
2 county, each county board of supervisors shall
3 exercise jurisdiction and control of the extension
4 within their own county.

5 Sec. _____. Section 309.10, unnumbered paragraph 2,
6 Code 1989, is amended to read as follows:

7 A county shall not use farm-to-market road funds as
8 described in this section unless the total funds that
9 the county transferred or provided during the prior
10 fiscal year pursuant to section 331.429, subsection 1,
11 paragraphs "a", "b", "d", and "e", are at least
12 seventy-five ninety percent of the maximum funds the
13 county could have transferred in the prior fiscal year
14 pursuant to section 331.429, subsection 1, paragraphs
15 "a" and "b".

16 Sec. _____. Section 310.10, Code 1989, is amended to
17 read as follows:

18 310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

19 The farm-to-market road system shall embrace those
20 roads as defined in section 306.3, subsection 5.

21 However, a road which is classified as being part of
22 the arterial or arterial connector system under
23 chapter 306 but whose jurisdiction still vests in the
24 county in which it is located, shall be deemed to be
25 part of the farm-to-market road system until the time
26 the jurisdiction of the road is transferred to the
27 department.

28 Sec. _____. Section 312.1, unnumbered paragraph 2,
29 Code 1989, is amended to read as follows:

30 Notwithstanding section 453.7, subsection 2,
31 interest or earnings on investments or time deposits
32 of the moneys in the road use tax fund and the funds
33 to which moneys from the road use tax fund are
34 credited shall be credited to the respective funds
35 which-generated-the-interest-or-earnings road use tax
36 fund.

37 Sec. _____. Section 312.2, subsections 1 through 4,
38 Code 1989, are amended to read as follows:

39 1. To the primary road fund, forty-five forty-nine
40 percent.

41 2. To the secondary road fund of the counties,
42 twenty-eight twenty-three percent.

43 3. To the farm-to-market road fund, nine eight
44 percent.

45 4. To the street construction fund of the cities,
46 eighteen twenty percent.

47 Sec. _____. Section 312.2, subsection 8, Code 1989,
48 is amended to read as follows:

49 8. The treasurer of state, before making any
50 allotments to counties under this section, shall

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1 reduce the allotment to a county for the secondary
2 road fund by the amount by which the total funds that
3 the county transferred or provided during the prior
4 fiscal year under section 331.429, subsection 1,
5 paragraphs "a", "b", "d", and "e", are less than
6 seventy-five ninety percent of the maximum funds that
7 the county could have transferred in the prior fiscal
8 year under section 331.429, subsection 1, paragraphs
9 "a" and "b". Funds remaining in the secondary road
10 fund of the counties due to a reduction of allocations
11 to counties for failure to maintain a minimum local
12 tax effort shall be reallocated credited to the
13 special bridge fund, which is hereby created, for use
14 of counties that are not reduced under this subsection
15 pursuant to the allocation provisions of section
16 312.37, subsection 17 based upon the needs and area of
17 the county transferred or provided during the prior
18 fiscal year under section 331.429, subsection 1,
19 paragraphs "a", "b", "d", and "e", not less than
20 ninety-six percent of the maximum funds that the
21 county could have transferred in the prior fiscal year
22 under section 331.429, subsection 1, paragraphs "a"
23 and "b". Moneys credited to the special bridge fund
24 shall be distributed to qualifying counties for bridge
25 projects in accordance with rules adopted by the state
26 department of transportation which shall require
27 matching funds to be provided by the county toward
28 approved bridge projects.

29 PARAGRAPH DIVIDED. Information necessary to make
30 allocations under this subsection shall be provided by
31 the state department of transportation or the director
32 of the department of management upon request by the
33 treasurer of state.

34 Sec. ____ . Section 312.2, subsection 14, Code 1989,
35 is amended to read as follows:

36 14. The treasurer of state, before making the
37 allotments provided for in this section, shall credit
38 monthly from the road use tax fund to the revitalize
39 Iowa's sound economy fund, created under section
40 315.2, the revenue accruing to the road use tax fund
41 in the amount equal to two-thirds of the revenues
42 collected under each of the following:

43 a. From the excise tax on motor fuel and special
44 fuel imposed under the tax rate of section 324.3
45 except aviation gasoline:
46 ~~---(1)---For the period July 1, 1985, through December~~
47 ~~31, 1985, the amount of excise tax collected from two~~
48 ~~cents per gallon;~~
49 ~~---(2)---From and after January 1, 1986, the amount of~~
50 ~~excise tax collected from three one and one-half cents~~

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1 per gallon.

2 b. From the excise tax on special fuel for diesel
3 engines:

4 ---{1}---For the period July 1, 1985, through December
5 31, 1985, the amount of excise tax collected from one
6 cent per gallon:

7 ---{2}---For the period January 1, 1986, through
8 December 31, 1986, the amount of excise tax collected
9 from two cents per gallon:

10 ---{3}---From and after January 1, 1987, the amount of
11 excise tax collected from three one and one-half cents
12 per gallon.

13 Sec. _____. Section 312.2, Code 1989, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 14A. The treasurer of state,
16 before making the allotments provided for in this
17 section, shall credit monthly from the road use tax
18 fund to the secondary road fund the revenue accruing
19 to the road use tax fund in the amount equal to the
20 revenues collected under each of the following:

21 a. From the excise tax on motor fuel and special
22 fuel imposed under the tax rate of section 324.3,
23 except aviation gasoline, the amount of excise tax
24 collected from one-half cent per gallon.

25 b. From the excise tax on special fuel for diesel
26 engines, the amount of excise tax collected from one-
27 half cent per gallon.

28 Sec. _____. Section 312.2, Code 1989, is amended by
29 adding the following new subsection:

30 NEW SUBSECTION. 19. a. The treasurer of state,
31 before making the allotments provided in this section,
32 shall annually credit to the secondary road fund an
33 amount to hold harmless the secondary road fund from
34 changes in the allocation formula incorporated in this
35 Act. The amount credited under this paragraph shall
36 equal the amount, if any, by which the base year
37 amount exceeds the amount of moneys credited to the
38 secondary road fund under subsection 2. For purposes
39 of this paragraph, the "base year amount" is one
40 hundred thirty-nine million eight hundred thousand
41 dollars.

42 b. The treasurer of state, before making the
43 allotments provided in this section, shall annually
44 credit to the farm-to-market road fund an amount to
45 hold harmless the farm-to-market road fund from
46 changes in the allocation formula incorporated in this
47 Act. The amount credited under this paragraph shall
48 equal the amount, if any, by which the base year
49 amount exceeds the amount of moneys credited to the
50 farm-to-market road fund under subsections 3 and 11.

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1 For purposes of this paragraph, the "base year amount"
2 is forty-six million dollars.

3 c. This subsection is repealed effective July 1,
4 1991.

5 Sec. _____. Section 312.3, subsection 1, Code 1989,
6 is amended by striking the subsection and inserting in
7 lieu thereof the following:

8 1. Apportion among the counties the need allotment
9 of secondary road funds and the area allotment of
10 secondary road funds from road use tax funds credited
11 to the secondary road fund.

12 For the purposes of this subsection:

13 a. "Need allotment of secondary road funds" means
14 the moneys credited to the secondary road fund of the
15 counties to be distributed in accordance with needs.
16 These moneys shall be apportioned among the counties
17 in the ratio that the needs of the secondary roads of
18 each county bear to the total needs of the secondary
19 roads of the state for each fiscal year based upon the
20 total needs of secondary roads of the state as shown
21 in the latest quadrennial need study report developed
22 by the department and which is on record at the
23 department. The need allotment of secondary road
24 funds for the fiscal year beginning July 1, 1990, is
25 eighty percent, and for the fiscal year beginning July
26 1, 1991, and all succeeding fiscal years is one
27 hundred percent, of moneys credited from the road use
28 tax fund to the secondary road fund of the counties.

29 b. "Area allotment of secondary road funds" means
30 the moneys credited to the secondary road fund of the
31 counties to be distributed in accordance with area.
32 These moneys shall be apportioned among the counties
33 in the ratio that the area of each county bears to the
34 total area of the state. The area allotment of
35 secondary road funds for the fiscal year beginning
36 July 1, 1990, is twenty percent of moneys credited
37 from the road use tax fund to the secondary road fund
38 of the counties.

39 Sec. _____. Section 312.3, subsection 2, Code 1989,
40 is amended to read as follows:

41 2. Apportion among the cities of the state, in the
42 ratio which the population of each city, as shown by
43 the latest available federal census, bears to the
44 total population of all such cities in the state, the
45 percentage of the road use tax funds which is credited
46 to the street fund of the cities, and shall remit to
47 the city clerk of each such city the amount so
48 apportioned to such the city.

49 However, if a city has an extension of the trunk or
50 trunk collector system within the boundaries of the

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1 city and the jurisdiction and control over the
2 extension vests with a county board of supervisors
3 under section 306.4, subsection 2A, a portion of the
4 moneys otherwise allocated to a city under this
5 section shall be allocated to the county or counties.
6 The allocation to the county or counties shall be in
7 the amount of all moneys otherwise allocated to a city
8 under this section times the ratio that the vehicle
9 miles traveled on the extension or extensions bear to
10 the total vehicle miles traveled on the roads within
11 the city, but in no case shall the allocation to the
12 county or counties exceed fifty percent of all moneys
13 otherwise allocated to a city under this section. If
14 the extension lies within two or more counties, moneys
15 allocated to the counties shall be apportioned among
16 the counties in the ratio which the length of the
17 extension or extensions within a county bears to the
18 total length of all such extensions within the city.
19 The state department of transportation shall assist
20 the treasurer of state in determining the allocation
21 of moneys under this paragraph.

22 PARAGRAPH DIVIDED. A city may have one special
23 federal census taken each decade, and the population
24 figure thus obtained shall be used in apportioning
25 amounts under this subsection beginning the calendar
26 year following the year in which the special census is
27 certified by the secretary of state.

28 Sec. ____ . NEW SECTION. 312.3A STREET RESEARCH
29 FUND.

30 Prior to the allocation to the cities under section
31 312.3, subsection 2, the department is authorized to
32 set aside each year not to exceed one-half percent of
33 the receipts of the street construction fund of the
34 cities in a fund to be known as the street research
35 fund. The street research fund shall be used by the
36 department solely for the purpose of financing
37 engineering studies and research projects which have
38 as their objective the more efficient use of funds and
39 materials that are available for the construction and
40 maintenance of city streets, including city street
41 bridges and culverts. The research projects and
42 engineering studies authorized shall be conducted in
43 cooperation with the city engineers. On or before
44 January 31 each year the department shall file a
45 report with the governor, state transportation
46 commission, city engineers, chief clerk of the house
47 of representatives, and secretary of the senate
48 showing the work accomplished and projects undertaken
49 under this section.

50 Sec. ____ . Section 312.5, Code 1989, is amended to

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1 read as follows:

2 312.5 DIVISION OF FARM-TO-MARKET ROAD FUNDS.

3 The road use tax funds credited to the farm-to-
4 market road fund by the treasurer of state are hereby
5 divided as follows, and are to be known respectively
6 as:

7 1. --Need allotment farm-to-market road funds, sixty
8 percent, and

9 2. --Area allotment farm-to-market road funds, forty
10 percent.

11 All farm-to-market road funds, except funds which
12 under section 310.20 come from any county's allotment
13 of the road use tax funds, shall be allotted among the
14 counties by the department. Area allotment farm-to-
15 market road funds and federal aid secondary road funds
16 received by the state, shall be allotted among all the
17 counties of the state in the ratio that the area of
18 each county bears to the total area of the whole
19 state.

20 Need allotment farm-to-market road funds shall be
21 allotted among the counties in the ratio that the
22 needs of the farm-to-market roads in each county bear
23 to the total needs of the farm-to-market roads in the
24 state for each fiscal year based upon the total needs
25 of the farm-to-market roads in the state as shown in
26 the latest quadrennial need study report developed by
27 the state department of transportation, and which is
28 on record at the department.

29 The need allotment farm-to-market road funds for
30 the fiscal year beginning July 1, 1990, is eighty
31 percent and for the fiscal year beginning July 1,
32 1991, and all succeeding fiscal years is one hundred
33 percent, of money credited from the road use tax fund
34 to the farm-to-market road fund.

35 The area allotment farm-to-market road funds for
36 the fiscal year beginning July 1, 1990, is twenty
37 percent of moneys credited from the road use tax fund
38 to the farm-to-market road fund.

39 Sec. _____. Section 312.16, Code 1989, is amended to
40 read as follows:

41 312.16 DEFINITION DEFINITIONS.

42 As used in this chapter, unless the context
43 otherwise requires, "department":

44 1. "Department" means the state department of
45 transportation.

46 2. "Fiscal year" means the period of twelve months
47 beginning on July 1 and ending on June 30.

48 Sec. _____. Section 315.3, subsection 2, Code 1989,
49 is amended to read as follows:

50 2. The fund is also appropriated and shall be used

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1 for the reimbursement or payment to cities ~~or-counties~~
2 of all or part of the interest and principal on
3 general obligation bonds issued by cities ~~or-counties~~
4 for the purpose of financing approved road and street
5 projects meeting the requirements of subsection 1.

6 Sec. _____. Section 315.4, Code 1989, is amended to
7 read as follows:

8 315.4 ALLOCATION OF FUND.

9 Moneys credited to the RISE fund shall be allocated
10 as follows:

11 1. ~~Fifty-percent~~ Two-thirds for the use of the
12 department on primary road projects exclusively for
13 highways which are identified under section 307A.2 as
14 being part of the network of commercial and industrial
15 highways.

16 ~~2. Twenty-five-percent-for-the-use-of-counties-on~~
17 ~~secondary-road-projects.~~

18 ~~3. 2. Twenty-five-percent~~ One-third for the use
19 of cities on city street projects.

20 Sec. _____. Section 315.5, Code 1989, is amended to
21 read as follows:

22 315.5 ADMINISTRATION OF FUND.

23 Qualifying road and street projects shall be
24 selected by the state transportation commission for
25 full or partial financing from the fund after
26 consultation with organizations representing interests
27 of counties and cities. ~~Counties-and-cities~~ Cities
28 may make application for qualifying road and street
29 projects with the department. In ranking applications
30 for funds, the department shall, in addition to
31 effects listed in section 315.3, subsection 1,
32 consider the proportion of political subdivision
33 matching funds to be provided, if any, the proportion
34 of private contributions to be provided, if any, the
35 total number of jobs to be created, the level of need,
36 the impact of the proposed project on the economy of
37 the area affected, and the factors and requirements in
38 section 315.11. The proportion of funding shall be
39 determined by the department or, in the case of
40 cooperative projects, by agreement between the
41 department and the city councils of participating
42 cities, or boards of supervisors of participating
43 counties, or other participating public agencies or
44 private parties.

45 Sec. _____. Section 315.6, Code 1989, is amended to
46 read as follows:

47 315.6 FUNDING OF PROJECTS.

48 Qualifying projects may be funded as follows:

49 1. Primary road and state park road projects may
50 be financed entirely by the fund, or by combining

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1 money from the fund with money from the primary road
2 fund, federal aid primary funds received by the state,
3 money from cities or counties raised through the sale
4 of general obligation bonds of the cities or counties,
5 other city or county revenues, or money from
6 participating private parties.

7 2. --Secondary road, state park road, and county
8 conservation parkway projects may be funded entirely
9 by the fund or by combining money from the fund with
10 money from the county's portion of road use tax funds,
11 federal aid secondary funds, other county revenues,
12 money raised through the sale of general obligation
13 bonds of the county, or money from participating
14 private parties.

15 3 2. City street and state park road projects may
16 be funded entirely by the fund, or by combining money
17 from the fund with money from the city's portion of
18 road use tax funds, federal aid urban system funds,
19 other municipal revenues, money raised through the
20 sale of general obligation bonds of the city, or money
21 from participating private parties.

22 A county or city may, at its option, apply moneys
23 allocated for use on secondary road or city street
24 projects under section 315.4, subsection 2 or 3,
25 toward qualifying primary road, and state park road,
26 and county conservation parkway projects.

27 Sec. ____ . Section 315.8, Code 1989, is amended to
28 read as follows:

29 315.8 ACCOUNTS AND RECORDS REQUIRED.

30 The department shall keep accounts in relation to
31 the allocation of moneys to the fund including all
32 amounts credited to the fund and all amounts of duly
33 and finally approved vouchers for claims chargeable to
34 the fund. The department shall also keep accounts in
35 relation to agreements with counties and cities for
36 the reimbursement of interest and principal costs for
37 general obligation bonds of counties or cities issued
38 for the purpose of financing road or street projects
39 under this chapter.

40 Sec. ____ . All unencumbered and unobligated moneys
41 in the RISE fund on July 1, 1989, which are allocated
42 under section 315.4 for the use of counties on
43 secondary road projects shall be credited to the
44 secondary road fund.

45 Sec. ____ . The state department of transportation
46 shall have appointed to the Iowa highway research
47 board, at a minimum, four city engineers or engineers
48 employed by a city. Efforts shall be made for the
49 appointments to provide statewide geographical
50 representation and representation among the city

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1 population groups.

2 Sec. _____. The counties shall by January 1, 1990,
3 make a recommendation for the allocation of secondary
4 road fund moneys and farm-to-market road fund moneys
5 among the counties to the governor and the general
6 assembly. Sections 8 and 11 of this Act take effect
7 July 1, 1990, unless contrary provisions providing for
8 the allocation of such moneys are enacted.

9 Sec. _____. Section 13, and sections 15 through 17
10 of this Act do not apply to road projects which have
11 been selected by the state transportation commission
12 under section 315.5 prior to July 1, 1989.

13 Sec. _____. There is appropriated from the road use
14 tax fund to the state department of transportation the
15 sum of \$15,000 or so much thereof as is necessary, for
16 the purpose of conducting a study, in consultation
17 with the department of natural resources and
18 representatives of cities and counties, to analyze and
19 report on the impact of waterway opening and
20 floodplain requirements existing in federal or state
21 law, regulations, administrative rules or design
22 guides, on current and future road and bridge
23 requirements, costs, and needs. The analysis shall
24 consider what economies the various road programs
25 might achieve by modifying these requirements,
26 including reducing or eliminating the liability a road
27 jurisdiction might have with current or alternative
28 future requirements for road and bridge features for
29 waterways and floodplains, including analyzing the
30 risk to and benefits for roads and bridges and the
31 risks and costs to land, improvements, and human
32 activity. The study shall recommend methods for
33 reducing the future highway program costs for
34 providing bridges in Iowa. The study shall be
35 submitted to the governor, the chief clerk of the
36 house, and the secretary of the senate not later than
37 January 31, 1990.

38 Sec. _____. 1988 Iowa Acts, chapter 1019, sections
39 21, 23, and 24, are repealed."

40 2. Title page, line 2, by inserting after the
41 word "jurisdictions" the following: "and providing
42 effective dates".

RECEIVED FROM THE HOUSE

S-3991 FILED APRIL 28, 1989

Senate refused to concur 5-1-89 (p.1780)
House insists 5-1-89 (p.2258)

REPORT OF THE CONFERENCE COMMITTEE
ON SENATE FILE 524

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the differences between the Senate and the House of Representatives on Senate File 524, a bill for An Act relating to funding available for roads including appropriations of moneys to the affected jurisdictions, respectfully make the following report:

1. That the House recedes from its amendment, S-3991.

2. That Senate File 524, as amended, passed, and reprinted by the Senate, is amended as follows:

1. By striking everything after the enacting clause and inserting the following:

"Section 1. NEW SECTION. 307D.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Board" means the Iowa highway research board of the state department of transportation.

2. "Department" means the state department of transportation.

Sec. 2. NEW SECTION. 307D.2 IOWA HIGHWAY RESEARCH BOARD.

There is created the Iowa highway research board for the purpose of providing for the ongoing research of materials, design, and maintenance of Iowa's highways as provided in this chapter.

Sec. 3. NEW SECTION. 307D.3 DUTIES AND OBJECTIVES.

The duties and objectives of the board are:

1. To supervise and coordinate research and development with the United States department of transportation and all other transportation research organizations. The research shall include, but not be limited to, the study of standards for road and bridge construction, design, and maintenance, and

the development of new materials.

2. To acquire a knowledge of research and development needs of Iowa's roads and transportation systems.

3. To act as a clearinghouse for suggestions, problem statements, and proposals for highway research and development.

4. To make recommendations to the general assembly, the governor, Iowa's congressional delegation, the department and the United States department of transportation based upon research conducted and supervised by the board.

5. To monitor the progress of recommended projects and periodically evaluate each project's success and impact upon Iowa's highways.

6. To periodically report and publish the results of research conducted by the board.

7. To annually report by December 15 of each year to the general assembly and the governor regarding the board's activities and research.

Sec. 4. NEW SECTION. 307D.4 GOVERNING BOARD -- STAFF.

The powers of the board shall be vested in and exercised by a governing board consisting of fourteen members appointed by the governor, subject to confirmation by the senate in accordance with section 2.32, and four members of the general assembly. The membership shall be qualified as follows:

1. Three members shall be county engineers or members of county boards of supervisors.

2. Three members shall be city engineers.

3. Three members shall be employed by the department in the administration of highways.

4. Five members shall be university representatives, two from the state university of Iowa, two from Iowa state university of science and technology, and one from the university of northern Iowa. One of the members from both the state university of Iowa and Iowa state university of science and technology shall be faculty members of the respective institution's engineering college; the other members shall be

faculty members of any college or department excluding the engineering college of the respective institution.

5. Four members shall be members of the general assembly, one to be appointed by the speaker of the house from the membership of the house, one to be appointed by the minority leader of the house from the membership of the house, one to be appointed by the majority leader of the senate from the membership of the senate, and one to be appointed by the minority leader of the senate from the membership of the senate.

No more than a simple majority of the members of the board shall be of the same political party or same gender as provided in sections 69.16 and 69.16A.

Sec. 5. NEW SECTION. 307D.5 TERMS OF OFFICE -- OFFICERS SELECTED.

The board shall be appointed for staggered terms of four years beginning and ending as provided in section 69.19. The legislative members of the board shall be appointed to staggered four-year terms of office, two of which shall expire every two years. A legislative member's tenure on the board is terminated if the board member ceases to be a member of the general assembly. Vacancies in the membership shall be filled for the unexpired term in the same manner as the original appointment. The board shall annually select from its membership a chairperson and a vice chairperson by a majority vote of the total membership. A member of the department, as selected by the board, shall serve as secretary.

Sec. 6. NEW SECTION. 307D.6 MEETINGS OF THE BOARD -- EXPENSES.

The board shall meet at least six times each year and shall hold special meetings on the call of the chairperson. Except as otherwise provided, the members of the board shall serve without additional compensation to the salary and expenses authorized for the office or position held by the member. Members representing political subdivisions who are not elected officials shall receive forty dollars per diem and

necessary and actual expenses incurred in the performance of their duties. Legislative members shall be paid for their actual and necessary expenses and, when the general assembly is not in session, per diem as provided in sections 2.10 and 2.12. The department's members of the board shall be reimbursed for their actual and necessary expenses from the funds appropriated pursuant to section 313.5.

Sec. 7. NEW SECTION. 307D.7 ADDITIONAL AUTHORITY.

The board may:

1. Do all things necessary, proper and expedient in executing and achieving the duties and objectives assigned to the board in this chapter.

2. Hold public hearings.

3. Enter into contracts, within the limits of funds made available to the board, with individuals, organizations, and institutions for services furthering the objectives of the board.

4. Accept grants of money, property, or other resources from the federal government or any other source, and upon its own order use the money, property, or other resources to accomplish the duties and objectives of the board.

Sec. 8. Section 310.10, Code 1989, is amended to read as follows:

310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

The farm-to-market road system shall embrace those roads as defined in section 306.3, subsection 5. However, a road which is classified as being part of the arterial or arterial connector system under chapter 306 but whose jurisdiction still vests in the county in which it is located, shall be deemed to be part of the farm-to-market road system until the time the jurisdiction of the road is transferred to the department.

Sec. 9. Section 312.1, unnumbered paragraph 2, Code 1989, is amended to read as follows:

Notwithstanding section 453.7, subsection 2, interest or earnings on investments or time deposits of the moneys in the

road use tax fund and the funds to which moneys from the road use tax fund are credited shall be credited to the respective funds-which-generated-the-interest-or-earnings road use tax fund.

Sec. 10. Section 312.2, subsections 1 through 4, Code 1989, are amended to read as follows:

1. To the primary road fund, forty-five forty-seven and one-half percent.

2. To the secondary road fund of the counties, twenty-eight twenty-four and one-half percent.

3. To the farm-to-market road fund, nine eight percent.

4. To the street construction fund of the cities, eighteen twenty percent.

Sec. 11. Section 312.2, subsection 14, Code 1989, is amended to read as follows:

14. The treasurer of state, before making the allotments provided for in this section, shall credit monthly from the road use tax fund to the revitalize Iowa's sound economy fund, created under section 315.2, the revenue accruing to the road use tax fund in the amount equal to two-thirds-of the revenues collected under each of the following:

a. From the excise tax on motor fuel and special fuel imposed under the tax rate of section 324.3 except aviation gasoline:

~~(1)--For the period July 1, 1985, through December 31, 1985, the amount of excise tax collected from two cents per gallon.~~

~~(2)--From and after January 1, 1986, the amount of excise tax collected from three one and eleven-twentieths cents per gallon.~~

b. From the excise tax on special fuel for diesel engines:

~~(1)--For the period July 1, 1985, through December 31, 1985, the amount of excise tax collected from one cent per gallon.~~

~~(2)--For the period January 1, 1986, through December 31, 1986, the amount of excise tax collected from two cents per~~

gallon.

~~(3)--From-and-after-January-1, 1987,~~ the amount of excise tax collected from three one and eleven-twentieths cents per gallon.

Sec. 12. Section 312.2, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 14A. The treasurer of state, before making the allotments provided for in this section, shall credit monthly from the road use tax fund to the secondary road fund the revenue accruing to the road use tax fund in the amount equal to the revenues collected under each of the following:

a. From the excise tax on motor fuel and special fuel imposed under the tax rate of section 324.3, except aviation gasoline, the amount of excise tax collected from nine-twentieths cent per gallon.

b. From the excise tax on special fuel for diesel engines, the amount of excise tax collected from nine-twentieths cent per gallon.

Sec. 13. Section 312.2, Code 1989, is amended by adding the following new subsections:

NEW SUBSECTION. 19. a. The treasurer of state, before making the allotments provided for in this section, for the fiscal year beginning July 1, 1990, and each succeeding fiscal year, credit from the road use tax fund two million dollars to the county bridge construction fund, which is hereby created. Moneys credited to the county bridge construction fund shall be allocated to counties by the department for bridge construction and reconstruction based on needs in accordance with rules adopted by the department.

b. The treasurer of state, before making the allotments provided for in this section, for the fiscal year beginning July 1, 1990, and each succeeding fiscal year, credit from the road use tax fund five hundred thousand dollars to the city bridge construction fund, which is hereby created. Moneys credited to the city bridge construction fund shall be

allocated to cities by the department for bridge construction and reconstruction based on needs in accordance with rules adopted by the department.

NEW SUBSECTION. 20. Subsections 1 through 4 do not apply during the fiscal period beginning July 1, 1989, through June 30, 1991. For the fiscal year beginning July 1, 1989, and the succeeding fiscal year, the treasurer of state, after making the other allotments provided for in this section, shall credit:

a. To the primary road fund, two hundred eighty-five million dollars less the combined amount of moneys credited in the fiscal year to the primary road fund under subsections 7 and 11 and moneys credited for the use of the department on primary road projects under section 315.4, subsection 1.

b. To the secondary road fund of the counties, one hundred forty-eight million dollars less the combined amount of moneys credited in the fiscal year to the secondary road fund under subsection 14A and moneys credited for the use of counties on secondary road projects under section 315.4, subsection 2.

c. To the farm-to-market road fund, forty-eight million dollars less the amount of moneys credited to the farm-to-market road fund under subsection 11.

d. To the street construction fund of the cities, one hundred twelve million dollars less the amount of moneys credited for the use of cities on city street projects under section 315.4, subsection 3.

e. If in a fiscal year there are insufficient moneys credited to the road use tax fund to fully credit to the respective funds the full amount appropriated under paragraphs "a" through "d", the treasurer of state shall reduce the amounts credited under paragraphs "a" through "d" by the amount of the shortfall among the respective funds in proportion to the allocation among the funds under subsections 1 through 4. Similarly, if in a fiscal year there are moneys credited to the road use tax fund in excess of those necessary to fully credit the respective funds with the amounts

appropriated under paragraphs "a" through "d", the treasurer of state shall increase the amounts credited under paragraphs "a" through "d" by the amount of the additional available moneys among the respective funds in proportion to the allocation among the funds under subsections 1 through 4.

This subsection is repealed effective July 1, 1991.

Sec. 14. NEW SECTION. 312.3A STREET RESEARCH FUND.

Prior to the allocation to the cities under section 312.3, subsection 2, the department is authorized to set aside each year two hundred thousand dollars from the street construction fund of the cities in a fund to be known as the street research fund. The street research fund shall be used by the department solely for the purpose of financing engineering studies and research projects which have as their objective the more efficient use of funds and materials that are available for the construction and maintenance of city streets, including city street bridges and culverts. The research projects and engineering studies authorized shall be conducted in cooperation with the city engineers. On or before January 31 each year the department shall file a report with the governor, state transportation commission, city engineers, chief clerk of the house of representatives, and secretary of the senate showing the work accomplished and projects undertaken under this section.

Sec. 15. Section 312.16, Code 1989, is amended to read as follows:

312.16 DEFINITION DEFINITIONS.

As used in this chapter, unless the context otherwise requires,—"department":

1. "Department" means the state department of transportation.
2. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

Sec. 16. Section 315.4, Code 1989, is amended to read as follows:

315.4 ALLOCATION OF FUND.

Moneys credited to the RISE fund shall be allocated as follows:

1. ~~Fifty-percent~~ Twenty thirty-firsts for the use of the department on primary road projects exclusively for highways which are identified under section 307A.2 as being part of the network of commercial and industrial highways.

2. ~~Twenty-five-percent~~ One thirty-first for the use of counties on secondary road projects.

3. ~~Twenty-five-percent~~ Ten thirty-firsts for the use of cities on city street projects.

Commencing June 30, 1990, all uncommitted moneys in the RISE fund on June 30 of each year which are allocated under this section for the use of counties on secondary road projects shall be credited to the secondary road fund.

Sec. 17. Section 602.8106, subsection 4, Code 1989, is amended to read as follows:

4. The clerk shall remit all other fines and forfeited bail received from a magistrate to the treasurer of state to be credited to the general fund of the state, except that annually the first two million five hundred thousand dollars in fines which are imposed through vehicle violation citations issued by motor vehicle division personnel at portable and fixed weigh stations in the state which shall be credited to the road use tax fund.

Sec. 18. 1988 Iowa Acts, chapter 1019, sections 21, 23, and 24, are repealed.

Sec. 19. Except for the provisions of section 13 of this Act relating to the county bridge construction fund and the city bridge construction fund, it is the intent of the general assembly that no additional statutory off-the-top allocations from the road use tax fund shall be enacted by the general assembly.

Sec. 20. The legislative council shall appoint a study committee for the purpose of studying, and making recommendations for the allocation of secondary road fund moneys and farm-to-market road fund moneys among the counties.

A majority of the members of the study committee shall be representatives of the counties. The recommendations shall be submitted to the governor, the chief clerk of the house, and the secretary of the senate not later than January 31, 1990.

Sec. 21. The Iowa highway research board created prior to the enactment of this Act by the state department of transportation shall advise the Iowa highway research board created under this Act.

Sec. 22. There is appropriated from the road use tax fund to the state department of transportation the sum of \$15,000 or so much thereof as is necessary, for the purpose of conducting a study, in consultation with the department of natural resources and representatives of cities and counties, to analyze and report on the impact of waterway opening and floodplain requirements existing in federal or state law, regulations, administrative rules or design guides, on current and future road and bridge requirements, costs, and needs. The analysis shall consider what economies the various road programs might achieve by modifying these requirements, including reducing or eliminating the liability a road jurisdiction might have with current or alternative future requirements for road and bridge features for waterways and floodplains, including analyzing the risk to and benefits for roads and bridges and the risks and costs to land, improvements, and human activity. The study shall recommend methods for reducing the future highway program costs for providing bridges in Iowa. The study shall be submitted to the governor, the chief clerk of the house, and the secretary of the senate not later than January 31, 1990.

Sec. 23. Section 17 of this Act takes effect July 1, 1990."

2. Title page, line 1, by inserting after the word "to" the following: "roads and".

3. Title page, line 2, by inserting after the word "jurisdictions" the following: ", creating the county bridge construction fund and the city bridge construction fund, and

creating the Iowa highway research board and providing for the board's compensation and expenses".

ON THE PART OF THE SENATE:

ON THE PART OF THE HOUSE:

DON E. GETTINGS, Chairperson
C. JOSEPH COLEMAN
RICHARD F. DRAKE
JOHN W. JENSEN
ELAINE SZYMONIAK

MIKE CONNOLLY, Chairperson
KENNETH R. DE GROOT
DEO A. KOENIGS
LOUIS J. MUHLBAUER
GREGORY A. SPENNER

Adopted by Senate 55-89 (p.1981)
Adopted by House 55-89 (p.2559)

CCR-11-

DIELEMAN, CH.
FRAISE
DRAKE

SSB 374
WAYS+MEANS

SENATE FILE 524
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to funding available for roads including
2 appropriations of moneys to the affected jurisdictions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 Section 1. Section 306.4, subsection 3, Code 1989, is
2 amended by adding the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. The county board of supervisors
4 has the duty to provide snow removal on all extensions of the
5 trunk and trunk collector systems located within a city with a
6 population of less than one thousand persons. The population
7 of a city, for purposes of this paragraph, shall be the total
8 population of the city and shall be determined in the same
9 manner as provided in section 312.3, subsections 2 through 5.

10 Sec. 2. Section 310.10, Code 1989, is amended to read as
11 follows:

12 310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

13 The farm-to-market road system shall embrace those roads as
14 defined in section 306.3, subsection 5. However, a road which
15 is classified as being part of the arterial or arterial
16 connector system under chapter 306 but whose jurisdiction
17 still vests in the county in which it is located, shall be
18 deemed to be part of the farm-to-market road system until the
19 time the jurisdiction of the road is transferred to the
20 department.

21 Sec. 3. Section 312.1, unnumbered paragraph 2, Code 1989,
22 is amended to read as follows:

23 Notwithstanding section 453.7, subsection 2, interest or
24 earnings on investments or time deposits of the moneys in the
25 road use tax fund and the funds to which moneys from the road
26 use tax fund are credited shall be credited to the respective
27 funds-which-generated-the-interest-or-earnings road use tax
28 fund.

29 Sec. 4. Section 312.2, subsections 1 through 4, Code 1989,
30 are amended to read as follows:

31 1. To the primary road fund, forty-five forty-six percent.

32 2. To the secondary road fund of the counties, twenty-
33 eight twenty-seven percent in the fiscal year beginning July
34 1, 1989, and twenty-six percent beginning July 1, 1990.

35 3. To the farm-to-market road fund, nine eight percent.

1 4. To the street construction fund of the cities, ~~eighteen~~
2 nineteen percent in the fiscal year beginning July 1, 1989,
3 and twenty percent beginning July 1, 1990.

4 Sec. 5. Section 312.2, Code 1989, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 19. a. For the fiscal period beginning
7 July 1, 1989, and ending June 30, 1991, the treasurer of
8 state, before making the allotments provided in this section,
9 shall annually credit to the secondary road fund an amount to
10 hold harmless the secondary road fund from changes in the
11 allocation formula incorporated in this Act. The amount
12 credited under this paragraph shall equal the amount, if any,
13 by which the base year amount exceeds the amount of moneys
14 credited to the secondary road fund under subsection 2. For
15 purposes of this paragraph, the "base year amount" is the
16 amount of moneys credited to the secondary road fund from the
17 state road use tax fund for the fiscal year beginning July 1,
18 1988.

19 b. For the fiscal period beginning July 1, 1989, and
20 ending June 30, 1991, the treasurer of state, before making
21 the allotments provided in this section, shall annually credit
22 to the farm-to-market road fund an amount to hold harmless the
23 farm-to-market road fund from changes in the allocation
24 formula incorporated in this Act. The amount credited under
25 this paragraph shall equal the amount, if any, by which the
26 base year amount exceeds the amount of moneys credited to the
27 farm-to-market road fund under subsection 3. For purposes of
28 this paragraph, the "base year amount" is the amount of moneys
29 credited to the farm-to-market road fund from the state road
30 use tax fund for the fiscal year beginning July 1, 1988.

31 c. This subsection is repealed effective July 1, 1991.

32 Sec. 6. Section 312.16, Code 1989, is amended to read as
33 follows:

34 312.16 ~~DEFINITION~~ DEFINITIONS.

35 As used in this chapter, unless the context otherwise

1 road fund of the counties; eight percent is allocated to the
2 farm-to-market road fund; and beginning July 1, 1989, nineteen
3 percent, and beginning July 1, 1990, twenty percent is
4 allocated to the street construction fund of the cities.

5 Section 5 provides an off-the-top allocation of road use
6 tax funds to hold harmless the amounts allocated in the
7 formula to the secondary road fund and the farm-to-market road
8 fund for a two-year period beginning July 1, 1989.

9 Section 6 adds the definition of fiscal year to chapter
10 312.

11 Section 7 provides that commencing June 30, 1990, all
12 uncommitted RISE fund moneys on June 30 of each year which are
13 allocated for use of counties on secondary road projects are
14 to be credited to the secondary road fund.

15 Section 8 repeals sections from a gas tax increase bill
16 enacted in 1988 which provided for special allocations of road
17 use tax fund moneys effective July 1, 1989, and April 1, 1990.

18 This bill may contain a state mandate as defined in section
19 25B.3.

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SENATE FILE 524

AN ACT

RELATING TO ROADS AND FUNDING AVAILABLE FOR ROADS INCLUDING APPROPRIATIONS OF MONEYS TO THE AFFECTED JURISDICTIONS, CREATING THE COUNTY BRIDGE CONSTRUCTION FUND AND THE CITY BRIDGE CONSTRUCTION FUND, AND CREATING THE IOWA HIGHWAY RESEARCH BOARD AND PROVIDING FOR THE BOARD'S COMPENSATION AND EXPENSES.

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

Section 1. NEW SECTION. 307D.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Board" means the Iowa highway research board of the state department of transportation.

2. "Department" means the state department of transportation.

Sec. 2. NEW SECTION. 307D.2 IOWA HIGHWAY RESEARCH BOARD.

There is created the Iowa highway research board for the purpose of providing for the ongoing research of materials, design, and maintenance of Iowa's highways as provided in this chapter.

Sec. 3. NEW SECTION. 307D.3 DUTIES AND OBJECTIVES.

The duties and objectives of the board are:

1. To supervise and coordinate research and development with the United States department of transportation and all other transportation research organizations. The research shall include, but not be limited to, the study of standards

for road and bridge construction, design, and maintenance, and the development of new materials.

2. To acquire a knowledge of research and development needs of Iowa's roads and transportation systems.

3. To act as a clearinghouse for suggestions, problem statements, and proposals for highway research and development.

4. To make recommendations to the general assembly, the governor, Iowa's congressional delegation, the department and the United States department of transportation based upon research conducted and supervised by the board.

5. To monitor the progress of recommended projects and periodically evaluate each project's success and impact upon Iowa's highways.

6. To periodically report and publish the results of research conducted by the board.

7. To annually report by December 15 of each year to the general assembly and the governor regarding the board's activities and research.

Sec. 4. NEW SECTION. 307D.4 GOVERNING BOARD -- STAFF.

The powers of the board shall be vested in and exercised by a governing board consisting of fourteen members appointed by the governor, subject to confirmation by the senate in accordance with section 2.32, and four members of the general assembly. The membership shall be qualified as follows:

1. Three members shall be county engineers or members of county boards of supervisors.

2. Three members shall be city engineers.

3. Three members shall be employed by the department in the administration of highways.

4. Five members shall be university representatives, two from the state university of Iowa, two from Iowa state university of science and technology, and one from the university of northern Iowa. One of the members from both the state university of Iowa and Iowa state university of science

and technology shall be faculty members of the respective institution's engineering college; the other members shall be faculty members of any college or department excluding the engineering college of the respective institution.

5. Four members shall be members of the general assembly, one to be appointed by the speaker of the house from the membership of the house, one to be appointed by the minority leader of the house from the membership of the house, one to be appointed by the majority leader of the senate from the membership of the senate, and one to be appointed by the minority leader of the senate from the membership of the senate.

No more than a simple majority of the members of the board shall be of the same political party or same gender as provided in sections 69.16 and 69.16A.

Sec. 5. NEW SECTION. 307D.5 TERMS OF OFFICE -- OFFICERS SELECTED.

The board shall be appointed for staggered terms of four years beginning and ending as provided in section 69.19. The legislative members of the board shall be appointed to staggered four-year terms of office, two of which shall expire every two years. A legislative member's tenure on the board is terminated if the board member ceases to be a member of the general assembly. Vacancies in the membership shall be filled for the unexpired term in the same manner as the original appointment. The board shall annually select from its membership a chairperson and a vice chairperson by a majority vote of the total membership. A member of the department, as selected by the board, shall serve as secretary.

Sec. 6. NEW SECTION. 307D.6 MEETINGS OF THE BOARD -- EXPENSES.

The board shall meet at least six times each year and shall hold special meetings on the call of the chairperson. Except as otherwise provided, the members of the board shall serve without additional compensation to the salary and expenses

authorized for the office or position held by the member. Members representing political subdivisions who are not elected officials shall receive forty dollars per diem and necessary and actual expenses incurred in the performance of their duties. Legislative members shall be paid for their actual and necessary expenses and, when the general assembly is not in session, per diem as provided in sections 2.10 and 2.12. The department's members of the board shall be reimbursed for their actual and necessary expenses from the funds appropriated pursuant to section 313.5.

Sec. 7. NEW SECTION. 307D.7 ADDITIONAL AUTHORITY.

The board may:

1. Do all things necessary, proper and expedient in executing and achieving the duties and objectives assigned to the board in this chapter.
2. Hold public hearings.
3. Enter into contracts, within the limits of funds made available to the board, with individuals, organizations, and institutions for services furthering the objectives of the board.
4. Accept grants of money, property, or other resources from the federal government or any other source, and upon its own order use the money, property, or other resources to accomplish the duties and objectives of the board.

Sec. 8. Section 310.10, Code 1989, is amended to read as follows:

310.10 FARM-TO-MARKET ROAD SYSTEM DEFINED.

The farm-to-market road system shall embrace those roads as defined in section 306.3, subsection 5. However, a road which is classified as being part of the arterial or arterial connector system under chapter 306 but whose jurisdiction still vests in the county in which it is located, shall be deemed to be part of the farm-to-market road system until the time the jurisdiction of the road is transferred to the department.

Sec. 9. Section 312.1, unnumbered paragraph 2, Code 1989, is amended to read as follows:

Notwithstanding section 453.7, subsection 2, interest or earnings on investments or time deposits of the moneys in the road use tax fund and the funds to which moneys from the road use tax fund are credited shall be credited to the respective funds which generated the interest or earnings road use tax fund.

Sec. 10. Section 312.2, subsections 1 through 4, Code 1989, are amended to read as follows:

1. To the primary road fund, forty-five ~~forty-seven~~ and one-half percent.
2. To the secondary road fund of the counties, twenty-eight ~~twenty-four~~ and one-half percent.
3. To the farm-to-market road fund, nine ~~eight~~ percent.
4. To the street construction fund of the cities, eighteen ~~twenty~~ percent.

Sec. 11. Section 312.2, subsection 14, Code 1989, is amended to read as follows:

14. The treasurer of state, before making the allotments provided for in this section, shall credit monthly from the road use tax fund to the revitalize Iowa's sound economy fund, created under section 315.2, the revenue accruing to the road use tax fund in the amount equal to ~~two-thirds~~ of the revenues collected under each of the following:

a. From the excise tax on motor fuel and special fuel imposed under the tax rate of section 324.3 except aviation gasoline:

(1) -- For the period July 1, 1985, through December 31, 1985, the amount of excise tax collected from two cents per gallon:

(2) -- From and after January 1, 1986, the amount of excise tax collected from three ~~one~~ and eleven ~~twenty~~ twentieths cents per gallon.

b. From the excise tax on special fuel for diesel engines:

(1) -- For the period July 1, 1985, through December 31, 1985, the amount of excise tax collected from one cent per gallon:

(2) -- For the period January 1, 1986, through December 31, 1986, the amount of excise tax collected from two cents per gallon:

(3) -- From and after January 1, 1987, the amount of excise tax collected from three ~~one~~ and eleven ~~twenty~~ twentieths cents per gallon.

Sec. 12. Section 312.2, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 14A. The treasurer of state, before making the allotments provided for in this section, shall credit monthly from the road use tax fund to the secondary road fund the revenue accruing to the road use tax fund in the amount equal to the revenues collected under each of the following:

a. From the excise tax on motor fuel and special fuel imposed under the tax rate of section 324.3, except aviation gasoline, the amount of excise tax collected from nine ~~twenty~~ twentieths cent per gallon.

b. From the excise tax on special fuel for diesel engines, the amount of excise tax collected from nine ~~twenty~~ twentieths cent per gallon.

Sec. 13. Section 312.2, Code 1989, is amended by adding the following new subsections:

NEW SUBSECTION. 19. a. The treasurer of state, before making the allotments provided for in this section, for the fiscal year beginning July 1, 1990, and each succeeding fiscal year, credit from the road use tax fund two million dollars to the county bridge construction fund, which is hereby created. Moneys credited to the county bridge construction fund shall be allocated to counties by the department for bridge construction and reconstruction based on needs in accordance with rules adopted by the department.

b. The treasurer of state, before making the allotments provided for in this section, for the fiscal year beginning July 1, 1990, and each succeeding fiscal year, credit from the road use tax fund five hundred thousand dollars to the city bridge construction fund, which is hereby created. Moneys credited to the city bridge construction fund shall be allocated to cities by the department for bridge construction and reconstruction based on needs in accordance with rules adopted by the department.

NEW SUBSECTION. 20. Subsections 1 through 4 do not apply during the fiscal period beginning July 1, 1989, through June 30, 1991. For the fiscal year beginning July 1, 1989, and the succeeding fiscal year, the treasurer of state, after making the other allotments provided for in this section, shall credit:

a. To the primary road fund, two hundred eighty-five million dollars less the combined amount of moneys credited in the fiscal year to the primary road fund under subsections 7 and 11 and moneys credited for the use of the department on primary road projects under section 315.4, subsection 1.

b. To the secondary road fund of the counties, one hundred forty-eight million dollars less the combined amount of moneys credited in the fiscal year to the secondary road fund under subsection 14A and moneys credited for the use of counties on secondary road projects under section 315.4, subsection 2.

c. To the farm-to-market road fund, forty-eight million dollars less the amount of moneys credited to the farm-to-market road fund under subsection 11.

d. To the street construction fund of the cities, one hundred twelve million dollars less the amount of moneys credited for the use of cities on city street projects under section 315.4, subsection 3.

e. If in a fiscal year there are insufficient moneys credited to the road use tax fund to fully credit to the respective funds the full amount appropriated under paragraphs

"a" through "d", the treasurer of state shall reduce the amounts credited under paragraphs "a" through "d" by the amount of the shortfall among the respective funds in proportion to the allocation among the funds under subsections 1 through 4. Similarly, if in a fiscal year there are moneys credited to the road use tax fund in excess of those necessary to fully credit the respective funds with the amounts appropriated under paragraphs "a" through "d", the treasurer of state shall increase the amounts credited under paragraphs "a" through "d" by the amount of the additional available moneys among the respective funds in proportion to the allocation among the funds under subsections 1 through 4.

This subsection is repealed effective July 1, 1991.

Sec. 14. NEW SECTION. 312.3A STREET RESEARCH FUND.

Prior to the allocation to the cities under section 312.3, subsection 2, the department is authorized to set aside each year two hundred thousand dollars from the street construction fund of the cities in a fund to be known as the street research fund. The street research fund shall be used by the department solely for the purpose of financing engineering studies and research projects which have as their objective the more efficient use of funds and materials that are available for the construction and maintenance of city streets, including city street bridges and culverts. The research projects and engineering studies authorized shall be conducted in cooperation with the city engineers. On or before January 31 each year the department shall file a report with the governor, state transportation commission, city engineers, chief clerk of the house of representatives, and secretary of the senate showing the work accomplished and projects undertaken under this section.

Sec. 15. Section 312.16, Code 1989, is amended to read as follows:

312.16 DEFINITION DEFINITIONS.

As used in this chapter, unless the context otherwise requires: "department":

1. "Department" means the state department of transportation.
2. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

Sec. 16. Section 315.4, Code 1989, is amended to read as follows:

315.4 ALLOCATION OF FUND.

Moneys credited to the RISE fund shall be allocated as follows:

1. Fifty-percent Twenty thirty-firsts for the use of the department on primary road projects exclusively for highways which are identified under section 307A.2 as being part of the network of commercial and industrial highways.
2. Twenty-five-percent One thirty-first for the use of counties on secondary road projects.
3. Twenty-five-percent Ten thirty-firsts for the use of cities on city street projects.

Commencing June 30, 1990, all uncommitted moneys in the RISE fund on June 30 of each year which are allocated under this section for the use of counties on secondary road projects shall be credited to the secondary road fund.

Sec. 17. Section 602.8106, subsection 4, Code 1989, is amended to read as follows:

4. The clerk shall remit all other fines and forfeited bail received from a magistrate to the treasurer of state to be credited to the general fund of the state, except that annually the first two million five hundred thousand dollars in fines which are imposed through vehicle violation citations issued by motor vehicle division personnel at portable and fixed weigh stations in the state which shall be credited to the road use tax fund.

Sec. 18. 1988 Iowa Acts, chapter 1019, sections 21, 23, and 24, are repealed.

Sec. 19. Except for the provisions of section 13 of this Act relating to the county bridge construction fund and the city bridge construction fund, it is the intent of the general assembly that no additional statutory off-the-top allocations from the road use tax fund shall be enacted by the general assembly.

Sec. 20. The legislative council shall appoint a study committee for the purpose of studying, and making recommendations for the allocation of secondary road fund moneys and farm-to-market road fund moneys among the counties. A majority of the members of the study committee shall be representatives of the counties. The recommendations shall be submitted to the governor, the chief clerk of the house, and the secretary of the senate not later than January 31, 1990.

Sec. 21. The Iowa highway research board created prior to the enactment of this Act by the state department of transportation shall advise the Iowa highway research board created under this Act.

Sec. 22. There is appropriated from the road use tax fund to the state department of transportation the sum of \$15,000 or so much thereof as is necessary, for the purpose of conducting a study, in consultation with the department of natural resources and representatives of cities and counties, to analyze and report on the impact of waterway opening and floodplain requirements existing in federal or state law, regulations, administrative rules or design guides, on current and future road and bridge requirements, costs, and needs. The analysis shall consider what economies the various road programs might achieve by modifying these requirements, including reducing or eliminating the liability a road jurisdiction might have with current or alternative future requirements for road and bridge features for waterways and floodplains, including analyzing the risk to and benefits for roads and bridges and the risks and costs to land, improvements, and human activity. The study shall recommend

methods for reducing the future highway program costs for providing bridges in Iowa. The study shall be submitted to the governor, the chief clerk of the house, and the secretary of the senate not later than January 31, 1990.

Sec. 23. Section 17 of this Act takes effect July 1, 1990.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 524, Seventy-third General Assembly.

Approved June 2, 1989

JOHN F. DWYER
Secretary of the Senate

TERRY E. BRANSTAD
Governor