

5-4/5/95 *Do pass*
5-4/6/95 *Do Pass*
5-4/10/95 *Ways + Means*

MAR 21 1995
Place On Calendar

HOUSE FILE 517
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 198)

Passed House, Date ^(P.1257) 4/5/95 Passed Senate, Date _____
Vote: Ayes 94 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to motor carrier certification by establishing a
2 motor carrier education course, requiring a compliance review,
3 and imposing fees.

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

5

HOUSE FILE 517

H-3438

1 Amend House File 517 as follows:
2 1. Page 2, by striking lines 25 through 27 and
3 inserting the following: "federal hazardous materials
4 regulations."

By WELTER of Jones

~~Corrected~~ H-3438 FILED MARCH 23, 1995
~~Adopted~~ 5-5-95 (P.1257)
~~Withdrawn~~ (P.1371)

HF
517

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1 Section 1. NEW SECTION. 325.9A COMPLIANCE REVIEW.

2 When a certificate is awarded to a motor carrier of
3 property who has applied to transport hazardous materials
4 requiring placarding as provided by federal hazardous
5 materials regulations and the carrier does not have a safety
6 rating issued by the United States department of
7 transportation, the department shall award the certificate
8 subject to completion of a motor carrier education program. A
9 compliance review shall be conducted by the department within
10 one hundred eighty days of the issuance of the certificate and
11 shall determine the carrier's compliance with sections 321.449
12 and 321.450. If the department determines that the carrier's
13 safety rating is unsatisfactory, the department shall suspend
14 the carrier from intrastate transportation of hazardous
15 materials.

16 Sec. 2. NEW SECTION. 325.9B MOTOR CARRIER EDUCATION
17 COURSE.

18 1. An applicant for a certificate issued pursuant to this
19 chapter to transport hazardous materials requiring placarding
20 as provided by federal hazardous materials regulations shall
21 be required to successfully complete a motor carrier education
22 course established and provided by the department before the
23 certificate will be issued. The education course shall
24 require instruction concerning, at a minimum, safety and
25 insurance regulations, hazardous materials regulations, and
26 size and weight regulations. The applicant shall designate at
27 least one person employed by the applicant, who has a
28 substantial interest in or control over the operations to be
29 conducted by the applicant, to complete the course.

30 The department may require a motor carrier of property to
31 complete a motor carrier education course if the carrier
32 receives a citation for being ten thousand or more pounds over
33 the legal maximum gross weight for a vehicle operated by the
34 motor carrier.

35 An applicant shall pay a fee, determined by the department

1 to defray the cost of the course but in no event more than two
2 hundred fifty dollars, into the road use tax fund as provided
3 in section 325.36.

4 2. The requirement that an applicant complete a motor
5 carrier education course prior to issuance of a certificate
6 under this chapter does not apply to the following:

7 a. A motor carrier of hazardous materials requiring
8 placarding as provided by federal hazardous materials
9 regulations issued a certificate prior to January 1, 1995.

10 b. A successor in interest to a motor carrier of hazardous
11 materials requiring placarding as provided by federal
12 hazardous materials regulations issued a certificate prior to
13 January 1, 1995.

14 Sec. 3. Section 325.12, Code 1995, is amended by adding
15 the following new subsection:

16 NEW SUBSECTION. 8. A filing fee of five hundred dollars
17 for motor carriers of property that transport hazardous
18 materials requiring placarding as provided by federal
19 hazardous materials regulations.

20 Sec. 4. Section 327.7, Code 1995, is amended by adding the
21 following new subsection:

22 NEW SUBSECTION. 5. A filing fee of five hundred dollars
23 for contract carriers and truck operators that transport
24 hazardous materials requiring placarding as provided by
25 federal hazardous materials regulations. The fees shall be
26 payable to the department and used by the department for the
27 administration of safety and insurance programs.

28 Sec. 5. Section 327.8, Code 1995, is amended to read as
29 follows:

30 327.8 ISSUANCE.

31 Upon the filing of the application and if the applicant
32 shall otherwise comply with the terms and conditions of this
33 chapter and sections 325.9A and 325.9B, the department shall
34 issue to the applicant a permit as herein defined. The actual
35 operation of such motor vehicle or vehicles shall not begin

1 without the written approval of the state department, stating
2 that the applicant has complied with the prescribed safety
3 regulations.

4 Sec. 6. Section 327A.3, Code 1995, is amended by adding
5 the following new unnumbered paragraph:

6 NEW UNNUMBERED PARAGRAPH. The provisions of sections
7 325.9A and 325.9B and section 325.12, subsection 8, concerning
8 payment of fees, apply to liquid transport carriers for hire
9 that transport hazardous materials requiring placarding as
10 provided by federal hazardous materials regulations.

11 EXPLANATION

12 This bill requires motor carriers of property who have
13 applied to transport hazardous materials requiring placarding
14 as provided by federal regulations to successfully complete a
15 motor carrier education course prior to the department issuing
16 a certificate or permit to allow the transportation of
17 hazardous materials in Iowa. The education course shall
18 require instruction in safety and insurance regulations,
19 hazardous materials regulations, and size and weight
20 regulations. The course must be attended by at least one
21 person from the carrier that has a substantial interest in the
22 operation of the carrier. Carriers shall pay a fee determined
23 by the department, but not to exceed \$250, into the road use
24 tax fund.

25 The bill also requires payment of a \$500 fee for carriers
26 that transport hazardous materials requiring placarding, when
27 the carrier is applying for a certificate or permit under
28 chapter 325, 327, or 327A.

29 The bill also provides that a certificate or permit issued
30 to any carrier under chapters 325, 327, and 327A to transport
31 hazardous materials requiring placarding is subject to
32 completion of a motor carrier education program. A compliance
33 review of these carriers shall be conducted by the department
34 to ascertain the carrier's compliance with sections 321.449
35 and 321.450. A carrier whose safety rating is found

1 unsatisfactory shall be suspended from intrastate
2 transportation of hazardous materials requiring placarding.

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HOUSE FILE 517
FISCAL NOTE

The estimate for House File 517 is hereby submitted as a fiscal note pursuant to Joint Rule 17 and as a correctional impact statement pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 517 requires motor carriers of property who have applied to transport hazardous materials requiring placarding as required by federal regulations to successfully complete a motor carrier education course prior to the Department of Transportation (DOT) issuing authority for the carrier to operate in Iowa. The course must be attended by at least one person from the carrier. Carriers shall pay a fee set by the DOT but not to exceed \$250. The Bill also requires the payment of a \$500 filing fee for carriers that transport hazardous materials requiring placarding. The Bill requires the DOT to conduct a compliance review of these carriers to determine the carrier's compliance with Sections 321.449 and 321.450 Code of Iowa.

Assumptions

There will be 35 new hazardous material motor carriers applying for authority to operate annually.

The DOT will conduct 15, eight hour courses per year. Some courses may be held for a single carrier to avoid extended delays of the carrier's authority to operate.

The courses will be taught by a Hazardous Materials Specialist (\$25.12 per hour) and a Motor Vehicle Enforcement Officer (\$22.80 per hour) at a cost of \$5,750.

The cost to conduct the additional compliance reviews is estimated at \$26,200. The compliance reviews will be conducted with existing staff.

The Road Use Tax Fund will collect \$8,750 in training course fees (35 carriers @ \$250) and \$17,500 for filing fees (35 carriers @ \$500).

Fiscal Effect

House File 517 will impact the Road Use Tax Fund as follows:

Annual revenue increase: \$26,250 (\$8,750 + \$17,500)

Annual Expense: \$31,950 (\$5,750 + \$26,200)

TOTAL ANNUAL NET COST: \$5,700

Source: Department of Transportation

(LSB 1661hv.2, DLR)

FILED MARCH 30, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 517
FISCAL NOTE

A fiscal note for House File 517 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.

House File 517 requires motor carriers of property who have applied to transport hazardous materials requiring placarding as required by federal regulations to successfully complete a motor carrier education course prior to the Department of Transportation (DOT) issuing authority for the carrier to operate in Iowa. The course must be attended by at least one person from the carrier. Carriers shall pay a fee set by the DOT but not to exceed \$250. The Bill also requires the payment of a \$500 filing fee for carriers that transport hazardous materials requiring placarding. The Bill requires the DOT to conduct a compliance review of these carriers to determine the carrier's compliance with Sections 321.449 and 321.450 Code of Iowa.

Assumptions

There will be 35 new hazardous material motor carriers applying for authority to operate annually.

The DOT will conduct 30, eight hour courses per year. Some courses may be held for a single carrier to avoid delay of the carrier's authority to operate.

The courses will be taught by a Hazardous Materials Specialist (\$25.12 per hour) and a Motor Vehicle Enforcement Officer (\$22.80 per hour) at a cost of \$11,500.

Computer programming necessary to add hazardous materials information to the system will cost \$6,000 (240 hours @ \$25 per hour).

The DOT will require the addition of two Compliance Review Officers at a cost of \$79,808 to conduct compliance reviews of motor carriers making application for authority to operate in Iowa.

The Road Use Tax Fund will collect \$8,750 in training course fees (35 carriers @ \$250) and \$17,500 for filing fees (\$35 carriers @ \$500).

Fiscal Effect

Senate File 517 will impact the Road Use Tax Fund as follows:

Annual revenue increase: \$26,250 (\$8,750 + \$17,500)

First year Expense: \$97,308

Second and Subsequent years expense: \$79,808

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TOTAL FIRST YEAR NET COST: \$71,058

SECOND AND SUBSEQUENT YEARS NET COST: \$65,058

Source: Department of Transportation

(LSB 1661hv, DLR)

FILED MARCH 28, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

BRAUNS, Chair
SALTON
MC COY

HSB 198

TRANSPORTATION

Succeeded by
HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON WELTER)

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

A BILL FOR

1 An Act relating to motor carrier certification by establishing a
2 motor carrier education course, requiring a compliance review,
3 and imposing fees.

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

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1 Section 1. NEW SECTION. 325.9A COMPLIANCE REVIEW.

2 When a certificate is awarded to a motor carrier of
3 property or other carrier made subject to this section to
4 transport hazardous materials requiring placarding as provided
5 by federal hazardous materials regulations and the carrier
6 does not have a safety rating issued by the United States
7 department of transportation, the department shall award the
8 certificate subject to a compliance review by the department.
9 The review shall be conducted by the department within one
10 hundred eighty days of the issuance of the certificate and
11 shall determine the carrier's compliance with sections 321.449
12 and 321.450. If the department determines that the carrier's
13 safety rating is unsatisfactory, the department shall suspend
14 the carrier from intrastate transportation of hazardous
15 materials. The reasonable cost of the review shall be paid by
16 the carrier.

17 Sec. 2. NEW SECTION. 325.9B MOTOR CARRIER EDUCATION
18 COURSE.

19 1. An applicant for a certificate issued pursuant to this
20 chapter to transport hazardous materials requiring placarding
21 as provided by federal hazardous materials regulations shall
22 be required to successfully complete a motor carrier education
23 course either established and approved by the department or
24 sponsored by a private contractor and approved by the
25 department before the certificate will be issued. The
26 education course shall require instruction concerning, at a
27 minimum, safety and insurance regulations, hazardous materials
28 regulations, and size and weight regulations administered by
29 the department. The applicant shall designate at least one
30 person employed by the applicant, who has a substantial
31 interest in or control over the operations to be conducted by
32 the applicant, to complete the course.

33 The department may require a motor carrier of property to
34 complete a motor carrier education course if the carrier
35 receives, during any consecutive twelve-month period, a

1 citation for being ten thousand or more pounds over the legal
2 maximum gross weight for a vehicle operated by the motor
3 carrier.

4 An applicant shall pay a fee, determined by the department
5 to defray the cost of the course but in no event more than two
6 hundred fifty dollars, into the motor carrier education fund
7 as established in this section.

8 2. The requirement that an applicant complete a motor
9 carrier education course prior to issuance of a certificate
10 under this chapter does not apply to the following:

11 a. A motor carrier of property issued a certificate prior
12 to January 1, 1995.

13 b. A successor in interest to a motor carrier of property
14 issued a certificate prior to January 1, 1995.

15 3. A motor carrier education fund is established in the
16 office of the treasurer of state under the control of the
17 department. The moneys credited to the fund are appropriated
18 to the department to be used to establish motor carrier
19 education courses and to reimburse sponsors of motor carrier
20 education courses for the costs of providing motor carrier
21 education courses approved and established by the department.
22 The department shall adopt rules pursuant to chapter 17A
23 providing for the distribution of moneys to sponsors of motor
24 carrier education courses based upon the costs of providing
25 the education courses.

26 Sec. 3. Section 325.12, Code 1995, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 8. A filing fee of fifty dollars for
29 motor carriers of property that transport only nonhazardous
30 materials and a filing fee of five hundred dollars for motor
31 carriers of property that transport hazardous materials
32 requiring placarding as provided by federal hazardous
33 materials regulations. The fees shall be used by the
34 department for the administration of safety and insurance
35 programs.

1 Sec. 4. Section 325.36, Code 1995, is amended to read as
2 follows:

3 325.36 USE OF FEES.

4 All moneys received under the provisions of this chapter
5 shall be remitted to the treasurer of state and credited to
6 the road use tax fund except as otherwise provided in section
7 325.12.

8 Sec. 5. Section 327.7, Code 1995, is amended by adding the
9 following new subsection:

10 NEW SUBSECTION. 5. A filing fee of fifty dollars for
11 contract carriers and truck operators that transport only
12 nonhazardous materials and a filing fee of five hundred
13 dollars for contract carriers and truck operators that
14 transport hazardous materials requiring placarding as provided
15 by federal hazardous materials regulations. The fees shall be
16 payable to the department and used by the department for the
17 administration of safety and insurance programs.

18 Sec. 6. Section 327.8, Code 1995, is amended to read as
19 follows:

20 327.8 ISSUANCE.

21 Upon the filing of the application and if the applicant
22 shall otherwise comply with the terms and conditions of this
23 chapter and sections 325.9A and 325.9B, the department shall
24 issue to the applicant a permit as herein defined. The actual
25 operation of such motor vehicle or vehicles shall not begin
26 without the written approval of the state department, stating
27 that the applicant has complied with the prescribed safety
28 regulations.

29 Sec. 7. Section 327.13, Code 1995, is amended to read as
30 follows:

31 327.13 EXPENDITURE OF FUNDS.

32 All moneys received under the provisions of this chapter
33 shall be remitted monthly to the treasurer of state and
34 credited to the road use tax fund except as otherwise provided
35 in section 327.7.

1 Sec. 8. Section 327A.3, Code 1995, is amended by adding
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. The provisions of sections
4 325.9A and 325.9B and section 325.12, subsection 8, concerning
5 payment of fees, apply to liquid transport carriers.

6 EXPLANATION

7 This bill requires motor carriers of property, contract
8 carriers and truck operators, and liquid transport carriers
9 that transport hazardous materials requiring placarding as
10 provided by federal regulations to successfully complete a
11 motor carrier education course prior to the department issuing
12 a certificate or permit to allow the transportation of
13 hazardous materials in Iowa. The education course shall
14 require instruction in safety and insurance regulations,
15 hazardous materials regulations, and size and weight
16 regulations. The course must be attended by at least one
17 person from the carrier that has a substantial interest in the
18 operation of the carrier. Carriers shall pay a fee of not to
19 exceed \$250 to the department which shall go towards the cost
20 of providing the course.

21 The bill also requires payment of an additional \$50 fee for
22 carriers that do not transport hazardous materials, and a \$500
23 fee for carriers that transport hazardous materials requiring
24 placarding, when the carrier is applying for a certificate or
25 permit under chapter 325, 327, or 327A. The fees shall be
26 paid to the department to cover the cost of administering
27 safety and insurance programs.

28 The bill also provides that a certificate or permit issued
29 to any carrier under chapters 325, 327, and 327A to transport
30 hazardous materials requiring placarding is subject to a
31 compliance review by the department. The review shall be paid
32 by the carrier and shall ascertain the carrier's compliance
33 with sections 321.449 and 321.450. A carrier whose safety
34 rating is found unsatisfactory shall be suspended from
35 intrastate transportation of hazardous materials requiring

S.F. _____ H.F. _____

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