

**Senate File 23 - Introduced**

SENATE FILE 23  
BY SHIPLEY

**A BILL FOR**

1 An Act relating to the payment of costs by railroad track owners  
2 and railroad corporations for certain railroad construction,  
3 maintenance, and other related projects.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 312.2, subsection 2, Code 2025, is amended  
2 to read as follows:

3 2. The treasurer of state shall before making the allotments  
4 in subsection 1 ~~credit annually to the highway grade crossing~~  
5 ~~safety fund the sum of seven hundred thousand dollars, credit~~  
6 ~~annually from the road use tax fund the sum of nine hundred~~  
7 ~~thousand dollars to the highway railroad grade crossing surface~~  
8 ~~repair fund, credit monthly to the primary road fund the dollars~~  
9 yielded from an allotment of sixty-five hundredths of one percent  
10 of all road use tax funds for the express purpose of carrying  
11 out section 307.24, subsection 5, section 313.4, subsection 2,  
12 and section 307.45, and credit annually to the primary road fund  
13 the sum of five hundred thousand dollars to be used for paying  
14 expenses incurred by the state department of transportation other  
15 than expenses incurred for extensions of primary roads in cities.  
16 All unobligated funds provided by this subsection, ~~except those~~  
17 ~~funds credited to the highway grade crossing safety fund, shall~~  
18 at the end of each year revert to the road use tax fund. Funds  
19 ~~in the highway grade crossing safety fund shall not revert to the~~  
20 ~~road use tax fund except to the extent they exceed five hundred~~  
21 ~~thousand dollars at the end of any biennium. The cost of each~~  
22 ~~highway railroad grade crossing repair project shall be allocated~~  
23 ~~in the following manner:~~

24 ~~a. Twenty percent of the project cost shall be paid by the~~  
25 ~~railroad company.~~

26 ~~b. Twenty percent of the project cost shall be paid by the~~  
27 ~~highway authority having jurisdiction of the road crossing the~~  
28 ~~railroad.~~

29 ~~c. Sixty percent of the project cost shall be paid from the~~  
30 ~~highway railroad grade crossing surface repair fund.~~

31 Sec. 2. Section 327F.13, subsection 7, Code 2025, is amended  
32 to read as follows:

33 7. This section only applies to a location where a  
34 close-clearance warning device is required to be placed pursuant  
35 to rules of the department ~~when funds are available from the~~

~~1 department to reimburse the owner of the railroad track for the  
2 cost of the close-clearance warning device, including cost of  
3 installation. The owner of the railroad track is responsible for  
4 costs associated with placing warning devices under this section.~~

5 Sec. 3. Section 327G.11, Code 2025, is amended to read as  
6 follows:

7 **327G.11 Private farm crossings.**

8 When a person owns farmland on both sides of a railway,  
9 or when a railway runs parallel with a public highway thereby  
10 separating a farm from such highway, the corporation owning or  
11 operating the railway, on request of the owner of the farmland,  
12 shall construct and maintain a safe and adequate farm crossing or  
13 roadway across the railway and right-of-way at such reasonable  
14 place as the owner of the farmland may designate. A private  
15 farm crossing established or installed pursuant to this section  
16 shall be used solely for farming or agricultural purposes. The  
17 railroad corporation is responsible for costs associated with  
18 constructing and maintaining the farm crossing.

19 Sec. 4. Section 327G.15, subsections 1 and 2, Code 2025, are  
20 amended to read as follows:

21 1. ~~Wherever a railway track crosses or shall hereafter cross~~  
22 ~~a highway, street or alley, the railway corporation owning such~~  
23 ~~track and the~~ The department, in the case of primary highways  
24 crossed by railway tracks, the board of supervisors of the  
25 county in which such a crossing is located, in the case of  
26 secondary roads crossed by railway tracks, or the city council  
27 of the city in which a crossing is located, in the case of  
28 streets and alleys located crossed by railway tracks within  
29 a city, may agree with the railroad corporation owning such  
30 tracks upon the location, manner, vacation, physical structure,  
31 and characteristics and maintenance of the crossing and flasher  
32 lights or gate arm signals at the crossing and allocation of  
33 costs thereof. The department shall become a party to the  
34 agreement if grade crossing safety funds are to be used. Up to  
35 seventy-five percent of the maintenance cost of flasher lights

~~1 or gate arm signals at the crossing and an unlimited portion of  
2 the cost of installing flasher lights or gate arm signals at the  
3 crossing may be paid from the grade crossing safety fund.~~

4 2. ~~Notwithstanding other provisions of this section, The  
5 construction of a crossing and the installation and maintenance  
6 of flasher lights or gate signals installed or ordered to be  
7 installed before July 1, 1973,~~ shall be assumed wholly by the  
8 railroad corporation.

9 Sec. 5. Section 327G.15, subsection 3, Code 2025, is amended  
10 by striking the subsection.

11 Sec. 6. Section 327G.24, Code 2025, is amended to read as  
12 follows:

13 **327G.24 Removal of tracks from crossings.**

14 Upon consummation of an abandonment of a railway line  
15 authorized under 49 U.S.C. §10903 adopted as of a specific date  
16 by rule by the department, or upon interim use of railroad  
17 rights-of-way to establish appropriate trails pursuant to 16  
18 U.S.C. §1247(d) adopted as of a specific date by rule by the  
19 department, if the railway tracks adjacent to a crossing have  
20 been removed, but the railway tracks in the crossing have not  
21 been removed, the city, county, or other jurisdiction having  
22 authority over the highway, street, or alley containing the  
23 crossing may remove the tracks from the crossing. However,  
24 this section shall not be construed as reducing the obligation  
25 or liability of a ~~railway~~ railroad corporation to remove the  
26 railway tracks from the crossing. The railroad corporation is  
27 responsible for all costs associated with removing railway tracks  
28 from crossings including all costs incurred by a city, county, or  
29 other jurisdiction with authority that removes railway tracks.

30 Sec. 7. Section 327G.30, subsection 1, Code 2025, is amended  
31 to read as follows:

32 1. If a grade crossing surface of a railroad track and a  
33 highway, street, or alley shall require repairs or maintenance,  
34 the costs for the maintenance ~~may be paid as provided in section~~  
35 ~~312.2, subsection 2~~ shall be assumed wholly by the railroad

1 corporation that owns the track.

2 Sec. 8. Section 327G.30, subsections 2 and 3, Code 2025, are  
3 amended by striking the subsections.

4 Sec. 9. Section 327G.81, subsection 1, unnumbered paragraph  
5 1, Code 2025, is amended to read as follows:

6 A Other than as provided in subsection 1A, a person,  
7 including a state agency or political subdivision of the  
8 state, who acquires a railroad right-of-way after July 1, 1979,  
9 for a purpose other than farming has all of the following  
10 responsibilities concerning that right-of-way:

11 Sec. 10. Section 327G.81, Code 2025, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 1A. A railroad corporation that transfers  
14 a railroad right-of-way to a person who is not a railroad  
15 corporation is responsible for the costs associated with the  
16 construction and repair of the fence on each side of the  
17 property, private crossings as provided for in section 327G.11,  
18 drainage as delineated in chapter 468, subchapter V, and  
19 overhead, underground, or multiple crossings in accord with  
20 section 327G.12. All such construction and repair shall be  
21 completed by the railroad corporation prior to the transfer of  
22 the right-of-way, unless a different schedule is agreed to by the  
23 person acquiring the right-of-way.

24 Sec. 11. REPEAL. Sections 327G.19 and 327G.29, Code 2025,  
25 are repealed.

26 Sec. 12. TRANSFER OF REMAINING MONEYS. There is transferred  
27 from the highway grade crossing safety fund established under  
28 section 327G.19 and highway railroad grade crossing surface  
29 repair fund established under section 327G.29 to the road use  
30 tax fund created in section 312.1 all unencumbered or unobligated  
31 moneys remaining on the effective date of this Act.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with  
34 the explanation's substance by the members of the general assembly.

35 Current law requires the owner of a railroad track to place

1 certain warning devices (Code section 327F.13 — close-clearance  
2 warning devices; Code section 327G.15 — signals and gate  
3 arms at railway and highway crossings at grade). Railroad  
4 corporations are required to, among other things, construct  
5 and maintain private farm crossings (Code section 327G.11);  
6 construct crossings that intersect highways at grade (Code  
7 section 327G.15); remove unused crossings that intersect highways  
8 (Code section 327G.24); and maintain certain improvements along  
9 the railroad track rights-of-way (Code section 327G.81). A  
10 railroad corporation is eligible to agree with the department  
11 of transportation (DOT) and the local government entity with  
12 jurisdiction over the relevant area about certain costs, and the  
13 DOT must assist with the project by paying a portion of the cost  
14 for the work, if moneys are available, from the highway railroad  
15 grade crossing surface repair fund.

16 This bill requires the owner of a railroad track or a  
17 railroad corporation, as applicable, to bear the cost of the  
18 responsibilities detailed in the bill without assistance from the  
19 DOT or another governmental entity.

20 The bill requires a railroad corporation that transfers  
21 a railroad right-of-way to a person who is not a railroad  
22 corporation to pay the costs associated with the related  
23 right-of-way improvements prior to the transfer, or on a schedule  
24 agreed to by the transferee.

25 The bill strikes or repeals all provisions relating to the  
26 highway grade crossing safety fund and the highway railroad  
27 grade crossing surface repair fund. Any moneys remaining in the  
28 repealed funds are transferred to the road use tax fund.