

CHAPTER 173

RELOCATION OF PERSONS DISPLACED BY HIGHWAYS

H. F. 182

AN ACT providing a relocation advisory assistance program and relocation payments to persons displaced by highway projects.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 **SECTION 1. Definitions.** As used in this Act the term:
- 2 1. "Person" means any individual, partnership, corporation, or asso-
- 3 ciation.
- 4 2. "Displaced person" means any person who moves from real prop-
- 5 erty, or moves his personal property from real property, as a result
- 6 of the acquisition of such real property, in whole or in part, or as the
- 7 result of the written order of an acquiring agency to vacate real prop-
- 8 erty, for a program or project undertaken by the state highway commis-
- 9 sion with federal highway assistance; and solely for the purposes
- 10 of sections four (4) and seven (7) of this Act, as a result of the
- 11 acquisition of or as the result of the written order of the commission
- 12 to vacate other real property, on which such person conducts a busi-
- 13 ness or farm operation, for such program or project.
- 14 3. "Business" means any lawful activity, excepting a farm opera-
- 15 tion, conducted primarily:
- 16 a. For the purchase, sale, lease and rental of personal and real
- 17 property, and for the manufacture, processing, or marketing of prod-
- 18 ucts, commodities, or any other personal property;
- 19 b. For the sale of services to the public;
- 20 c. By a nonprofit organization; or
- 21 d. Solely for the purposes of section four (4), subsection one (1) of
- 22 this Act, for assisting in the purchase, sale, resale, manufacture, proc-
- 23 essing, or marketing of products, commodities, personal property,
- 24 or services by the erection and maintenance of an outdoor advertising
- 25 display or displays, whether or not such display or displays are located
- 26 on the premises on which any of the above activities are conducted.
- 27 4. "Farm operation" means any activity conducted solely or pri-
- 28 marily for the production of one or more agricultural products or
- 29 commodities, including timber, for sale or home use, and customarily
- 30 producing such products or commodities in sufficient quantity to be
- 31 capable of contributing materially to the operator's support.
- 32 5. "Mortgage" means such classes of liens as are commonly given
- 33 to secure advances on, or the unpaid purchase price of real property,
- 34 under the laws of this state, together with the credit instruments, if
- 35 any, secured thereby.
- 36 6. "Federal agency" means any department, agency, or instrumen-
- 37 tality in the executive branch of the federal government, and any
- 38 wholly owned federal government corporation.
- 39 7. "Commission" means the state highway commission.
- 40 8. "Highway project" means any federal-aid street or highway
- 41 project requiring the purchase or condemnation of private property
- 42 for public use.
- 43 9. "Departmental rules" means all rules subject to the provisions
- 44 of chapter seventeen A (17A) of the Code.

1 **SEC. 2. Effect upon property acquisition.**

2 1. The provisions of this Act shall not affect the validity of any
3 property acquisitions by purchase or condemnation.

4 2. Nothing in this Act shall be construed as creating in any con-
5 demnation proceedings brought under the power of eminent domain,
6 any element of value or of damage not in existence immediately prior
7 to the date of this Act.

8 3. In order to prevent unjust enrichment or a duplication of pay-
9 ments to any condemnee, the courts of this state, when determining
10 just compensation in condemnation proceedings, shall not allow any
11 damages which duplicate any of the benefits provided under the pro-
12 visions of this Act.

1 **SEC. 3. Declaration of policy.** The purpose of this Act is to estab-
2 lish a uniform policy for the fair and equitable treatment of persons
3 displaced as a result of state and federally assisted highway pro-
4 grams in order that such persons shall not suffer disproportionate in-
5 juries as a result of programs designed for the benefit of the public
6 as a whole. The general assembly declares that replacement housing
7 for persons displaced by highway projects is a necessary and essential
8 part of such highway projects. This Act shall be known and may be
9 cited as the "Highway Relocation Assistance Law".

1 **SEC. 4. Moving and related expenses.**

2 1. Whenever the acquisition of real property for a program or proj-
3 ect undertaken by the commission will result in the displacement of
4 any person, the commission shall make a payment to any displaced
5 person, upon proper application as approved by such commission, for:

6 a. Actual reasonable expenses in moving himself, his family, busi-
7 ness, farm operation, or other personal property;

8 b. Actual direct losses of tangible personal property as a result of
9 moving or discontinuing a business or farm operation, but not to
10 exceed an amount equal to the reasonable expenses that would have
11 been required to relocate such property, as determined by the com-
12 mission; and

13 c. Actual reasonable expenses in searching for a replacement busi-
14 ness or farm.

15 2. Any displaced person eligible for payments under subsection
16 one (1) of this section who is displaced from a dwelling and who
17 elects to accept the payments authorized by this subsection in lieu of
18 the payments authorized by subsection one (1) of this section may
19 receive a moving expense allowance, determined according to a sched-
20 ule established by the commission not to exceed three hundred dol-
21 lars; and a dislocation allowance of two hundred dollars.

22 3. Any displaced person eligible for payments under subsection one
23 (1) of this section who is displaced from his place of business or
24 from his farm operation and who elects to accept the payment au-
25 thorized by this subsection in lieu of the payment authorized by sub-
26 section one (1) of this section, may receive a fixed payment in an
27 amount equal to the average annual net earnings of the business or
28 farm operation, except that such payment shall be not less than
29 two thousand five hundred dollars nor more than ten thousand dollars.
30 In the case of a business, no payment shall be made under this sub-
31 section unless the commission is satisfied that the business cannot be

32 relocated without a substantial loss of its existing patronage, and is
33 not a part of a commercial enterprise having at least one other estab-
34 lishment not being acquired for a highway project which is engaged
35 in the same or similar business. For purposes of this subsection, the
36 term "average annual net earnings" means one-half of any net earn-
37 ings of the business or farm operation, before federal, state, and local
38 income taxes, during the two taxable years immediately preceding
39 the taxable year in which such business or farm operation moves
40 from the real property acquired for such project, or during such other
41 period as the commission determines to be more equitable for estab-
42 lishing such earnings, and includes any compensation paid by the
43 business or farm operation to the owner, his spouse, or his dependents
44 during such period.

1 **SEC. 5. Replacement housing for homeowner.**

2 1. In addition to payments otherwise authorized by this Act, the
3 commission shall make an additional payment not in excess of fifteen
4 thousand dollars to any displaced person who is displaced from a
5 dwelling actually owned and occupied by such displaced person for not
6 less than one hundred eighty days prior to the initiation of negotia-
7 tions for the acquisition of the property. Such additional payment
8 shall include the following elements:

9 a. The amount, if any, which when added to the acquisition cost
10 of the dwelling acquired by the commission, equals the reasonable cost
11 of a comparable replacement dwelling which is a decent, safe, and
12 sanitary dwelling adequate to accommodate such displaced person,
13 reasonably accessible to public services and places of employment and
14 available on the private market. All determinations required to
15 carry out this paragraph shall be made in accordance with depart-
16 mental rules established by the commission in making these additional
17 payments.

18 b. The amount, if any, which will compensate such displaced per-
19 son for any increased interest costs which such person is required to
20 pay for financing the acquisition of any such comparable replacement
21 dwelling. Such amount shall be paid only if the dwelling acquired by
22 the commission was encumbered by a bona fide mortgage which was
23 a valid lien on such dwelling for not less than one hundred and eighty
24 days prior to the initiation of negotiations for the acquisition of such
25 dwelling. Such amount shall be equal to the excess in the aggregate
26 interest and other debt service costs of that amount of the principal
27 of the mortgage on the replacement dwelling which is equal to the
28 unpaid balance of the mortgage on the acquired dwelling, over the
29 remainder term of the mortgage on the acquired dwelling, reduced to
30 discounted present value. The discount rate shall be the prevailing
31 interest rate paid on savings deposits by commercial banks in the gen-
32 eral area in which the replacement dwelling is located.

33 c. Reasonable expenses incurred by such displaced person for evi-
34 dence of title, recording fees, and other closing costs incident to the
35 purchase of the replacement dwelling, but not including prepaid ex-
36 penses.

37 2. The additional payment authorized by this section shall be made
38 only to such a displaced person who purchases and occupies a replace-
39 ment dwelling which is decent, safe, and sanitary not later than the
40 end of the one-year period beginning on the date on which he receives

41 from the commission final payment of all costs of the acquired dwell-
42 ing, or on the date on which he moves from the acquired dwelling,
43 whichever is the later date.

1 **SEC. 6. Replacement housing for tenants and certain others.** In
2 addition to amounts otherwise authorized by this Act, the commission
3 shall make a payment to or for any displaced person displaced from
4 any dwelling not eligible to receive a payment under section five (5)
5 which dwelling was actually and lawfully occupied by such displaced
6 person for not less than ninety days prior to the initiation of nego-
7 tiations for acquisition of such dwelling. Such payment shall be
8 either:

9 1. The amount necessary to enable such displaced person to lease
10 or rent for a period not to exceed four years, a decent, safe, and sani-
11 tary dwelling of standards adequate to accommodate such person in
12 areas not generally less desirable in regard to public utilities and pub-
13 lic and commercial facilities, and reasonably accessible to his place of
14 employment, but not to exceed four thousand dollars, or

15 2. The amount necessary to enable such person to make a down
16 payment, including incidental expenses described in section five (5),
17 subsection one (1), paragraph c, of this Act, on the purchase of a
18 decent, safe, and sanitary dwelling of standards adequate to accom-
19 modate such person in areas not generally less desirable in regard to
20 public utilities and public and commercial facilities, but not to exceed
21 four thousand dollars, except that if such amount exceeds two thou-
22 sand dollars, such person must equally match any such amount in ex-
23 cess of two thousand dollars, in making the down payment.

1 **SEC. 7. Relocation assistance advisory services.**

2 1. Whenever the acquisition of real property for a highway project
3 undertaken by the commission will result in the displacement of any
4 person, the commission shall provide a relocation assistance advisory
5 program for displaced persons which shall offer the services described
6 in subsection three (3) of this section. If the commission determines
7 that any person occupying property immediately adjacent to the real
8 property acquired is caused substantial economic injury because of the
9 acquisition, he may offer such person relocation advisory services un-
10 der such program.

11 2. The commission shall cooperate to the maximum extent feasible
12 with federal, state or local agencies to assure that such displaced per-
13 sons receive the maximum assistance available to them.

14 3. Each relocation assistance advisory program required by subsec-
15 tion one (1) of this section shall include such measures, facilities, or
16 services as may be necessary or appropriate in order to:

17 a. Determine the need, if any, of displaced persons, for relocation
18 assistance;

19 b. Provide current and continuing information on the availability,
20 prices, and rentals, of comparable decent, safe, and sanitary sales and
21 rental housing, and of comparable commercial properties and locations
22 for displaced businesses;

23 c. Assure that, within a reasonable period of time, prior to displace-
24 ment there will be available in areas not generally less desirable in
25 regard to public utilities and public and commercial facilities and at
26 rents or prices within the financial means of the families and indi-

27 viduals displaced, decent, safe, and sanitary dwellings, as defined by
 28 the commission, equal in number to the number of and available to
 29 such displaced persons who require such dwellings and reasonably
 30 accessible to their places of employment, except that the commission
 31 may prescribe by departmental rules situations when such assur-
 32 ances may be waived;

33 d. Assist a displaced person displaced from his business or farm
 34 operation in obtaining and becoming established in a suitable replace-
 35 ment location;

36 e. Supply information concerning federal and state housing pro-
 37 grams, and other federal or state programs offering assistance to dis-
 38 placed persons; and

39 f. Provide other advisory services to displaced persons in order to
 40 minimize hardships to such persons in adjusting to relocation.

41 4. The commission shall coordinate relocation activities with proj-
 42 ect work, and other planned or proposed governmental actions in the
 43 community or nearby areas which may affect the carrying out of relo-
 44 cation assistance programs.

1 **SEC. 8. Housing replacement by commission as last resort.**

2 1. If a highway project cannot proceed to actual construction be-
 3 cause comparable replacement sale or rental housing is not available,
 4 and the commission determines that such housing cannot otherwise be
 5 made available, the commission may take such action as is necessary
 6 or appropriate to provide such housing by use of funds authorized for
 7 such project. The commission may let contracts for the construction
 8 of said housing to approve plans and specifications for the building
 9 thereof, and to supervise, inspect and approve the housing once con-
 10 structed in order that the housing so constructed complies with the
 11 terms and conditions of this Act.

12 2. No person shall be required to move from his dwelling on or
 13 after July 1, 1971, on account of any highway project, unless the
 14 commission is satisfied that replacement housing, in accordance with
 15 section seven (7), subsection three (3), paragraph c, of this Act, is
 16 available to such person.

1 **SEC. 9. Rules adopted.** The commission shall make departmental
 2 rules and regulations necessary to effect the provisions of this Act
 3 and to assure:

4 1. Compliance with the Uniform Relocation Assistance and Real
 5 Property Acquisition Policies Act of 1970, Public Law 91-646.

6 2. The payments authorized by this Act are fair and reasonable
 7 and as uniform as practicable.

8 3. A displaced person who makes proper application for a payment
 9 authorized by this Act is paid promptly after a move or, in hardship
 10 cases, is paid in advance.

11 4. Any person aggrieved by a determination as to eligibility for a
 12 payment authorized by this Act, or the amount of a payment, may
 13 have his application reviewed by the commission.

14 All rules shall be subject to the provisions of chapter seventeen A
 15 (17A) of the Code.

1 **SEC. 10. Applicable to other than federal aid highways.** The com-
 2 mission or any political subdivision may provide all or a part of the
 3 programs and payments authorized under this Act to persons dis-

4 placed by any street or highway project which is financed in whole
5 or in part by the state or a political subdivision, which is not a fed-
6 eral-aid project, and which requires the purchase or condemnation of
7 private property for public use. To the extent that a program or
8 payment is provided under this section, it shall be provided on a uni-
9 form basis to all persons so displaced. The commission shall make
10 departmental rules and regulations to assure reasonable standards,
11 which need not conform to federal rules and guidelines, for programs
12 and payments provided under this section.

1 **SEC. 11. Acquisitions by other state agencies and political subdivi-**
2 **sions.** Whenever real property is acquired by a state agency or a
3 political subdivision of the state incident to a federal project or pro-
4 gram, the state agency or political subdivision is hereby authorized
5 and shall make all payments and provide all services required by this
6 Act of the commission in order to secure the federal funds available
7 for such project or program.

1 **SEC. 12. Payments not to be considered as income.** No payment
2 received under this Act shall be considered as income for the pur-
3 poses of chapter four hundred twenty-two (422) of the Code.

1 **SEC. 13. Administration.** In order to prevent unnecessary ex-
2 penses and duplications of functions, and to promote uniform and
3 effective administration of relocation assistance programs for dis-
4 placed persons, the commission may enter into contracts with any
5 individual, firm, association, or corporation for services in connection
6 with such programs, or may carry out its functions through any gov-
7 ernmental agency, political subdivision, or instrumentality having
8 an established organization for conducting relocation assistance pro-
9 grams. The commission shall, in carrying out the relocation assist-
10 ance activities described in section eight (8) whenever practicable,
11 utilize the services of state or local housing agencies, or other agencies
12 having experience in the administration or conduct of similar housing
13 assistance activities.

1 **SEC. 14. Funding.** Payments and expenditures under the provi-
2 sions of this Act are incident to and arise out of the construction,
3 maintenance, and supervision of public highways and streets, and, in
4 the case of any federal-aid highway project, may be made by the
5 commission from the primary road fund and funds made available by
6 the federal government for the purpose of carrying out the provisions
7 of this Act. Payments made under authority of section ten (10) of
8 this Act may be made from the primary road fund in case of a pri-
9 mary road project only, and in other cases may be made from the sec-
10 ondary road fund or from appropriate funds under control of a politi-
11 cal subdivision.

1 **SEC. 15. Federal grants.** The commission may do all things nec-
2 essary to carry out the provisions of this Act and to secure federal
3 grants to make the payments required by this Act, but the absence of
4 federal aid to make such payments shall not discharge the obligation
5 to make the payments.

1 **SEC. 16.** Chapter three hundred sixteen (316), Code 1971, is re-
2 pealed.

1 SEC. 17. Section four hundred seventy-two point forty-two
 2 (472.42), Code 1971, is amended as follows:
 3 472.42 **Eminent domain—payment to displaced persons.** Any util-
 4 ity or railroad subject to section 474.10, chapter 490, or chapter
 5 490A, authorized by law to acquire property by condemnation that
 6 does acquire the property of any person who is displaced thereby after
 7 July 1, [1970] *1971*, shall pay to such person in addition to all other
 8 sums of money required by law a displacement allowance in accord-
 9 ance with and in the same manner as provided for acquisition for high-
 10 way projects in sections [316.3, 316.4 and 316.5] *4, 5, 6 and 8 of this*
 11 *Act*. In the application of said sections to utilities and railroads the
 12 term “commission” shall mean the Iowa state commerce commission.
 13 The displacement allowance shall be paid in the manner provided in
 14 [that chapter] *sections 4, 5, 6 and 8 of this Act* and pursuant to the
 15 rules and regulations promulgated by the commission. Any person
 16 aggrieved by a determination as to eligibility for a payment or the
 17 amount of such payment may, upon application, have the matter re-
 18 viewed by the commission. The decision of the commission upon re-
 19 view shall be final as to all parties. Any utility or railroad subject
 20 to this section that proposes to acquire the property of any person
 21 who will be displaced by such acquisition shall inform such person
 22 of his right to receive a displacement allowance and, if his entitle-
 23 ment thereto or the amount thereof is in dispute, his right of appeal
 24 to the commission.

Approved June 30, 1971.

Italics indicate new material added to existing statutes; brackets indicate deletions from existing statutes.
 However, see Editor's note, page iii.

CHAPTER 174

TRAVEL TRAILERS

H. F. 386

AN ACT relating to travel trailers.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section three hundred twenty-one point one (321.1),
 2 subsection sixty-eight (68), unnumbered paragraph two (2), Code
 3 1971, is amended as follows:
 4 “Travel trailer” [or “camping trailer”] means a vehicle without
 5 motive power used or so manufactured or constructed as to permit its
 6 being used as a conveyance upon the public streets and highways and
 7 so designed to permit the vehicle to be used as a place of human habi-
 8 tation by one or more persons. Said vehicle may be up to eight feet
 9 in width and [any length provided its gross weight does not exceed
 10 forty-five hundred pounds which shall be the manufacturer's ship-
 11 ping or the actual weight of the vehicle fully equipped, or any weight
 12 provided] its overall length [does] *shall* not exceed [twenty-eight]
 13 *thirty-two* feet. Such vehicle shall be customarily or ordinarily used
 14 for vacation or recreational purposes and not used as a place of per-
 15 manent habitation. If any such vehicle is used in this state as a place
 16 of human habitation for more than ninety *consecutive* days in *one loca-*
 17 *tion* [any twelve-month period] it shall be classed as a mobile home
 18 regardless of the size [and weight] limitations herein provided.