

MAR 9 2005  
Place On Calendar

HOUSE FILE 674  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 219)

Passed House, Date 3-22-05 Passed Senate, Date 4-19-05  
Vote: Ayes 90 Nays 9 Vote: Ayes 37 Nays 11  
Approved 6/3/05

**A BILL FOR**

1 An Act relating to distribution of secondary and farm-to-market  
2 road funds.

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

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HF 674

1 Section 1. Section 307.22, Code 2005, is amended to read  
2 as follows:

3 307.22 PLANNING AND RESEARCH.

4 The department's administrator of planning and research  
5 shall:

- 6 1. Assist the director in planning all modes of  
7 transportation in order to develop an integrated  
8 transportation system providing adequate transportation  
9 services for all citizens of the state.
- 10 2. Develop and maintain transportation statistical data  
11 for the department.
- 12 3. Assist the director in establishing, analyzing and  
13 evaluating alternative transportation policies for the state.
- 14 4. Coordinate planning and research duties and  
15 responsibilities with the planning functions carried on by  
16 other administrators of the department.
- 17 5. Conduct a study of the road and bridge facilities in  
18 state parks, state institutions, state fairgrounds, and on  
19 community college property. The study shall evaluate the  
20 construction and maintenance needs and projected needs based  
21 upon estimated growth for each type of facility to provide a  
22 quadrennially updated standard upon which to allocate funds  
23 appropriated for the purposes of this subsection.
- 24 6. a. Annually report by July 1 of each year, for both  
25 secondary and farm-to-market systems, miles of earth,  
26 granular, and paved surface roads; the daily vehicle miles of  
27 travel; and lineal feet of bridge deck under the jurisdiction  
28 of each county's secondary road department, as of the  
29 preceding January 1, taking into account roads whose  
30 jurisdiction has been transferred from the department to a  
31 county or from a county to the department during the previous  
32 year. The annual report shall include those roads transferred  
33 to a county pursuant to section 306.8A.
- 34 b. Miles of secondary and farm-to-market roads shall not  
35 include those miles of farm-to-market extensions within cities

1 under five hundred population that are placed under county  
2 secondary road jurisdiction pursuant to section 306.4.

3 c. The annual report of updated road and bridge data of  
4 both the secondary and farm-to-market roads shall be submitted  
5 to the Iowa county engineers association service bureau.

6 ~~6.--Prepare, adopt, and cause to be published the results~~  
7 ~~of a study of secondary roads in the state.--The study shall~~  
8 ~~be designed to investigate present deficiencies and future~~  
9 ~~twenty-year maintenance and construction needs of the roads.~~  
10 ~~The study shall be referred to as the "quadrennial need study"~~  
11 ~~for the purposes of this chapter, chapter 307A, and chapter~~  
12 ~~312.--The department shall report the results of the study to~~  
13 ~~the general assembly by July 1, 2002, and the study results~~  
14 ~~shall take effect July 1, 2003.~~

15 ~~7.--Annually recalculate the construction and maintenance~~  
16 ~~needs of roads under the jurisdiction of each county to take~~  
17 ~~into account the needs of a road whose jurisdiction has been~~  
18 ~~transferred from the department to a county or from a county~~  
19 ~~to the department during the previous year.--Prior to the~~  
20 ~~fiscal year beginning July 1, 2013, the annual recalculation~~  
21 ~~shall not include those roads transferred to a county pursuant~~  
22 ~~to section 306.8A.--The recalculation shall be reported by~~  
23 ~~January 1 of the year following the transfer and shall take~~  
24 ~~effect the following July 1 for the purposes of allocating~~  
25 ~~moneys under sections 312.3 and 312.5.~~

26 ~~8. 7.~~ Perform such other planning functions as may be  
27 assigned by the director.

28 The functions of planning and research do not include the  
29 detailed design of highways or other modal transportation  
30 facilities, but are restricted to the needs of this state for  
31 multimodal transportation systems.

32 Sec. 2. Section 312.3, subsection 1, Code 2005, is amended  
33 to read as follows:

34 ~~1.--Apportion among the counties in the ratio that the~~  
35 ~~needs of the secondary roads of each county bear to the total~~

1 needs-of-the-secondary-roads-of-the-state-for-each-fiscal-year  
2 based-upon-the-total-needs-of-secondary-roads-of-the-state-as  
3 shown-in-the-latest-quadrennial-need-study-report-developed-by  
4 the-state-department-of-transportation, and-which-is-on-record  
5 at-the-department, seventy-percent-of-the-allocation-from-road  
6 use-tax-funds-which-is-credited-to-the-secondary-road-fund-of  
7 the-counties, and-apportion-among-the-counties-in-the-ratio  
8 that-the-area-of-each-county-bears-to-the-total-area-of-the  
9 state, thirty-percent-of-the-allocation-from-road-use-tax  
10 funds-which-is-credited-to-the-secondary-road-fund-of-the  
11 counties.

12 For-the-purposes-of-this-subsection, "latest-quadrennial  
13 need-study-report" includes-the-annual-recalculation-of  
14 construction-and-maintenance-needs-of-roads-whose-jurisdiction  
15 has-been-transferred-from-the-department-to-a-county-or-from-a  
16 county-to-the-department-during-the-previous-year-as  
17 recalculated-pursuant-to-section-307.22, subsection-7.

18 1. For the fiscal year ending June 30, 2006, apportion  
19 among the counties the road use tax funds credited to the  
20 secondary road fund by using the allocation method contained  
21 in section 312.3, subsection 1, Code 2005. For subsequent  
22 fiscal years, apportion among the counties the road use tax  
23 funds credited to the secondary road fund by using the  
24 distribution methodology adopted pursuant to section 312.3C.

25 Sec. 3. Section 312.3B, Code 2005, is amended by adding  
26 the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The Iowa county engineers  
28 association service bureau shall annually compute the  
29 secondary road fund and farm-to-market road distributions  
30 using the methodology determined by the secondary road fund  
31 distribution committee pursuant to section 312.3C. The Iowa  
32 county engineers association service bureau shall report the  
33 computations to the secondary road fund distribution  
34 committee, the department, the treasurer of state, and the  
35 counties.

1 Sec. 4. Section 312.3C, Code 2005, is amended to read as  
2 follows:

3 312.3C SECONDARY ROAD FUND DISTRIBUTION ADVISORY  
4 COMMITTEE.

5 A secondary road fund distribution advisory committee is  
6 established to ~~consider~~ develop one or more alternative  
7 methodologies for distribution of moneys in the secondary road  
8 fund and farm-to-market road fund. The committee shall be  
9 comprised of representatives appointed by the president of the  
10 Iowa county engineers association, the president of the Iowa  
11 county supervisors association, and the department. ~~The~~  
12 ~~committee shall recommend to the general assembly, for the~~  
13 ~~general assembly's consideration and adoption, one or more~~  
14 ~~alternative methodologies for distribution of moneys in the~~  
15 ~~secondary road fund and the farm-to-market road fund.~~

16 The committee shall determine the methodology to be used  
17 for distribution of moneys in the secondary road fund and the  
18 farm-to-market road fund. The methodology shall be phased in  
19 over a five-year time period, beginning July 1, 2006.

20 The committee shall adopt rules pursuant to chapter 17A to  
21 govern the determination and modification of the methodology  
22 to be used for distribution of moneys in the secondary road  
23 fund and the farm-to-market road fund.

24 Sec. 5. Section 312.5, Code 2005, is amended to read as  
25 follows:

26 312.5 DIVISION OF FARM-TO-MARKET ROAD FUNDS.

27 ~~1.---The road use tax funds credited to the farm-to-market~~  
28 ~~road fund and federal aid secondary road funds received by the~~  
29 ~~state by the treasurer of state are hereby divided as follows,~~  
30 ~~and are to be known respectively as:~~

31 ~~a.---Need allotment farm-to-market road funds, seventy~~  
32 ~~percent, and~~

33 ~~b.---Area allotment farm-to-market road funds, thirty~~  
34 ~~percent.~~

35 1. For the fiscal year ending June 30, 2006, the treasurer

1 of state shall apportion among the counties the road use tax  
2 funds credited to the farm-to-market road fund by using the  
3 allocation method contained in section 312.5, subsection 1,  
4 Code 2005. For subsequent fiscal years, the treasurer of  
5 state shall apportion among the counties the road use tax  
6 funds credited to the farm-to-market road fund by using the  
7 distribution methodology adopted pursuant to section 312.3C.

8 2. All farm-to-market road funds, except funds which under  
9 section 310.20 come from any county's allotment of the road  
10 use tax funds, shall be ~~allotted~~ apportioned among the  
11 counties ~~by the department~~ as provided by this section.

12 ~~3.--Area-allotment-farm-to-market-road-funds-shall-be~~  
13 ~~allotted-among-all-the-counties-of-the-state-in-the-ratio-that~~  
14 ~~the-area-of-each-county-bears-to-the-total-area-of-the-whole~~  
15 ~~state.~~

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

24 ~~"Latest-quadrennial-need-study-report" includes the annual~~  
25 ~~recalculation of construction and maintenance needs of roads~~  
26 ~~whose jurisdiction has been transferred from the department to~~  
27 ~~a county or from a county to the department during the prior~~  
28 ~~year as recalculated pursuant to section 307.22, subsection 7.~~

29 EXPLANATION

30 This bill relates to the distribution of secondary and  
31 farm-to-market road funds.

32 Code sections 312.3, 312.3B, 312.3C, and 312.5 are amended  
33 to provide a new methodology for distribution to the counties  
34 of moneys in the secondary road fund and the farm-to-market  
35 road fund.

1 Code sections 312.3 and 312.5 are amended to strike the  
2 need and area allotments, including the quadrennial need study  
3 report, used to apportion among the counties the road use tax  
4 funds credited to the secondary road fund and the farm-to-  
5 market road fund, respectively. These sections are amended to  
6 apportion the funds according to the new distribution  
7 methodology adopted pursuant to Code section 312.3C.

8 Code section 312.3C is amended to strike the general  
9 assembly as the entity designated to consider and adopt a  
10 method for distribution of moneys in the secondary road fund  
11 and farm-to-market road fund. Instead, the secondary road  
12 fund distribution committee, no longer an advisory committee,  
13 will develop the methodology for distribution of such moneys,  
14 and is granted rulemaking authority to formally adopt the  
15 methodology. The application of the new distribution  
16 methodology is to be phased in over five years, beginning July  
17 1, 2006.

18 Using the new methodology, the Iowa county engineers  
19 association service bureau computes the distribution. Code  
20 section 312.3B is amended to direct the Iowa county engineers  
21 association service bureau to annually compute and report the  
22 county distributions to the secondary road fund distribution  
23 committee, the department, the treasurer of state, and the  
24 counties.

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Arnold  
Hoseman  
By Kern  
Hunter*

HSB 219  
TRANSPORTATION

HOUSE FILE SF 674 d By  
BY (PROPOSED COMMITTEE ON  
TRANSPORTATION BILL  
BY CHAIRPERSON ARNOLD)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to distribution of secondary and farm-to-market  
2 road funds.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 307.22, Code 2005, is amended to read  
2 as follows:

3 307.22 PLANNING AND RESEARCH.

4 The department's administrator of planning and research  
5 shall:

6 1. Assist the director in planning all modes of  
7 transportation in order to develop an integrated  
8 transportation system providing adequate transportation  
9 services for all citizens of the state.

10 2. Develop and maintain transportation statistical data  
11 for the department.

12 3. Assist the director in establishing, analyzing and  
13 evaluating alternative transportation policies for the state.

14 4. Coordinate planning and research duties and  
15 responsibilities with the planning functions carried on by  
16 other administrators of the department.

17 5. Conduct a study of the road and bridge facilities in  
18 state parks, state institutions, state fairgrounds, and on  
19 community college property. The study shall evaluate the  
20 construction and maintenance needs and projected needs based  
21 upon estimated growth for each type of facility to provide a  
22 quadrennially updated standard upon which to allocate funds  
23 appropriated for the purposes of this subsection.

24 6. a. Annually report by July 1 of each year, for both  
25 secondary and farm-to-market systems, miles of earth,  
26 granular, and paved surface roads; the daily vehicle miles of  
27 travel; and lineal feet of bridge deck under the jurisdiction  
28 of each county's secondary road department, as of the  
29 preceding January 1, taking into account roads whose  
30 jurisdiction has been transferred from the department to a  
31 county or from a county to the department during the previous  
32 year. The annual report shall include those roads transferred  
33 to a county pursuant to section 306.8A.

34 b. Miles of secondary and farm-to-market roads shall not  
35 include those miles of farm-to-market extensions within cities

1 under five hundred population that are placed under county  
 2 secondary road jurisdiction pursuant to section 306.4.

3 c. The annual report of updated road and bridge data of  
 4 both the secondary and farm-to-market roads shall be submitted  
 5 to the Iowa county engineers association service bureau.

6 ~~6.--Prepare, adopt, and cause to be published the results~~  
 7 ~~of a study of secondary roads in the state.--The study shall~~  
 8 ~~be designed to investigate present deficiencies and future~~  
 9 ~~twenty-year maintenance and construction needs of the roads.~~  
 10 ~~The study shall be referred to as the "quadrennial need study"~~  
 11 ~~for the purposes of this chapter, chapter 307A, and chapter~~  
 12 ~~312.--The department shall report the results of the study to~~  
 13 ~~the general assembly by July 1, 2002, and the study results~~  
 14 ~~shall take effect July 1, 2003.~~

15 ~~7.--Annually recalculate the construction and maintenance~~  
 16 ~~needs of roads under the jurisdiction of each county to take~~  
 17 ~~into account the needs of a road whose jurisdiction has been~~  
 18 ~~transferred from the department to a county or from a county~~  
 19 ~~to the department during the previous year.--Prior to the~~  
 20 ~~fiscal year beginning July 1, 2013, the annual recalculation~~  
 21 ~~shall not include those roads transferred to a county pursuant~~  
 22 ~~to section 306.8A.--The recalculation shall be reported by~~  
 23 ~~January 1 of the year following the transfer and shall take~~  
 24 ~~effect the following July 1 for the purposes of allocating~~  
 25 ~~moneys under sections 312.3 and 312.5.~~

26 ~~8. 7. Perform such other planning functions as may be~~  
 27 ~~assigned by the director.~~

28 The functions of planning and research do not include the  
 29 detailed design of highways or other modal transportation  
 30 facilities, but are restricted to the needs of this state for  
 31 multimodal transportation systems.

32 Sec. 2. Section 312.3, subsection 1, Code 2005, is amended  
 33 to read as follows:

34 ~~1.--Apportion among the counties in the ratio that the~~  
 35 ~~needs of the secondary roads of each county bear to the total~~

1 needs-of-the-secondary-roads-of-the-state-for-each-fiscal-year  
2 based-upon-the-total-needs-of-secondary-roads-of-the-state-as  
3 shown-in-the-latest-quadrennial-need-study-report-developed-by  
4 the-state-department-of-transportation, and-which-is-on-record  
5 at-the-department, seventy-percent-of-the-allocation-from-road  
6 use-tax-funds-which-is-credited-to-the-secondary-road-fund-of  
7 the-counties, and-apportion-among-the-counties-in-the-ratio  
8 that-the-area-of-each-county-bears-to-the-total-area-of-the  
9 state, thirty-percent-of-the-allocation-from-road-use-tax  
10 funds-which-is-credited-to-the-secondary-road-fund-of-the  
11 counties.

12 For-the-purposes-of-this-subsection, "latest-quadrennial  
13 need-study-report" includes-the-annual-recalculation-of  
14 construction-and-maintenance-needs-of-roads-whose-jurisdiction  
15 has-been-transferred-from-the-department-to-a-county-or-from-a  
16 county-to-the-department-during-the-previous-year-as  
17 recalculated-pursuant-to-section-307.22, subsection-7.

18 1. For the fiscal year ending June 30, 2006, apportion  
19 among the counties the road use tax funds credited to the  
20 secondary road fund by using the allocation method contained  
21 in section 312.3, subsection 1, Code 2005. For subsequent  
22 fiscal years, apportion among the counties the road use tax  
23 funds credited to the secondary road fund by using the  
24 distribution methodology adopted pursuant to section 312.3C.

25 Sec. 3. Section 312.3B, Code 2005, is amended by adding  
26 the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The Iowa county engineers  
28 association service bureau shall annually compute the  
29 secondary road fund and farm-to-market road distributions  
30 using the methodology determined by the secondary road fund  
31 distribution committee pursuant to section 312.3C. The Iowa  
32 county engineers association service bureau shall report the  
33 computations to the secondary road fund distribution  
34 committee, the department, the treasurer of state, and the  
35 counties.

1     Sec. 4. Section 312.3C, Code 2005, is amended to read as  
2 follows:

3     312.3C SECONDARY ROAD FUND DISTRIBUTION ADVISORY  
4 COMMITTEE.

5     A secondary road fund distribution advisory committee is  
6 established to consider develop one or more alternative  
7 methodologies for distribution of moneys in the secondary road  
8 fund and farm-to-market road fund. The committee shall be  
9 comprised of representatives appointed by the president of the  
10 Iowa county engineers association, the president of the Iowa  
11 county supervisors association, and the department. ~~The~~  
12 ~~committee-shall-recommend-to-the-general-assembly,-for-the~~  
13 ~~general-assembly's-consideration-and-adoption,-one-or-more~~  
14 ~~alternative-methodologies-for-distribution-of-moneys-in-the~~  
15 ~~secondary-road-fund-and-the-farm-to-market-road-fund.~~

16     The committee shall determine the methodology to be used  
17 for distribution of moneys in the secondary road fund and the  
18 farm-to-market road fund. The methodology shall be phased in  
19 over a five-year time period, beginning July 1, 2006.

20     The committee shall adopt rules pursuant to chapter 17A to  
21 govern the determination and modification of the methodology  
22 to be used for distribution of moneys in the secondary road  
23 fund and the farm-to-market road fund.

24     Sec. 5. Section 312.5, Code 2005, is amended to read as  
25 follows:

26     312.5 DIVISION OF FARM-TO-MARKET ROAD FUNDS.

27     ~~1.--The-road-use-tax-funds-credited-to-the-farm-to-market~~  
28 ~~road-fund-and-federal-aid-secondary-road-funds-received-by-the~~  
29 ~~state-by-the-treasurer-of-state-are-hereby-divided-as-follows,-~~  
30 ~~and-are-to-be-known-respectively-as-~~

31     ~~a.--Need-allotment-farm-to-market-road-funds,-seventy~~  
32 ~~percent,-and~~

33     ~~b.--Area-allotment-farm-to-market-road-funds,-thirty~~  
34 ~~percent.~~

35     1. For the fiscal year ending June 30, 2006, the treasurer

1 of state shall apportion among the counties the road use tax  
2 funds credited to the farm-to-market road fund by using the  
3 allocation method contained in section 312.5, subsection 1,  
4 Code 2005. For subsequent fiscal years, the treasurer of  
5 state shall apportion among the counties the road use tax  
6 funds credited to the farm-to-market road fund by using the  
7 distribution methodology adopted pursuant to section 312.3C.

8 2. All farm-to-market road funds, except funds which under  
9 section 310.20 come from any county's allotment of the road  
10 use tax funds, shall be ~~allotted~~ apportioned among the  
11 counties ~~by the department~~ as provided by this section.

12 ~~3.--Area-allotment-farm-to-market-road-funds-shall-be~~  
13 ~~allotted-among-all-the-counties-of-the-state-in-the-ratio-that~~  
14 ~~the-area-of-each-county-bears-to-the-total-area-of-the-whole~~  
15 ~~state.~~

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

24 ~~"latest-quadrennial-need-study-report" includes the annual~~  
25 ~~recalculation of construction and maintenance needs of roads~~  
26 ~~whose jurisdiction has been transferred from the department to~~  
27 ~~a county or from a county to the department during the prior~~  
28 ~~year as recalculated pursuant to section 307.22, subsection 7.~~

29 EXPLANATION

30 This bill relates to the distribution of secondary and  
31 farm-to-market road funds.

32 Code sections 312.3, 312.3B, 312.3C, and 312.5 are amended  
33 to provide a new methodology for distribution to the counties  
34 of moneys in the secondary road fund and the farm-to-market  
35 road fund.

1 Code sections 312.3 and 312.5 are amended to strike the  
2 need and area allotments, including the quadrennial need study  
3 report, used to apportion among the counties the road use tax  
4 funds credited to the secondary road fund and the farm-to-  
5 market road fund, respectively. These sections are amended to  
6 apportion the funds according to the new distribution  
7 methodology adopted pursuant to Code section 312.3C.

8 Code section 312.3C is amended to strike the general  
9 assembly as the entity designated to consider and adopt a  
10 method for distribution of moneys in the secondary road fund  
11 and farm-to-market road fund. Instead, the secondary road  
12 fund distribution committee, no longer an advisory committee,  
13 will develop the methodology for distribution of such moneys,  
14 and is granted rulemaking authority to formally adopt the  
15 methodology. The application of the new distribution  
16 methodology is to be phased in over five years, beginning July  
17 1, 2006.

18 Using the new methodology, the Iowa county engineers  
19 association service bureau computes the distribution. Code  
20 section 312.3B is amended to direct the Iowa county engineers  
21 association service bureau to annually compute and report the  
22 county distributions to the secondary road fund distribution  
23 committee, the department, the treasurer of state, and the  
24 counties.

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HOUSE FILE 674

AN ACT

RELATING TO DISTRIBUTION OF SECONDARY AND FARM-TO-MARKET ROAD FUNDS.

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

Section 1. Section 307.22, Code 2005, is amended to read as follows:

307.22 PLANNING AND RESEARCH.

The department's administrator of planning and research shall:

1. Assist the director in planning all modes of transportation in order to develop an integrated transportation system providing adequate transportation services for all citizens of the state.
2. Develop and maintain transportation statistical data for the department.
3. Assist the director in establishing, analyzing and evaluating alternative transportation policies for the state.
4. Coordinate planning and research duties and responsibilities with the planning functions carried on by other administrators of the department.
5. Conduct a study of the road and bridge facilities in state parks, state institutions, state fairgrounds, and on community college property. The study shall evaluate the construction and maintenance needs and projected needs based upon estimated growth for each type of facility to provide a quadrennially updated standard upon which to allocate funds appropriated for the purposes of this subsection.
6. a. Annually report by July 1 of each year, for both secondary and farm-to-market systems, miles of earth,

granular, and paved surface roads; the daily vehicle miles of travel; and lineal feet of bridge deck under the jurisdiction of each county's secondary road department, as of the preceding January 1, taking into account roads whose jurisdiction has been transferred from the department to a county or from a county to the department during the previous year. The annual report shall include those roads transferred to a county pursuant to section 306.8A.

b. Miles of secondary and farm-to-market roads shall not include those miles of farm-to-market extensions within cities under five hundred population that are placed under county secondary road jurisdiction pursuant to section 306.4.

c. The annual report of updated road and bridge data of both the secondary and farm-to-market roads shall be submitted to the Iowa county engineers association service bureau.

~~6. Prepare, adopt, and cause to be published the results of a study of secondary roads in the state. The study shall be designed to investigate present deficiencies and future twenty-year maintenance and construction needs of the roads. The study shall be referred to as the "quadrennial need study" for the purposes of this chapter, chapter 307A, and chapter 312. The department shall report the results of the study to the general assembly by July 1, 2002, and the study results shall take effect July 1, 2003.~~

~~7. Annually recalculate the construction and maintenance needs of roads under the jurisdiction of each county to take into account the needs of a road whose jurisdiction has been transferred from the department to a county or from a county to the department during the previous year. Prior to the fiscal year beginning July 1, 2013, the annual recalculation shall not include those roads transferred to a county pursuant to section 306.8A. The recalculation shall be reported by January 1 of the year following the transfer and shall take effect the following July 1 for the purposes of allocating moneys under sections 312.3 and 312.5.~~

6+ 7. Perform such other planning functions as may be assigned by the director.

The functions of planning and research do not include the detailed design of highways or other modal transportation facilities, but are restricted to the needs of this state for multimodal transportation systems.

Sec. 2. Section 312.3, subsection 1, Code 2005, is amended to read as follows:

~~1. Apportion among the counties in the ratio that the needs of the secondary roads of each county bear to the total needs of the secondary roads of the state for each fiscal year based upon the total needs of secondary roads of the state as shown in the latest quadrennial need study report developed by the state department of transportation, and which is on record at the department, seventy percent of the allocation from road use tax funds which is credited to the secondary road fund of the counties, and apportion among the counties in the ratio that the area of each county bears to the total area of the state, thirty percent of the allocation from road use tax funds which is credited to the secondary road fund of the counties.~~

~~For the purposes of this subsection, "latest quadrennial need study report" includes the annual recalculation of construction and maintenance needs of roads whose jurisdiction has been transferred from the department to a county or from a county to the department during the previous year as recalculated pursuant to section 307.22, subsection 7.~~

1. For the fiscal year ending June 30, 2006, apportion among the counties the road use tax funds credited to the secondary road fund by using the allocation method contained in section 312.3, subsection 1, Code 2005. For subsequent fiscal years, apportion among the counties the road use tax funds credited to the secondary road fund by using the distribution methodology adopted pursuant to section 312.3C.

Sec. 3. Section 312.3B, Code 2005, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The Iowa county engineers association service bureau shall annually compute the secondary road fund and farm-to-market road distributions using the methodology determined by the secondary road fund distribution committee pursuant to section 312.3C. The Iowa county engineers association service bureau shall report the computations to the secondary road fund distribution committee, the department, the treasurer of state, and the counties.

Sec. 4. Section 312.3C, Code 2005, is amended to read as follows:

312.3C SECONDARY ROAD FUND DISTRIBUTION ADVISORY COMMITTEE.

A secondary road fund distribution advisory committee is established to consider develop one or more alternative methodologies for distribution of moneys in the secondary road fund and farm-to-market road fund. The committee shall be comprised of representatives appointed by the president of the Iowa county engineers association, the president of the Iowa county supervisors association, and the department. ~~The committee shall recommend to the general assembly, for the general assembly's consideration and adoption, one or more alternative methodologies for distribution of moneys in the secondary road fund and the farm-to-market road fund.~~

The committee shall determine the methodology to be used for distribution of moneys in the secondary road fund and the farm-to-market road fund. The methodology shall be phased in over a five-year time period, beginning July 1, 2006.

The committee shall adopt rules pursuant to chapter 17A to govern the determination and modification of the methodology to be used for distribution of moneys in the secondary road fund and the farm-to-market road fund.

Sec. 5. Section 312.5, Code 2005, is amended to read as follows:

312.5 DIVISION OF FARM-TO-MARKET ROAD FUNDS.

~~1. The road use tax funds credited to the farm-to-market road fund and federal aid secondary road funds received by the state by the treasurer of state are hereby divided as follows, and are to be known respectively as:~~

~~a. Need allotment farm-to-market road funds, seventy percent, and~~

~~b. Area allotment farm-to-market road funds, thirty percent.~~

1. For the fiscal year ending June 30, 2006, the treasurer of state shall apportion among the counties the road use tax funds credited to the farm-to-market road fund by using the allocation method contained in section 312.5, subsection 1, Code 2005. For subsequent fiscal years, the treasurer of state shall apportion among the counties the road use tax funds credited to the farm-to-market road fund by using the distribution methodology adopted pursuant to section 312.3C.

2. All farm-to-market road funds, except funds which under section 310.20 come from any county's allotment of the road use tax funds, shall be ~~allotted~~ apportioned among the counties ~~by the department as provided by this section.~~

~~3. Area allotment farm-to-market road funds shall be allotted among all the counties of the state in the ratio that the area of each county bears to the total area of the whole state.~~

~~4. Need allotment farm-to-market road funds shall be allotted among the counties in the ratio that the needs of the farm-to-market roads in each county bear to the total needs of the farm-to-market roads in the state for each fiscal year based upon the total needs of the farm-to-market roads in the state as shown in the latest quadrennial need study report developed by the state department of transportation, and which is on record at the department.~~

~~"Latest quadrennial need study report" includes the annual recalculation of construction and maintenance needs of roads whose jurisdiction has been transferred from the department to a county or from a county to the department during the prior year as recalculated pursuant to section 307.22, subsection 7.~~

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CHRISTOPHER C. RANTS  
Speaker of the House

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JOHN P. KIBBIE  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 674, Eighty-first General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

Approved 6/3, 2005.

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THOMAS J. VILSACK  
Governor