

DEPARTMENT OF TRANSPORTATION STUDY COMMITTEE

Report to the Legislative Council
and the Members of the
First Session of the Sixty-fifth General Assembly

REPORT

of the

DEPARTMENT OF TRANSPORTATION STUDY COMMITTEE

The Department of Transportation Study Committee was established in 1971 by the Legislative Council pursuant to Senate Concurrent Resolution 25. The responsibility of the Study Committee is to conduct a comprehensive study relating to the feasibility of establishing a State Department of Transportation encompassing the administration and regulation of motor vehicle, railroad, air, and water transportation. The members of the General Assembly originally appointed to the Study Committee include:

Representative Richard F. Drake, Chairman
Senator John M. Walsh, Vice Chairman
Senator Leigh R. Curran
Senator Eugene M. Hill
Senator Charles P. Miller
Senator John C. Rhodes
Representative Vernon N. Bennett
Representative Dewey E. Coode
Representative John N. Nystrom
Representative Lloyd F. Schmeiser
Representative Ivor Stanley

Representative Barton L. Schwieger was appointed to fill a vacancy on the Study Committee created by the death of Representative Dewey E. Coode.

The following nonlegislative members originally appointed include:

Mr. Art Bull
Mr. Kenneth Frazier
Mrs. Nadean Hamilton
Mr. Frank E. Horton
Mr. Ralph Kirk
Mr. Richard J. Petska

At its first meeting during the 1972 interim, the Department of Transportation Study Committee reviewed Senate File 1040 and House File 1068, companion bills for an Act to create a state department of transportation. These bills were proposed and submitted by the Department of Transportation Study Committee to the Sixty-fourth General Assembly, Second Session.

The Study Committee agreed to recommend a bill to the Sixty-fifth General Assembly, similar in structure to the bills proposed to the Sixty-fourth General Assembly, Second Session. The bill proposed by the Department of Transportation Study Committee does not include an appropriation. The bill outlines in detail the duties and responsibilities of the State Transportation Commission, the Director of Transportation, and each of the divisions of the

new Department. The bill includes all of the coordinating amendments to the Code. The new bill combines the Urban Transportation Division and the Regional Transportation Division into an Urban and Regional Transportation Division and creates a new Transportation Regulation and Safety Division. The functions of these two divisions are outlined in the summary of the proposed bill contained in this report. The Study Committee also recommends the creation of a Transportation Appeal Board which will perform the quasi-judicial functions presently performed by the Iowa State Commerce Commission in the regulation of rates and tariffs of railroads and common carriers and granting certificates of public convenience and necessity. The fourth recommendation of the Study Committee creates the office of General Counsel of the proposed State Department of Transportation to act as legal advisors for the new Department.

SUMMARY OF THE PROPOSED BILL

Section 1 states the public policy of the General Assembly and contains the legislative intent of the bill which is to abolish the State Highway Commission, the Iowa Aeronautics Commission, and the Iowa Reciprocity Board and transfer the functions of these agencies to the new state department. This section also denotes the intent of the General Assembly to transfer the functions of the motor transportation division and the Railroad Safety and Service Division of the Iowa State Commerce Commission to the new department. The section further outlines the intent of the General Assembly to transfer the motor vehicle registration, motor vehicle dealer licensing, motor vehicle inspection, and drivers' licensing functions from the Department of Public Safety to the new State Department of Transportation.

Section 3 creates the new State Department of Transportation.

Section 4 creates the State Transportation Commission which will consist of seven members. The Study Committee agreed that the State Transportation Commission should be larger than the present State Highway Commission because of the additional duties which are assigned to this commission, but agreed that more than 7 members might tend to hamper the work of the commission. This section specifically provides that the Governor has authority to appoint any person serving as a member of the State Highway Commission or the Iowa Aeronautics Commission to the new State Transportation Commission and that any persons so appointed may serve on both agency commissions simultaneously.

Section 5 denotes a method for appointing individuals to a vacancy on the State Transportation Commission.

Section 6 gives the General Assembly the authority to set the salary of Transportation Commission members. The section contains a provision which limits the amount of compensation a commissioner may receive during the fiscal year commencing July 1, 1973, and ending June 30, 1974, to only those expenses actually incurred in the performance of their official duties. The members of the Study Committee agreed that because members of the State Transportation Commission will have few duties to perform during the first year of operations, no salaries should be provided.

Section 7 provides that the Commission shall meet on July 1 of each year or as soon thereafter as possible for the purposes of organization. The provisions of this section are very similar to the provisions found in chapter 307 which provides for the organization of the State Highway Commission.

Section 8 authorizes the payment of all actual and necessary expenses incurred by members of the Commission, the Director, and employees of the State Department of Transportation, in the performance of their actual duties.

Section 9 provides for the removal of Commission members for cause in the manner provided in chapter 66 of the Code.

Section 10 outlines the duties of the Transportation Commission. The Commission has the responsibility for developing a comprehensive transportation policy and plan for the state within a period of four years. The Commission is responsible for developing a multi-modal transportation plan which is intended to provide adequate transportation services and facilities to all areas of the state without unnecessary and costly duplication of services and facilities. The Study Committee intends to place the policy making responsibility for operating the State Department of Transportation in the hands of the Transportation Commission.

Section 11 provides for the appointment of a Director of Transportation by the State Transportation Commission. It is the intent of the Department of Transportation Study Committee that this appointment be made on the basis of professional administrative abilities. The section specifically prohibits the director from engaging in any type of political activity and he shall receive a salary as fixed by the General Assembly.

Section 12 enumerates the responsibilities of the director which include the management of the internal operations of the department, including the employment of personnel, budget preparation responsibilities, appointments of deputy directors of the department, and carrying out those policy decisions determined by the Transportation Commission.

Section 13 allows the Director to reassign personnel within the State Department of Transportation. It is intended by the Department of Transportation Study Committee that reassignment of personnel will mean greater efficiency and economy within the departmental structure.

Section 14 outlines the basic departmental divisions which the Study Committee agreed should be established by statute. The divisions of the department which the Study Committee feels are necessary include the Transportation Appeal Board, Planning Division, Administration Division, General Counsel Division, Highway Division, Aeronautics Division, Urban and Regional Transportation Division, and the Transportation Regulation and Safety Division. The provisions of this section do not restrict the authority of the director to create new divisions, subject to the approval of the Transportation Commission, which may be necessary in the future. A proposed table of organization is attached and by this reference made a part of this report.

Section 15 creates the Transportation Appeal Board, consisting of three members, appointed by the Governor, confirmed by the Senate, for a term of six years.

Section 17 provides that the salary of the members of the Transportation Appeal Board shall be fixed by the General Assembly, and each member is allowed actual and necessary expenses actually incurred in the performance of his duties.

Section 18 provides that the Transportation Appeal Board assumes the present responsibilities of the Iowa State Commerce Commission in the regulation of common carriers. This includes fixing rates, fares, tariffs, and other charges levied by motor transportation carriers and railways. Another duty includes the issuance of certificates of public convenience and necessity to motor transport carriers.

Section 19 authorizes the Transportation Appeal Board to adopt its own rules and regulations relating to the conduct of the hearings before the board.

Section 21 provides that the Administration Division is primarily responsible for building and equipment of the Department, electronic data processing for the department, departmental budget preparation, centralized purchasing services, employing personnel, and coordinating responsibilities and duties of the various divisions of the department to promote greater efficiency and economy within the State Department of Transportation. It will be necessary for this division to cooperate with the Department of General Services and the Merit Employment Department.

Section 22 creates the planning division which is a very important division within the new department because it is responsible for multi-modal transportation planning to develop an integrated transportation system for the state and to eliminate the overlap of transportation services. This division is responsible for transportation system planning and its functions do not include design planning of highways, airport facilities, and other transportation facilities.

Section 23 creates the General Counsel Division which is separate and apart from the Attorney General. Its primary responsibility is to act as legal counsel and advisor to the State Transportation Commission, the Director and the various divisions of that Department and to provide the necessary legal services required by the Department. It is responsible for appearing before other agencies representing the general public in issues which directly affect the State of Iowa and the State Department of Transportation. This Division is also responsible for representing the public in all hearings before the Transportation Appeals Board on matters relating to the issuance of certificates of public convenience and necessity and any rate hearing held by the Board.

Section 24 specifies the duties of the Highway Division which will include the functions presently performed by the State Highway Commission.

Section 25 specifies the duties of the Aeronautics Division which is responsible for the enforcement of the provisions of chapters 328, 329 and 330 which are presently enforced by the Iowa Aeronautics Commission. The purpose of including the Aeronautics Division within the State Department of Transportation is to bring about greater efficiency and economy without duplication of transportation facilities in the state.

Section 26 creates the Urban and Regional Transportation Division which is responsible for water transportation, mass transportation, motor carrier transportation, and railroad transportation. One of the purposes of this Division is to assist the Transportation Appeal Board in administering the provisions of chapters 325, 327, and 327A of the Code. The parts of this Division which are responsible for administering motor carrier laws should work closely in conjunction with the Transportation Appeal Board and the Urban and Regional Transportation Division and should enjoy the same close working relationship which is presently enjoyed by the Iowa State Commerce Commission and the Motor Transportation Division of the Iowa State Commerce Commission.

Section 27 outlines the responsibilities of the Transportation Regulation and Safety Division which assumes those duties of the Department of Public Safety relating to the registration of motor vehicles, the licensing of motor vehicle manufacturers,

distributors, and dealers, the inspection of motor vehicles, the motor vehicle reciprocity chapter, and the traffic weight operations divisions of the State Highway Commission.

Section 28 allows the Director of Transportation and the State Transportation Commission to prorate costs of the Department which will be expended for highways and other transportation systems to allow the payment of the road use tax fund of money necessary to support the Department's highway efforts and the use of general fund appropriations to support other transportation functions performed by this agency.

Section 31 enumerates the responsibilities of the commission and the Director in the first year in which the State Department of Transportation exists. The Study Committee agreed that a period of one year would allow the Transportation Commission and the Director of Transportation adequate time to develop a program and budget for the new agency before the Highway Commission, Iowa Aeronautics Commission, and Iowa Reciprocity Board are abolished and the functions of those agencies are assumed by the new State Department of Transportation.

Section 34 is a temporary provision. Because the Director of Transportation is authorized to employ certain personnel to assist in developing a table of organization of the State Department of Transportation, it is necessary to guarantee the accrual of benefits of any employee whose job is not terminated at the end of one year. The Director is allowed to reassign and reclassify these individuals within the State Department of Transportation following the one-year interim.

Sections 35-43 reestablish the Iowa State Commerce Commission as a separate chapter. While these sections have been designated as new sections, they are, in fact, not new sections. These sections compare with sections 474.1-474.8, inclusive, of the Code. Chapter 474 presently creates the Iowa State Commerce Commission and grants general jurisdiction over all common carriers to the Commission. Since the responsibility of regulating common carriers is assigned to the new State Department of Transportation, it was felt that in drafting this bill, the provisions of the Code creating the Iowa State Commerce Commission should be deleted from chapter 474, thus allowing the Code Editor to assign new numbers to these sections and giving the Iowa State Commerce Commission a separate chapter and thereby allowing the new State Department of Transportation to administer the provisions of chapter 474.

Sections 44-191 contain the coordinating amendments necessary to carry out the intent of the bill.

Section 192 adopts by reference all existing rules and regulations, forms, orders, and directives promulgated and in

effect by the Iowa Aeronautics Commission, State Highway Commission, the Iowa Reciprocity Board, Specified Divisions of the Department of Public Safety, Specified Divisions of the Iowa State Commerce Commission, when these functions are assumed by the State Department of Transportation. The intent of this section is to allow an orderly transition into the State Department of Transportation.

Section 193 assigns all employees of the State Highway Commission, Iowa Aeronautics Commission, and the Iowa Reciprocity Board to the new State Department of Transportation without loss of any benefits which may have been accrued while employed by the state. Employees of the Iowa State Commerce Commission and the Department of Public Safety whose duty assignments are terminated because of transfer of duties under the provisions of this Act are authorized to be transferred to the new state agency or may be reassigned within the agency from which they would be transferred.

Section 194 provides authority for the State Comptroller to transfer all moncys, effective July 1, 1974, which were appropriated to the State Highway Commission, the Iowa Aeronautics Commission, and the Iowa Reciprocity Board by the 65th General Assembly, First Session, to the State Department of Transportation. The section also directs the State Comptroller effective July 1, 1974, to determine the portion of the appropriation made to the Iowa State Commerce Commission and the Department of Public Safety which will be in excess of funds necessary because of the transfer of specified duties and personnel pursuant to the provisions of this Act and that such money shall then be transferred to the State Department of Transportation budget.

Section 195 contains the effective date clause. Division I which creates the State Department of Transportation and Division II which specifies the interim duties of the Director of Transportation and the State Transportation Commission become effective July 1, 1973. The effective date for Divisions III and IV, which are coordinating amendments, is July 1, 1974. At this time, the functions of the State Highway Commission, Iowa Aeronautics Commission, and Iowa Reciprocity Board and certain functions of the Iowa State Commerce Commission and the Department of Public Safety are transferred to the new State Department of Transportation.

P R O P O S E D
 TABLE OF ORGANIZATION
 STATE DEPARTMENT OF TRANSPORTATION

