

Red Tape Review Rule Report (Due: September 1, 2025)

Department Name:	Department of Transportation	Date:	12/23/2024	Total Rule Count:	6
IAC #:	761	Chapter/ SubChapter/ Rule(s):	505	Iowa Code Section Authorizing Rule:	452A.59
Contact Name:	Debbie Freeman	Email:	Deborah.Freeman@iowadot.us	Phone:	515-237-3104

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

The intended benefit of this chapter is to is to comply with Iowa Code chapter 452A by outlining the application and record retention requirements to obtain a vehicle fuel license and permits for operation and movement of vehicles for interstate commerce. Iowa is a member jurisdiction of the International Fuel Tax Association (IFTA) and is required to issues fuel licenses or permits to commercial vehicles registered in Iowa before they may operate in other jurisdictions.

Is the benefit being achieved? Please provide evidence.

Yes. In calendar year 2023, the Department created approximately 5,821 accounts and collected approximately \$7.3 million in statutory fuel taxes.

What are the costs incurred by the public to comply with the rule?

Any costs to the public related to applying for a fuel license or permit is because of the underlying statute, which requires the Department to have a process in place to issue fuel licenses and permits to qualified applicants.

Iowa Code section 452A.53 prescribes the fees the Department must charge for associated IFTA fuel licenses, permits, and decals.

What are the costs to the agency or any other agency to implement/enforce the rule?

There are no costs to the Department to implement the rules beyond those that would otherwise be required to administer the statute.

Do the costs justify the benefits achieved? Please explain.

Yes. The rules establish the eligibility requirements, application process and guidelines for fuel licenses and permits. This helps ensure only eligible entities are issued such a license or permit and that the expectations for operating under the permit are clear.

Are there less restrictive alternatives to accomplish the benefit? YES NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

There is no less restrictive alternative available for issuing fuel licenses and permits other than establishing the basic eligibility criteria, application process and permit guidelines in rule, which helps ensure the process is clear for applicants and is consistently applied.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

505.1 Definitions. This rule was revised to remove content that is redundant of statute.

505.2 General information. This rule was revised to remove unnecessarily restrictive terminology and unnecessary content.

505.3 General stipulations. This rule was revised to improve the rule's organization and to remove unnecessarily restrictive terms and content that is redundant of statute.

505.4 Quarterly reports. This rule was revised to remove unnecessarily restrictive terms.

505.5 Audits- required reports. This rule was revised to improve the rule's organization and to remove unnecessarily restrictive terms and redundant content.

505.6 Hearings. This rule was revised to remove unnecessarily restrictive terms.

RULES PROPOSED FOR REPEAL (list rule number[s]):

None

RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):

505.1

505.2

505.3

505.4

505.5

505.6

***For rules being re-promulgated with changes, you may attach a document with suggested changes.**

METRICS

Total number of rules repealed:	0
Proposed word count reduction after repeal and/or re-promulgation	+159
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	62

ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?

No.