

Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 761—Chapter 380
“Motor Vehicles Operated by an Automated Driving System”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 321.519

State or federal law(s) implemented by the rulemaking: Iowa Code chapter 17A and sections 321.1, 321.16, 321.20, 321.31, 321.381, 321.482, and 321.514 through 321.519

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

September 27, 2024
10:30 to 11 a.m.

[Microsoft Teams Link](#)
Or dial: 515.817.6093
Conference ID: 398 016 157

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis. Written comments in response to this Regulatory Analysis must be received by the Department of Transportation no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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Purpose and Summary

These proposed rules outline vehicle registration and exemption processes that driverless-capable vehicles are to follow to ensure safe operation of such vehicles as required by Iowa Code sections 321.514 through 321.519. These Iowa Code sections authorize automated driving system (ADS)-equipped vehicles to operate on public highways in Iowa under certain conditions and give the Department exclusive regulatory authority over these vehicles.

The intended benefit of these rules is to provide vehicle owners, vehicle manufacturers, the law enforcement community, the automotive industry, and any other interested parties with transparency regarding implementation of the authority given to the Department in Iowa Code section 321.519 to regulate these vehicles by doing the following: establishing clear and transparent processes to register the vehicles, including operational restrictions, if applicable; outlining the process to apply for an exemption if the vehicle cannot comply with all traffic laws and regulations; and providing clear and transparent appeal procedures relating to the Department’s decisions and actions under the chapter.

Analysis of Impact

1. Persons affected by the proposed rulemaking:
 - Classes of persons that will bear the costs of the proposed rulemaking:
Driverless-capable vehicle owners and/or driverless-capable vehicle manufacturers do not incur any additional costs by completing the procedures outlined in these rules.
The costs for completing the underlying titling and registering of a driverless-capable vehicle are attributable to Iowa Code requirements.
 - Classes of persons that will benefit from the proposed rulemaking:

Driverless-capable vehicle owners and/or driverless-capable vehicle manufacturers will benefit from having clear and consistent processes for registering these vehicles, seeking an exemption pursuant to Iowa Code section 321.515(1)“b,” and appealing the Department’s administrative decisions if disagreement occurs.

Law enforcement will benefit from the requirement that the vehicle’s ADS level be indicated on the vehicle’s registration record and the requirement that a copy of an exemption issued under Iowa Code section 321.515(1)“b” be available for viewing during a potential traffic stop.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

- Quantitative description of impact:

There is no quantitative impact beyond the impact of the underlying statute that requires these vehicles to be titled and registered and to be issued an exemption from the Department if applicable under Iowa Code section 321.515(1)“b.”

- Qualitative description of impact:

Minor administrative work is needed for customers to complete the supplemental processes for registering or exempting a driverless-capable vehicle under the rules. Impacted vehicle owners/manufacturers may need to do the following as part of the registration process:

- Provide the Department with a copy of the vehicle’s operational design domain prior to registering the vehicle
- Provide the Department with information regarding changes to the vehicle’s operational design domain and operational capabilities
- Apply for a driverless-capable vehicle exemption from the Department under Iowa Code section 321.515(1)“b” if the vehicle is not capable of operating in compliance with traffic laws and regulations

3. Costs to the State:

- Implementation and enforcement costs borne by the agency or any other agency:

There are no costs to the Department to implement the rules beyond those that would otherwise be required to administer the statute. The administrative work to notate the ADS level on the record or to review the operational design domain to evaluate operational restrictions is negligible since the number of these vehicles is extremely small (only one vehicle registered in Iowa meeting these criteria). If there is an increase in requests for registration of ADS vehicles and/or vehicle exemptions, the Department is well-positioned to process these requests with existing vehicle registration staff and program managers.

- Anticipated effect on state revenues:

There is no impact on state revenues other than what is provided in the underlying statute for titling and registering a vehicle.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

The cost of inaction is lack of clear, consistent, and enforceable processes for registering and (if applicable) exempting ADS-equipped vehicles in Iowa. Additionally, inaction would result in the inability for law enforcement to understand the operational restrictions or level of automation of ADS vehicles operating in Iowa, which would negatively impact officers’ ability to effectively enforce Iowa traffic laws.

There is no benefit to inaction.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

There is no less costly or less intrusive method to achieve these benefits. These requirements are significantly simpler and less bureaucratic than the methods used in other states.

The requirement to notate the vehicle's ADS level on the registration record is consistent with national best practice.

6. Alternative methods considered by the agency:

- Description of any alternative methods that were seriously considered by the agency:

No alternatives were considered by the Department.

- Reasons why alternative methods were rejected in favor of the proposed rulemaking:

Alternatives were not considered because this is a very new technology, and as such, the provisions are untested. To date, only one ADS-equipped vehicle has ever been titled and registered in Iowa, and the vehicle did not require any operational restrictions. No individual or entity has ever applied for an exemption under Iowa Code section 321.515(1)“b.”

The chapter was developed after extensive discussion and input with industry stakeholders, and further adoption would be needed before any alternative regulatory methods could be considered based on customer and industry feedback.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

There is no small business impact. The proposed rules apply equally to personally owned vehicles as well as vehicles owned by a business. The documentation and reporting requirements are minimal and cannot be further reduced or simplified for small businesses.

Text of Proposed Rulemaking

ITEM 1. Rescind 761—Chapter 380 and adopt the following **new** chapter in lieu thereof:

CHAPTER 380

MOTOR VEHICLES OPERATED BY AN AUTOMATED DRIVING SYSTEM

761—380.1(321) Applicability. This chapter applies to driverless-capable motor vehicles operated by an automated driving system.

761—380.2(321) Definitions. The definitions in Iowa Code section 321.514 are adopted and incorporated herein. In addition:

“*Conventional human driver*” means the same as defined in Iowa Code section 321.514 but does not include a driverless-capable vehicle passenger.

“*Driverless-capable vehicle*” as defined in Iowa Code section 321.514 means the vehicle meets the criteria for automation classification of Level 3, Level 4, or Level 5 as established in the April 30, 2021, edition of “Taxonomy and Definitions for Terms Related to Driving Automated Systems for On-

Road Motor Vehicles” by the Society of Automotive Engineers (SAE), which is accessible by web link on the department’s website listed under rule 761—380.3(321).

“*Driverless-capable vehicle passenger*” means a person who does not control the in-vehicle accelerating, braking, steering, and transmission gear selection input devices in order to operate a motor vehicle and who is not otherwise expected to respond to a request to intervene issued by the automated driving system of a driverless-capable vehicle.

“*SAE*” means the Society of Automotive Engineers, which is an international association reputed for its standards development efforts, including its efforts to standardize definitions of driving automation systems.

761—380.3(321) Information and addresses. Information and forms pertaining to driverless-capable vehicles may be obtained by mail from the Motor Vehicle Division, Iowa Department of Transportation, P.O. Box 9278, Des Moines, Iowa 50306-9278; in person at 6310 SE Convenience Blvd., Ankeny, Iowa; by telephone at 515.237.3156; by email at central.vehicle@iowadot.us; or on the department’s website at: www.iowadot.gov/automatedtransportation/Policies-Procedures.

761—380.4(321) Registration of driverless-capable vehicles.

380.4(1) Upon registration of a driverless-capable vehicle under 761—subrule 400.3(16) or notification of a vehicle modification under 761—subrule 400.21(5), the department will notate the vehicle’s SAE level of automation in the records system established under Iowa Code section 321.31. Any changes to the SAE level of automation are to be reported to the department by the vehicle owner, or manufacturer on behalf of the owner.

380.4(2) Upon request, the vehicle owner, or manufacturer on behalf of the owner, is to provide to the department the vehicle’s operational design domain and associated operational capabilities, which the department may review to impose operational restrictions as provided in rule 761—400.21(321) as a condition of registration of the vehicle. Any subsequent material changes to the vehicle’s operational design domain and associated operational capabilities related to any previously imposed operational restrictions are to be submitted to the department in order to determine whether the previously imposed operational restrictions should be modified or removed as a result of such changes.

761—380.5(17A,321) Driverless-capable vehicle exemption.

380.5(1) *Application.* The owner, or manufacturer on behalf of the owner, of a driverless-capable vehicle seeking an exemption under Iowa Code section 321.515(1)“b” may apply to the department to allow driverless operation of the vehicle. Applications are to be made on a form prescribed by the department and are to include:

a. Identification of the laws or regulations from which the driverless-capable vehicle is seeking an exemption.

b. Information describing how the vehicle will be operated under the exemption without posing a safety risk to the public.

380.5(2) *Issuance and display of exemption.* An exemption may be issued, subject to any operational restrictions as provided under rule 761—400.21(321), if the department has sufficient information to determine a public safety risk does not exist. The department will provide written notice of the exemption to the vehicle owner, and if applicable, to the manufacturer. The notice shall be maintained at all times in the driverless-capable vehicle and made available for display to any peace officer upon request.

380.5(3) *Revocation and reinstatement.*

a. The department may revoke a driverless-capable vehicle exemption in any of the following circumstances:

(1) If the exemption has been issued in conflict with the statutes or rules governing the exemption’s issuance.

- (2) If the exemption was issued based on false information.
- (3) If there was a violation of Iowa Code sections 321.514 through 321.519, 761—Chapter 400 or this chapter.
- (4) If the vehicle operating under the exemption is involved in a contributive motor vehicle accident attributable to the automated driving system performance in this or any other state and that accident results in death or serious injury.
- (5) If the vehicle is operated in violation of any of the motor vehicle laws of this or any other state that results in death or serious injury.

b. For incidents occurring outside the state of Iowa, revocation may only occur once the investigation of the incident is completed, and the vehicle's automated driving system performance was found to be involved in or contributive to a motor vehicle accident that resulted in a death or serious injury. The effective date of the suspension or revocation shall be 20 days after the department has mailed notice of the revocation to the vehicle owner, and manufacturer if applicable, by first class mail. To reinstate the exemption, the vehicle owner, or manufacturer on behalf of the owner, is to reapply for the exemption.

380.5(4) Hearings. A vehicle owner, or manufacturer on behalf of the owner, whose driverless-capable vehicle exemption has been revoked may contest the revocation in accordance with Iowa Code chapter 17A and 761—Chapter 13. The request for a hearing must be submitted to the director of the motor vehicle division at the address in rule 761—380.3(17A). The request will be deemed timely if it is delivered or postmarked on or before the effective date specified in the notice. The department will stay the revocation for the duration of the hearing proceedings.

761—380.6(321) Submission in aggregate. Information or application reported or submitted by a manufacturer on behalf of the owner to the department under rule 761—380.4(321) or rule 761—380.5(17A,321) may be reported or submitted in aggregate by vehicle make and model.

These rules are intended to implement Iowa Code chapter 17A and sections 321.1, 321.16, 321.20, 321.31, 321.381, 321.482, and 321.514 through 321.519.