

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rulemaking related to public transit infrastructure grant program

The Department of Transportation hereby rescinds Chapter 924, “Public Transit Infrastructure Grant Program,” Iowa Administrative Code, and adopts a new Chapter 924 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 324A.6A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 8.57, 324A.1 and 324A.6A.

Purpose and Summary

This chapter is intended to implement Iowa Code sections 8.57, 324A.1 and 324A.6A, providing applicant eligibility and project requirements for the Public Transit Infrastructure Grant Program.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on December 10, 2025, as **ARC 9786C**. Public hearings were held on the following date:

- December 30, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on February 17, 2026.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa. The rulemaking outlines eligibility and project qualifiers for public transit agency infrastructure funding.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found. This rulemaking explains how a designated public transit agency can apply for funding under the Public Transit Infrastructure Grant Program. Application elements and funding guidance is provided in this rulemaking. This rulemaking is for a program with the purpose of constructing or improving public transit vertical infrastructure; no jobs are created and no jobs are taken away based on this chapter.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting.

The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on April 22, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 761—Chapter 924 and adopt the following **new** chapter in lieu thereof:

CHAPTER 924
PUBLIC TRANSIT INFRASTRUCTURE GRANT PROGRAM

761—924.1(324A) Purpose. The purpose of the public transit infrastructure grant program is to provide funding for the improvement of the vertical infrastructure of Iowa's designated public transit systems.

761—924.2(324A) Definitions. The definitions in Iowa Code sections 324A.1 and 8.57(3) "c" apply to this chapter.

761—924.3(324A) Information and forms. Information, instructions and application forms are available from the Modal Transportation Bureau, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; by telephone at 515.233.7870; or from the department's website at iowadot.gov/modes-travel/transit.

761—924.4(324A) Project eligibility. Projects may be considered for funding if:

924.4(1) The project is included in a locally approved transportation improvement program and in the statewide transportation improvement program.

924.4(2) A local match for the project is currently available.

924.4(3) The project is capable of being substantially completed within 18 months of project selection.

761—924.5(324A) Eligible project activities. Activities eligible for reimbursement include but are not limited to:

924.5(1) Construction, expansion or renovation of facilities, including associated design, land acquisition, grading and foundation work, for administration of public transit operations; servicing, maintenance or storage of public transit vehicles; transit vehicle fueling; or passenger waiting.

924.5(2) Relocating an existing administrative or maintenance facility, if necessary, to correct violations of safety or design standards. Such a project may include any associated design, land acquisition, grading and foundation work.

761—924.6(324A) Ineligible project activities. A transit facility may be incorporated into a larger project, such as an intermodal facility, a headquarters for the umbrella organization sponsoring the transit program or a public works facility. Any costs attributable to the nontransit elements of the larger project are not eligible under this program.

761—924.7(324A) Funding.

924.7(1) Program funds may reimburse up to 80 percent of transit-related project costs. Assistance from the public transit infrastructure grant program, when combined with federal or other state resources, will not exceed 80 percent of the project's transit-related costs.

924.7(2) At least 20 percent of transit-related project costs must be provided from local sources by the sponsoring transit system in cash or value of real property.

924.7(3) No single public transit system may receive more than 40 percent of the funding available in one year.

761—924.8(324A) Project applications.

924.8(1) Project applications shall be submitted to the department.

924.8(2) Each application shall contain:

a. General information, including the transit system name, contact person, mailing address, email address and telephone number.

b. A project data sheet, including:

(1) A brief description of the project, its purpose and anticipated benefits to the transit program.

(2) Cost information including total project cost and an itemized breakdown of project components (including transit vs. nontransit costs).

(3) The proposed implementation schedule.

(4) A statement of the applicant's ability to complete the project.

(5) A sketch of the project.

c. Documentation of project justification.

d. A resolution from the governing body of the sponsoring transit system endorsing the project and authorizing the necessary local funding match.

761—924.9(324A) Review and approval. Department staff will review project applications and submit recommendations to the transportation commission. The transportation commission is responsible for approving the projects to be funded.

761—924.10(324A) Project priorities. The transportation commission shall consider the following in project selection:

924.10(1) Benefits of project to the transit program in terms of:

a. Enhancement of the life of the transit vehicle fleet.

b. Enhancement to transit services.

c. Increased ridership.

924.10(2) Readiness to proceed.

924.10(3) Feasibility of timely completion of the proposed project.

924.10(4) Ability of the project to leverage other funds.

761—924.11(324A) Project agreement, administration and ownership.

924.11(1) Agreement. After a project has been approved, the department will enter into an agreement with the transit system sponsoring the project.

924.11(2) Payments. Payments to the transit system sponsor for eligible project costs will be made on a cost reimbursement basis.

924.11(3) Ownership. The transit system must retain ownership of the new, renovated or repaired structure or facility for its useful life. If the structure or facility is transferred or sold before the useful life has expired, the transit system must repay the prorated state interest to the department. Useful life thresholds can be found in the department's transit manager's handbook, which is available on the department's website at iowadot.gov/modes-travel/transit.

These rules are intended to implement Iowa Code sections 8.57, 324A.1 and 324A.6A.

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