Regulatory Analysis

Notice of Intended Action to be published: 761—Chapter 910
"Coordination of Public Transit Services"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 324A.4

State or federal law(s) implemented by the rulemaking: Iowa Code sections 324A.1, 324A.4 and 324A.5

Public Hearing

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

November 7, 2025 9 to 9:30 a.m.	Microsoft Teams Or dial: 515.817.6093 Conference ID: 476 509 465#

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which 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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Ames, Iowa 50010
Email: kristin.haar@iowadot.us

Purpose and Summary

Proposed Chapter 910 describes the purpose, leadership, staffing and duties of the statewide transportation coordination advisory council and the certification process for complying with the transportation coordination mandate in Iowa Code chapter 324A. The changes made to this chapter include removing unnecessarily restrictive terms, correcting the timing of transportation coordination advisory council meetings and editorial changes for brevity and readability.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

No class of persons will bear the cost of this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

No specific class of persons will benefit from this proposed rulemaking.

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:**

When agencies receiving public money for transportation coordinate with the local public transit system, efficiencies can be realized in terms of operating and capital costs by combining trips and services, reducing costs.

- **Qualitative description of impact:**

When transportation is coordinated through the local public transit system, the opportunities for public transportation to operate during necessary times or days or in necessary areas become possible, making a more robust public transit system for all.

3. **Costs to the State:**

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

There are no implementation or enforcement costs that will be borne by the agency or any other agency.

- **Anticipated effect on State revenues:**

There is no anticipated effect on State revenues.

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

There is no benefit of inaction. Coordination of public transit is mandated by Iowa Code chapter 324A.

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

No less costly or less intrusive methods could achieve this proposed rulemaking's purpose.

6. **Alternative methods considered by the agency:**

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

There are no alternative methods that were seriously considered.

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

Since this proposed rulemaking is enacting the requirements set forth in Iowa Code chapter 324A, no alternative methods were considered or rejected.

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 will be no substantial impact on small business due to this proposed rulemaking.

Text of Proposed Rulemaking

ITEM 1. Rescind 761—Chapter 910 and adopt the following **new** chapter in lieu thereof:

CHAPTER 910
COORDINATION OF PUBLIC TRANSIT SERVICES

761—910.1(324A) Definitions. For purposes of this chapter, the following definitions apply in addition to the definitions in Iowa Code section 324A.1:

"Council" means the statewide transportation coordination advisory council formed in rule 761—910.3(324A).

"Emergency transportation" means transportation provided when life, health or safety is in danger, such as ambulance or law enforcement transportation.

"Incidental transportation" means the provision of transit rides when existing public transportation services cannot meet demand.

"Provider" means any recipient of direct or indirect, state, federal or local funds, including a public transit system, that provides or contracts for public transit services.

"Public school transportation" means passenger transportation provided by or for a legally organized Iowa public school district for school district purposes.

"Public transit service" means any publicly funded passenger transportation for the general public or for specific client groups not including exclusive public school transportation, emergency transportation or incidental transportation or transportation provided by the department of health and human services or department of corrections on the grounds of the following institutions:

State training school, Eldora;
Cherokee mental health institute;
Independence mental health institute;
Woodward resource center;
Civil commitment unit for sexual offenders, Cherokee;
Iowa veterans home, Marshalltown;
Iowa state penitentiary, Fort Madison;
Anamosa state penitentiary;
Iowa correctional institution for women, Mitchellville;
Mount Pleasant correctional facility;
Newton correctional facility;
Iowa medical and classification center, Coralville;
North central correctional facility, Rockwell City;
Fort Dodge correctional facility;
Clarinda correctional facility.

This rule is intended to implement Iowa Code section 324A.1.

761—910.2(17A) Information and location. Forms or information about the coordination of public transit services are available from the Modal Transportation Bureau, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone 515.233.7870 or on the department's website at iowadot.gov/modes-travel/transit.

This rule is intended to implement Iowa Code section 17A.3.

761—910.3(324A) Statewide transportation coordination advisory council.

910.3(1) *Purpose.* An advisory council will be formed by the department to assist with implementation of the compliance reviews required by statute. The council will assist in the review of information concerning the transportation operations of providers and advise the department as to whether the provider should be found to be in compliance with the transportation coordination mandate of Iowa Code chapter 324A.

910.3(2) *Advisory council.*

a. Membership. Membership in the council shall at minimum include one representative from the department of health and human services and one from the department. Other state, federal and private agencies funding local transportation services may also be granted membership.

b. Chairperson. The director of transportation or the director's representative shall serve as chairperson of the council.

c. Staff. Staff support for council activities will be provided by the department.

d. *Meetings.* Meetings will be held at least once each quarter and may be held more frequently if necessary to enable the council to expeditiously discharge its duties.

910.3(3) *Duties.* The council shall:

a. Review and make recommendations to the member agencies concerning guidelines and criteria for the review process operated by the council.

b. Provide the department with written recommendations for findings of compliance or noncompliance with the transportation coordination mandate of Iowa Code chapter 324A for individual providers based upon review of each provider's request for certification.

c. Upon request of a member agency, review all transportation components of funding applications or plans submitted by a recipient of the member agency.

d. Advise and make recommendations to the department concerning public transportation policy.

This rule is intended to implement Iowa Code sections 324A.4 and 324A.5.

761—910.4(324A) Certification process.

910.4(1) *Requirement for certification.* All providers are required to request a certification of compliance with the transportation coordination mandate of Iowa Code chapter 324A by submitting the certification application form in the Appendix to this rule plus a copy of a certificate of insurance or documentation of self-insurance. Agencies that provide a mixture of public transit service and other service will request certification based on that part of their overall operation that is public transit service.

910.4(2) *Form distribution.*

a. *Recipients of state or state-administered funds.* Each state agency in its own funding application or contract process will require each recipient of funding to submit a request for certification of compliance.

b. *Recipients of other funds.* The department will contact local governments and federal agencies to determine whether they are funding any providers that are not funded through the state. The department will send to any providers identified in this way, or by other means, an explanation of the certification requirement and a copy of the certification request form in the Appendix.

910.4(3) *Submission of request forms.*

a. Recipients of state funds shall submit both the certification application and the certificate of insurance forms annually to the funding agency.

b. Recipients of funds from multiple sources may submit a single request form to all state funding sources if it covers all agency transportation functions.

c. Providers not receiving any funds from state agencies are to return their completed forms within 20 working days of receipt.

d. Agencies or organizations that receive a form from the department and believe that none of their services fit the definition of public transit services are to respond to the department within 20 working days of receipt, stating this belief and providing a brief description of any passenger transportation service they do provide and why it should not be considered public transit service.

910.4(4) *Incomplete or unreturned request forms.*

a. Forms submitted to a state funding agency as part of a funding application will be reviewed for completeness by that agency within ten working days.

b. Forms submitted directly to the department by its recipients or by providers not receiving state or state-administered funds will be reviewed for completeness by the department within ten working days.

c. The reviewing agency will inform the provider in writing of any information deficiencies and allow ten working days from receipt for submittal of missing information.

d. Each state agency will report to the council each case in which a provider has failed upon notification to supply the necessary information within the required time frame.

e. All completed request forms submitted to state funding agencies will be forwarded to the council staff within five working days after verifying completeness.

910.4(5) *Processing requests.*

a. The council staff will evaluate completed requests based on the compliance standards found in rule 761—910.5(324A) and make a recommendation for a finding of compliance or noncompliance to the council within 20 working days of receiving the completed request form.

b. Ten working days prior to the council's scheduled quarterly meeting, the council staff will distribute to each council member and to the respective providers a meeting agenda and copies of all compliance-finding recommendations completed since the previous agenda mailing.

c. At the council's quarterly meeting, the council will consider the compliance-finding recommendations of the staff and may accept the staff recommendations as the council's recommendations to the director of transportation, change the recommendations and provide a statement of reasons, or defer action pending further review.

d. Upon consideration of the council recommendations, the department will make a final finding of compliance or noncompliance and notify the provider and the state funding agency, if applicable, in writing of the department's decision within five working days after the council meeting.

This rule is intended to implement Iowa Code section 324A.4.

761—910.5(324A) Standards for compliance. A provider shall be found compliant if the provider meets both of the following standards:

910.5(1) All vehicles used for the public transit services it provides or contracts for are insured for $1 million per accident for all hazards or the provider maintains a self-insurance fund adequate to provide equivalent protection.

910.5(2) The provider:

a. Purchases all services from a designated public transit system, or

b. Operates all services open to the public under contract with and under control of a designated transit system, or

c. Purchases all services from a private-for-profit operator of public transit services, or

d. Operates its own services, which:

(1) The designated public transit system is currently unable to provide, or

(2) When considered as a whole using fully allocated costs, prove to be more economical than the purchase of equivalent services from the designated public transit system.

e. Uses a combination of services in paragraphs 910.5(2)*"a," "b," "c,"* and *"d."*

This rule is intended to implement Iowa Code section 324A.4.

761—910.6(324A) Noncompliance. A provider shall be found noncompliant if:

910.6(1) The provider has not submitted required data upon expiration of either the original submittal deadline or the additional ten-day grace period after written notification of deficiencies in an original submittal.

910.6(2) The provider's request for certification has been processed and the provider did not qualify for a finding of compliance.

This rule is intended to implement Iowa Code section 324A.4.

761—910.7(324A) Noncompliant sanctions. A provider that is denied certification and continues the noncompliant activities for more than 30 days shall be subject to the penalties and sanctions specified in Iowa Code section 324A.5(2).

910.7(1) If the department of health and human services purchases services from the noncompliant provider, the department will notify the department of health and human services of the noncompliant finding.

910.7(2) If the noncompliant provider is a recipient of public funds from other than the department of health and human services, the department will notify the proper authority as required in Iowa Code section 324A.5.

This rule is intended to implement Iowa Code sections 324A.4 and 324A.5.

761—910.8(324A) Revocation.

910.8(1) If certification is revoked, the department will send a written notice of revocation to the provider.

910.8(2) The affected public transit system, the provider and the department are to meet within ten days after the date of the revocation notice to determine an acceptable amendment of the transportation services. The amendments that are agreed upon shall become effective within 60 days. The contract between the provider and the affected public transit system shall be amended, if necessary, to agree with the service changes.

910.8(3) If the transportation services are not amended in a timely manner, the department will initiate actions as required in Iowa Code section 324A.5(2).

This rule is intended to implement Iowa Code section 324A.5.

Appendix to rule 761—910.4(324A)

Date

FY

CERTIFICATION APPLICATION

State/Federal Administering Agency _____

I. GENERAL INFORMATION:

Agency Name: _____

Address: _____

_____

Contact Person:_____Phone:(_____)_____

Service Area (counties): _____

Types of Clients:_____

Types of Services: _____

_____

Does agency provide transportation services? Yes _____ No _____

Does agency use public funds for transportation? Yes _____ No _____

II. TRANSPORTATION ACTIVITIES:

Population groups served: Elderly _____ Youth Economically Deprived _____ Public _____

Persons with physical disabilities _____ Persons with mental disabilities _____ Other _____

Describe others: _____

_____

Services Accessed: Medical _____ Day Care _____ Shopping _____ Nutrition _____ Employment _____

Recreation _____ Education/training _____ Other social services _____

What percent of your transportation service (in terms of miles driven) is operated during the following time periods?

_____ % weekdays + _____ % evenings + _____ % weekends = 100%

Is any part of agency's transportation purchased from an urban or regional transit system?

Yes _____ No _____ If yes, please indicate system:

_____

III. AGENCY OPERATED VEHICLE FLEET:

Year/ Model	Seats/ Wheelchairs	Special Equipment*	% Used for Passengers	Average Monthly Ridership	Average Monthly Vehicle Miles	Owned/ Leased

* Two-way radio, wheelchair lift, ramp, etc.

IV. FUNDING SOURCES USED FOR SUPPORT OF TRANSPORTATION: **Total $ _____**

Source	Federal	State	Local	Annual Total
1.				$
2.				$
3.				$
4.				$
5.				$
6.				$
Total	----------	----------	----------	$

V. PURCHASE OF SERVICE (Contracts and Vendor Agreements): **Total $ _____**

	Average Monthly Ridership	Average Monthly Vehicle Miles	Projected Annual Expenditures
Taxi			$
Intracity bus			$
Regional/Urban Transit System			$
Other - specify			$
Total	----------	----------	$

VI. OPERATION OF OWN TRANSPORTATION SERVICE: **Total $ _____**

STAFF	Number	% of Time	Projected Annual Expenditures
Administrative			$
Drivers			$
Maintenance			$
Professional			$
Escorts			$
Volunteers reimbursement		$ /mile	$
Other - specify			$
Subtotal	----------	----------	$

VEHICLE OPERATING COSTS	Projected Annual Expenditures
Fuel and oil	$
Maintenance and repair	$
Insurance	$
Licenses and fees	$
Staff mileage reimbursement $ /mile	$
Indirect cost or overhead	$
Other - specify	$
Subtotal	$

PURCHASE OR LEASE OF VEHICLES AND SPECIAL EQUIPMENT

Vehicle Type	No. to be Leased	No. to be Purchased	No. for Replacement	No. for Expansion	Special Equipment	Projected Annual Cost
						$
						$
						$
Subtotal	----------	----------	----------	----------	----------	$

Note: The total funding in Section IV should equal the total expenditures in Section V plus Section VI.