

324A.4 Federal, state, local, and private aid — report.

1. The department shall compile and maintain current information on the use of federal, state, local, and private aid affecting urban and rural public transit programs. Public, private, and private nonprofit organizations applying for or receiving federal, state, or local aid for providing transit services shall annually report to the department the costs of their transportation programs, depicting funds used for public transit programs and such other information as the department may require prior to receiving any federal or state funds or any aid from a political subdivision of the state. The report shall list all of the funding sources of the organization along with the listing of funds expended by that organization during the preceding fiscal year. The department, in cooperation with the regional planning agencies as the responsible agency for annual updating the regional transit development programs, shall compile this information annually. A state agency or organization administering funds for transit services is required to submit all funding requests through the regional and state clearinghouse and the department. An organization, state agency, political subdivision, or public transit system, except public school transportation, receiving federal, state, or local aid to provide or contract for public transit services or transportation to the general public and specific client groups, must coordinate and consolidate funding and resulting service, to the maximum extent possible, with the urban or regional transit system.

2. a. Upon request, the department shall provide assistance to political subdivisions, state agencies, and organizations affected by [this chapter](#) for federal aid applications for urban and rural transit system program aid. The department, in cooperation with the regional planning agencies, shall maintain current information reflecting the amount of federal, state, and local aid received by the public and private nonprofit organizations providing public transit services and the purpose for which the aid is received. The department shall biennially prepare a report to be submitted to the general assembly and the governor prior to December 15 of even-numbered years. The report shall recommend methods to increase transportation coordination and improve the efficiency of federal, state, and local government programs used to finance public transit services and may address other topics as appropriate. The department of health and human services and the officers and agents of the other affected state and local government units shall provide input as requested by the department.

b. The department shall use the following criteria to adopt rules to determine compliance with and exceptions to [subsection 1](#):

(1) Elimination of duplicative and inefficient administrative costs, policies, and management.

(2) Utilization of resources for transportation services effectively and efficiently.

(3) Elimination of duplicative and inefficient transportation services.

(4) Development of transportation services which meet the needs of the general public and insure services adequate to the needs of transportation disadvantaged persons.

(5) Protection of the rights of private enterprise public transit providers.

(6) Coordination of planning for transportation services at the urban and regional level by all agencies or organizations receiving public funds that are purchasing or providing transportation services.

(7) Management of equipment and facilities purchased with public funds so that efficient and routine maintenance and replacement is accomplished.

(8) Training of transit management, drivers, and maintenance personnel to provide safe, efficient, and economical transportation services.

c. Eligibility to receive or expend federal, state, or local funds for transportation services by all agencies or organizations purchasing or providing these services shall be contingent upon compliance with these criteria as determined by the department.

3. The department shall receive and distribute federal aid to public transit systems unless precluded by federal statute; however, the department shall not retain or redirect any portion of funds received by the department for a particular public transit system except that the department may redirect unused funds after a project is completed in order to prevent

the lapse of funds. The department may designate the public transit systems as the direct recipients of federal aid.

[C77, 79, 81, §601J.4]

[84 Acts, ch 1200, §4, 5](#); [91 Acts, ch 27, §5](#)

C93, §324A.4

[2002 Acts, ch 1112, §2, 3](#); [2009 Acts, ch 23, §62](#); [2011 Acts, ch 38, §31](#); [2023 Acts, ch 19, §1080](#)

Referred to in [§324A.5](#)

Subsection 2, paragraph a amended