
FISCAL UPDATE Article

Fiscal Services Division

August 20, 2026



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TRANSPORTATION COMMISSION MEETING — AUGUST 2026

The Transportation Commission (Commission) met for an informal workshop on August 10, 2026, in Iowa City. The Commission discussed the following topics:

- **Commission Input.** The Commission toured Iowa Highway 1 and visited the U.S. Highway 6 pedestrian bridge and I-80 construction sites. The Commissioners then visited the Coralville Maintenance Garage site and the Driving Safety Research Institute Driving Simulator and ended at the U.S. Highway 6 Iowa River Bridge replacement project.
- **Department Welcome.** Iowa Department of Transportation (DOT) Director Scott Marler gave the following updates to the Commission regarding items involving the DOT:
 - Director Marler discussed the recent change to Iowa speed limit signs. Approximately 1,200 State speed limit signs will change from 55 miles per hour (mph) to 60 mph pursuant to 2026 Iowa Acts, [Senate File 378](#) (Undivided Rural Highways, Speed Limit Act). The DOT will survey 180 locations to ensure it is safe to increase the speed limit to 60 mph. This survey is expected to be completed by January 2027.
 - The DOT also discussed the federal Surface Transportation Bill. The current Surface Transportation Act, known as the [Infrastructure Investment and Jobs Act \(IIJA\)](#), is set to expire on September 30, 2026.
- **Review of Commission Guidebook.** The Commission received a review of its new guidebook, which includes the biographies of the Commission members, the organizational chart of the DOT, and the roles and responsibilities of the Commission and the DOT.
- **Administrative Rules.** The Commission received an overview of the following two administrative rule chapters that will be rescinded and readopted to align with federal regulations:
 - 761 IAC [529](#), "For-Hire Interstate Motor Carrier Authority."
 - 761 IAC [607](#), "Commercial Driver Licensing."
- **Transportation Trends.** The DOT provided the following updates:
 - U.S. railcar loads in the second quarter of calendar year 2026 increased by 2.1% compared to the same quarter in the previous year.
 - Monthly State commercial service airport passenger counts in June 2026 increased by 1.6% compared to June 2025.
 - Monthly State vehicle miles of travel for June 2026 increased by 1.9% compared to June 2025.
 - As of August 7, there have been 167 traffic fatalities in Iowa. This is an increase of 13.5% compared to the same period last year. Traffic fatalities have decreased by 5.1% when compared to the five-year average.
- **2026 Highway Program Balance Report.** The Commission received an update on the FY 2026 Highway Program balance.
- **State Aviation Programs.** The State Aviation Program awards three grants for airport construction and maintenance, including the Airport Improvement Program (AIP), General Aviation Vertical Infrastructure (GAVI), and Commercial Service Vertical Infrastructure (CSVI). A full list of applicants can be found on the DOT [website](#).
 - **Airport Improvement Program.** The AIP grant received 39 applications. Total funding for the AIP is \$5.1 million. Of the 39 applicants, 23 are recommended for funding by the DOT.
 - **General Aviation Vertical Infrastructure.** The GAVI grant received 11 applications. Total funding for GAVI is \$1.8 million. All 11 applicants are recommended for funding.
 - **Commercial Service Vertical Infrastructure.** The CSVI grant received eight applications. Total funding for CSVI is \$2.5 million. All eight applicants are recommended for funding.

- **Public Transit Vehicle Replacement.** The Commission received an overview of grants for the federal fiscal year (FFY) 2026 Transit Program. There are 36 vehicles receiving the grant for replacements in Iowa. A list of the replacements can be found on the DOT [website](#).
- **Public Transit Match Fund Recommendations.** The Commission received recommendations for funding to match the Federal Transit Administration (FTA) grants for public transit infrastructure. The DOT received \$1.6 million from 2026 Iowa Acts, [Senate File 2484](#) (Rebuild Iowa Infrastructure Appropriations Act), for this purpose. The DOT is recommending using \$1.5 million for local match assistance for 15 transit agencies' buses and \$140,000 for two transit agencies' facilities.
- **Public Transit Special Notice of Funding.** The Commission received an overview of the Public Transit program and a notice of increased funds of \$269,000 from the FY 2026 carryover balance and \$216,000 from COVID-era relief funds. Only agencies listed in original grants are eligible to receive the extra funds from the special notice. The DOT recommends funding five projects from the carryover balance and four projects from COVID-era relief funds. The list of recommended projects is as follows:
 - **The Heart of Iowa Regional Transit Agency Minivan Cost-Sharing.** The sponsor for this project is the Iowa DOT. The recommended funding for this project is \$46,000, or 50.0% of the total project cost.
 - **Eldridge and LeClaire Demand Response Service.** The sponsor for this project is Bettendorf Transit. The recommended funding for this project is \$24,000, or 50.0% of the total project cost.
 - **Mid-Iowa Development Association Dispatch/Maintenance Software.** The sponsor for this project is MIDAS Regional Transit System, Region 5. The recommended funding for this project is \$44,000, or 40.0% of the total project cost.
 - **Regional Transit Authority Mobility, Outreach, Visibility, and Education Initiative.** The sponsor for this project is Delaware, Dubuque, and Jackson County Regional Transit, Region 8. The recommended funding for this project is \$32,000, or 50.0% of the total project cost.
 - **Emergency Funding for Operations.** The sponsor for this project is Southern Iowa Trolley, Region 14. The recommended funding for this project is \$95,000, or 47.7% of the total project cost.
 - **Cost of Contracted Service (Americans with Disabilities Act Complementary Paratransit).** The sponsor for this project is Southern Iowa City Transit. The recommended funding for this project is \$64,000, or 2.2% of the total project cost.
 - **Emergency Funding for Operations.** The sponsor for this project is Southern Iowa Trolley, Region 14. The recommended funding for this project is \$57,000, or 37.5% of the total project cost.
 - **Operating Stabilization: Driver Overtime and Essential Fleet Maintenance Support.** The sponsor for this project is Easy, Affordable, Reliable, and Life-Changing Public Transit, Region 1. The recommended funding for this project is \$45,000, or 100.0% of the total project cost.
 - **Transit System Route Optimization and Modernization Study.** The sponsor for this project is Muscabus, Muscatine. The recommended funding for this project is \$50,000, or 62.5% of the total project cost.
- **Railway Tracks Overpass and Underpass Program.** The Railway Tracks Overpass and Underpass Program is a new program established by Senate File 2484 that appropriates money to the DOT for distribution in the form of grants for cities and counties to assist with the construction of highway overpasses and underpasses across railway tracks. The Program will receive \$5.0 million annually from the Rebuild Iowa Infrastructure Fund (RIIF) over the next five years. The Commission received an overview of how the Program is expected to work and initial guidance.

The Commission held a business meeting on August 11, 2026, in Iowa City. The Commission took the following actions:

- **Approved Minutes.** The Commission approved the minutes from the last meeting on July 14, 2026.
- **Review of Commission Guidebook.** The Commission approved the 2026-2027 guidebook.
- **Administrative Rules.** The Commission approved the following two administrative rule chapters that will be rescinded and readopted to align with federal regulations:
 - 761 IAC 529, "For-Hire Interstate Motor Carrier Authority."
 - 761 IAC 607, "Commercial Driver Licensing."

- **State Aviation Programs.** The Commission approved the recommendations for the State Aviation Programs.
- **Public Transit Special Notice of Funding.** The Commission approved the recommendations for the Public Transit special notice.
- **Public Input Meeting.** The Commission held a public input meeting and heard from several organizations. The Commission heard the following delegations:
 - City of Iowa City.
 - City of Cedar Rapids.
 - A representative from Senator Grassley's office.
 - City of Marion.
 - Iowa Interstate Railroad.
 - City of Coralville.
 - City of Peosta.
 - Iowa Ports Association.

Next Meeting. The next meeting of the Commission is scheduled for September 8, 2026, in Ames.

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Doc ID 1612083