

**Status Report**  
**Midwest Regional Rail Passenger Initiative and Passenger Rail Service in Iowa**  
**Due February 1, 2026**

This report fulfills the requirements of the following Code of Iowa Sections:

Section 327J.3(1): “The director may expend moneys from the fund to pay the costs associated with the initiation, operation, and maintenance of rail passenger service. The director shall report by February 1 of each year to the legislative services agency concerning the status of the fund including anticipated expenditures for the following fiscal year.”

Section 327J.3(5): "The director shall report annually to the general assembly concerning the development and operation of the Midwest regional rail system and the state's passenger rail service."

**Status of Passenger Rail Service Revolving Fund 327J.3 (1)**

The fund received the following appropriations:

FY 2010 = \$3,000,000

FY 2011 = \$2,000,000

As of December 31, 2025, the fund had a balance of \$ 2,053,891.

The Iowa Department of Transportation (DOT) utilized 327J funds to finish all final work activities associated with passenger rail including the preliminary engineering and environmental work for the Iowa section of Chicago to Iowa City passenger rail service in FY 2022. By the end of FY 2023, remaining obligated funding for the Ft. Madison station improvements as described in the next section were expended to support final construction activities.

**Passenger Rail in Iowa 327J.3 (5)**

The Iowa DOT, working with the state of Illinois, Iowa cities, planning organizations, and advocacy groups, worked diligently to apply for federal High Speed Intercity Passenger Rail (HSIPR) grants through the Federal Railroad Administration (FRA).

Those applications were for the following:

- **Chicago to Iowa City Passenger Rail Service Implementation:** The states of Iowa and Illinois jointly submitted an application seeking \$248 million of federal funding for environmental studies and capital expenditures to initiate passenger rail service from Chicago to Iowa City. In 2010, a \$230 million grant was awarded to both states which will be matched with 20 percent state and local funds in both Iowa and Illinois. In order to adequately assess demand and costs for a broader regional high-speed passenger rail system across Iowa, the Iowa DOT requested that FRA split the grant into two multiple phases. In 2011, FRA agreed to the phased approach which permitted Illinois to move forward with implementing service from Chicago to Moline. In September 2014, Iowa obligated a portion of the federal funds to complete Preliminary Engineering (PE) and National Environmental Protection Act (NEPA) activities from Moline to

Iowa City. Those studies were completed in FY 2022. Illinois continues work activities for their phase of the project to implement service to Moline. At this time, given the limited funding available, Iowa DOT does not plan to immediately move forward with final design and construction from Moline to Iowa City.

- **Iowa City-Cedar Rapids Passenger Rail Conceptual Feasibility Study:** In 2015, CRANDIC Railway, MPO JC (the Metropolitan Planning Organization for the Iowa City area), and Iowa DOT agreed to support study activities to further examine the conceptual feasibility of a passenger rail service operating between Iowa City, Iowa and Cedar Rapids, Iowa. An initial feasibility study was completed in October 2015 and then a further refined study investigating the feasibility between Iowa City and North Liberty was completed in October 2016. The third phase of the study to further determine estimated ridership and revenue opportunities as well as a more detailed cost estimate was completed in 2020. Funding in the amount of \$113,677.15 from 327J funds was utilized to support the feasibility study.

The outcome of the third and final phase of this study was presented to the MPO JC Executive Board in the fall of 2020. There was a follow-up presentation and discussion in the fall of 2021. Any future action for implementation of a service would be led by local and metropolitan jurisdictions.

- **Ft. Madison Station:** The Transportation Commission awarded funds to supplement funding from other federal programs and Amtrak to complete the final phase of platform improvements at the historic Ft. Madison station. This allowed passenger rail station service in Fort Madison to move to this facility which provides ADA compliant access in a historic facility. Funding in the amount of \$20,000 from 327J funds was utilized in 2023. All funds have been fully obligated.

#### **Passenger Rail Advisory Committee**

The Iowa Passenger Rail Advisory Committee, formed by the Iowa DOT in 2008, assists in shaping and implementing the vision for passenger rail service in Iowa. This group has members that represent statewide interests and provides input to the Iowa DOT on passenger rail developments and needs in the state.

Prepared by the Modal Transportation Bureau, Iowa Department of Transportation