

Iowa Public Transit – FY 2025 Competitive Grants – Funding Gap Fact Sheet

\$57,511,665 FTA Awards (Iowa DOT applicant)

Bus and Bus Facilities

Agency: Iowa Department of Transportation

Description: The Iowa Department of Transportation will receive funding to buy new buses and vans, replacing older vehicles for 14 of Iowa's transit systems.

Award: \$27,834,685

Low or No Emission

Agency: Iowa Department of Transportation

Description: The Iowa Department of Transportation on behalf of four rural transit systems, will receive funding to buy hybrid buses to replace older buses and to construct or expand three bus facilities.

Award: \$19,892,534

Local Match Requirements

Award	Total	Federal	%	Local Match	%
FY25 Low-No	\$24,764,976.73	\$19,892,534.00	80.33%	\$4,872,442.73	19.67%
FY25 Bus and Bus Facilities	\$32,746,688.24	\$27,834,685.00	85.00%	\$4,912,003.24	15.00%
Total	\$57,511,664.96	\$47,727,219.00	82.99%	\$9,784,445.96	17.01%

Funding Gap

The following is a funding gap transit systems are experiencing due to increased costs to manufacturing.

- From time of grant submission to award bus manufacturing has increased:
 - 26.7% for light duty buses
 - 49.8% for heavy duty buses
- Collectively, the local match public transit systems budgeted for was \$6.5 million when they applied for grants.
- **\$3.3 million is being requested** to help with the gap funding for buses to maximize the local match for the Federal dollars coming into the state.
- Current Transportation RIIIF is for vertical infrastructure. This request would include “notwithstanding” language that would allow these funds to be used for buses beyond vertical infrastructure.

