

Des Moines Area Regional Transit Authority Alternative Funding Advisory Committee

**Report to the Iowa General Assembly and Governor Kim Reynolds,
per House File 2579, Section 19, enacted by the
89th General Assembly of the State of Iowa and
signed into law on June 17, 2022**

**Prepared by the Iowa Department of Transportation, in cooperation with the
Iowa Department of Revenue**

December 15, 2022



Iowa Department of
REVENUE

Introduction

House File 2579 was enacted by the General Assembly of the State of Iowa and signed into law by Governor Reynolds on June 17, 2022. Within that legislation, Section 19 directed the Iowa Department of Transportation (DOT) to establish a Des Moines Area Regional Transit Authority (DART) alternative funding advisory committee to study the most effective and efficient methods to increase funding for DART that are an alternative to an increase in property taxes. The committee is required to submit a report containing its findings and recommendations to the general assembly on or before December 15, 2022.

The advisory committee's five voting members and four ex-officio, non-voting members are as follows:

Voting

- Director Scott Marler, Iowa DOT, Co-Chair
- Director Kraig Paulsen, Iowa Department of Revenue, Co-Chair
- Supervisor Steve Van Oort, Polk County Board of Supervisors
- Councilperson Kelly Whiting, Ankeny City Council
- Mayor Paula Dierenfeld, City of Johnston

Non-Voting

- Senator Brad Zaun, Iowa Senate District 20
- Senator Janet Petersen, Iowa Senate District 18
- Representative Brian Best, Iowa House District 12
- Representative Marti Anderson, Iowa House District 36

Advisory Committee Meetings

The DART Alternative Funding Advisory Committee met twice in the Iowa State Capitol Building, Room 102. The first meeting was held on October 7, 2022, and the second meeting was held November 18, 2022.

During the October 7 meeting, the Advisory Committee discussed the anticipated process and schedule for the committee's work, listened to a presentation by Iowa DOT staff on past related Iowa DOT studies, and had an overview of DART funding and their 2017 funding study.

At the November 18 meeting, the Advisory Committee heard a presentation by Iowa Department of Revenue (DOR) staff overviews local option sales tax and hotel/motel tax, was presented the results of a public survey conducted by the Iowa DOT, and discussed the final report contents.

Public Input

The Iowa DOT created a website to inform the public of the Advisory Committee's work and to collect opinions with a survey. The website is <https://iowadot.gov/dartaltfunding>.

Conclusion

Based on the information compiled for this effort and subsequent discussion at their two meetings, the Advisory Committee discussed the contents of the final report at the end of their November 18 meeting. The Advisory Committee concluded there has been comprehensive and recent studies on this topic and there wasn't a need to recreate the work that has already been completed. Instead, the Advisory Committee concluded the final report should summarize their work and then reference and include as appendices all the significant resource information on this subject to support further legislative

consideration of alternative funding mechanisms. The Advisory Committee further concluded that, based on the public input gathered and the recent studies, while there are viable options to address the funding challenges, each option has potential issues. Therefore, the Advisory Committee approved the following motion at their November 18 meeting:

Moved by Mayor Dierenfeld, seconded by Van Oort, to provide the legislature with the Advisory Committee's findings and encourage the legislature to review them and continue to have a conversation, but to not make any recommendations at this time.

Vote on Motion: 5-0. Motion carried unanimously.

Therefore, this report's appendices include the materials, studies, and presentations reviewed by the DART Alternative Funding Advisory Committee during the course of their work.

Appendices

- A. October 7, 2022, DART Alternative Funding Advisory Committee Meeting Agenda
- B. October 7, 2022, DART Alternative Funding Advisory Committee Meeting Minutes
- C. October 7, 2022, Presentation: Overview of related Iowa DOT studies
- D. *Iowa Passenger Transportation Funding Study*, completed December 2009
- E. *Iowa Public Transit 2050 Long Range Plan*, completed July 2020
- F. October 7, 2022, Presentation: Overview of DART funding and 2017 study
- G. *Greater Des Moines Transit Funding Study*, completed November 2017
- H. November 18, 2022, DART Alternative Funding Advisory Committee Meeting Agenda
- I. November 18, 2022, DART Alternative Funding Advisory Committee Meeting Summary
- J. November 18, 2022, Presentation: Local Option Sales Tax and Hotel/Motel Tax overview
- K. November 18, 2022, Presentation: Public survey results
- L. Supplemental Information: Iowa Public Transit Association survey of public transit Medicaid losses
- M. Supplemental Information: Medicaid and DART paratransit impacts

Respectfully submitted,



Scott Marler, Co-Chair
Iowa Department of Transportation Director



Kraig Paulsen, Co-Chair
Iowa Department of Revenue Director