Transportation Coordination in Iowa

Report to the Iowa General Assembly and Governor Kim Reynolds, per 2022 Iowa Code section 324A.4

Prepared by the Iowa Department of Transportation, in cooperation with the Iowa Transportation Coordination Council

December 15, 2022



Introduction

The Code of Iowa, Section 324A.4, subsection 2, Code 2011, states the Iowa Department of Transportation (DOT) "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."

lowa has long been a leader in transportation coordination, from designated public transit agencies covering the 99 counties with little duplication, to requiring any agency receiving public dollars for the provision of transportation to first coordinate with the local public transit agency before providing the transportation on their own, to the creation of the lowa Transportation Coordination Council. Coordination allows lowa to provide much needed transportation services to the citizens of lowa with the most efficient use of public funds. Coordination has been an important topic in lowa for many years, but during these times of economic constraint and restraint and lowa's changing demographics, coordination of transportation services becomes even more critical.

Background

lowa has 35 public transit systems, covering all 99 counties, served by 19 urban systems in cities and 16 regional systems that are multi-county in nature. These public transit systems provided approximately 10.3 million rides in Fiscal Year (FY) 2021. Due to the pandemic, there were only two transit agencies who saw an increase in ridership from FY 2020 to FY 2021, the other 33 transit agencies' ridership fell during that time. It is evident that transit agencies are still working to increase their ridership back to pre-pandemic levels. In FY 2021, approximately 23 million revenue miles were traveled by the public transit systems. All transit services are open to the general public; trips are made to work, shopping, meal sites, medical appointments, social events, for any purpose a person desires.

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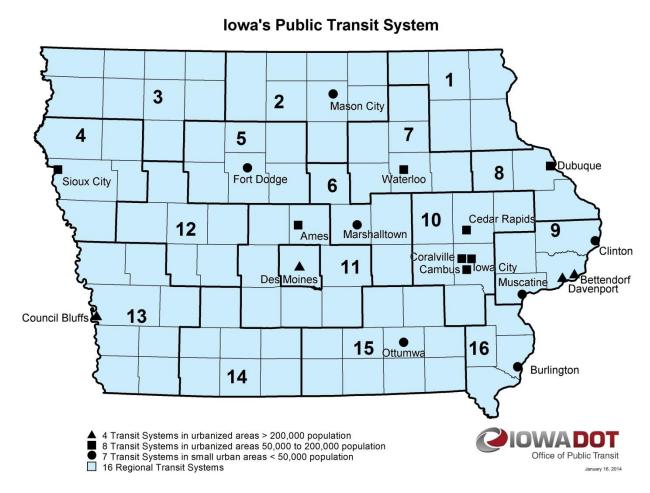
Approximately 10.3 million rides were provided in FY 2021.

The 19 urban systems typically operate as a department of their respective cities, with four systems as exceptions: CAMBUS as a department of the University of Iowa, Metropolitan Transit Authority of Black Hawk County as a stand-alone 28E organization, the Des Moines Area Regional Transit Authority as a stand-alone 28M organization, and Ottumwa Transit is operated by 10-15 Transit. Service in the urban areas can be classified as fixed route or ADA complementary paratransit. Fixed route operates along a set course with passengers accessing the service via the nearest bus stop, or, in some communities, flagging the bus down along the route. ADA complementary paratransit is available in zones around the fixed routes to those who meet certain disability qualifications under the Americans with Disabilities Act (ADA), with service provided as origin-destination with the bus picking the passenger up at their home, or other site, and delivering them to their desired location. ADA complementary paratransit trips are scheduled the day before the desired trip. One of the regional systems, 10-15 Transit, also operates a fixed route

and ADA complementary paratransit service in the city of Oskaloosa. Oskaloosa is not included in the count of 19 fixed route systems, however, as the city is not large enough in terms of population to receive funding directly from the lowa DOT for the service.

The 16 regional systems, ranging in coverage from three counties to ten, are set up either independently as non-profit organizations, by 28E agreement, or are housed within another agency such as a council of governments. Regional systems operate on a demand-response basis, with curb-to-curb or door-to-door service for passengers typically scheduling trips 24-hours in advance.

For more information on lowa's public transit systems, please visit http://www.iowadot.gov/transit/.



Iowa Transportation Coordination Council

Meeting bi-monthly, the Iowa Transportation Coordination Council (ITCC), established by the Iowa Legislature, discusses passenger transportation issues affecting Iowa. The Iowa DOT Modal Transportation Bureau public transit team chairs and staffs the meetings. Members include representatives from Iowa Department on Aging (IDA), Iowa Department of Human Services (DHS) – Iowa Medicaid Enterprise (IME), Iowa DHS – Bureau of Refugee Services, Iowa Department of Public Health, Iowa Vocational Rehabilitation Services, Iowa DOT's System Planning Bureau, Iowa DOT's Driver and

Identification Services Bureau, Iowa's Public Transit Systems, Iowa Developmental Disabilities Council, Iowa Department of Corrections, American Cancer Society, Iowa Public Transit Association, AARP, Access2Care, Epilepsy Foundation Iowa, Veterans Affairs, and the Federal Transit Administration (FTA).

The ITCC serves as the statewide coordination advisory group, identifying gaps in transportation needs, barriers to coordination, and developing partnerships for solutions and transportation options. ITCC agenda items have included: Mobility Management in a Correctional Facility, Developmental Disability Transportation Grant Projects, Statewide Vanpooling, STA Special Project Application Reviews, ITCC Member Agency Spotlights, passenger transportation-related legislation, Iowa Public Transit Long Range Plan, updates from the Statewide Mobility Manager and the Iowa Mobility Managers Network, and the 2022 Passenger Transportation Summit.

Because of relationships formed during these ITCC meetings, other cooperative and coordinated efforts occur. For instance, in late 2020 the Iowa Developmental Disabilities Council contacted the Iowa DOT to offer one-time funding for transportation projects focused on aiding those with disabilities. Five projects were funded through that program resulting in greater access to the community for persons with disabilities ITCC members also have frequently included Iowa DOT Public Transit team staff as speakers at various human service-related conferences to further educate attendees on public transit and mobility coordination in Iowa. For more information on the ITCC, please visit: http://www.iowadot.gov/transit/itcc

2022 Passenger Transportation Summit

Since 2014, the ITCC and Iowa DOT Public Transit Team have organized an annual Passenger Transportation Summit. Held in Marshalltown the first three years, the Summit was held in Ankeny in 2017, 2018, 2019, and 2022 at the suggestion of summit attendees. Due to the COVID-19 pandemic, no Passenger Transportation Summit was not held in 2020 or 2021. The purpose of the annual summit is to bring many different disciplines together, from employment to health care, to discuss passenger transportation issues in hopes that attendees will learn they have more in common when it comes to planning for passenger transportation than they have differences.

The issues discussed during the August 11, 2022, summit were:

- Infrastructure Investment in Jobs Act (IIJA)/Bipartisan Infrastructure Law (BIL) Overview
- Panel Discussion: Des Moines Refugee Support
- Keynote: Des Moines Integrated Corridor Management
- Panel Discussion: Public Transit's Response to COVID
- Panel Discussion: Transitioning to Low-No Emission Vehicles

Attendance at these summits typically reaches over 100 each year. In 2022, attendance was lower than 100, but this was the first summit in a few years due to the pandemic and the summit was held in mid-August rather than the usual late-May, so it is hoped that getting back on a regular schedule with the summit will cause attendance to again increase. These summits are important for conveying information about all passenger transportation options in the state, coordination efforts that work and those that do not, and for the networking opportunity they provide.

Iowa Public Transit Long Range Plan

During the summer of 2020, the Iowa Department of Transportation released an update to the Iowa Public Transit Long Range Plan to reflect today's operating environment and current needs of Iowa's public transportation system.

The Iowa Public Transit Long Range Plan update, included researching the historical trends in demographics and passenger transportation usage, forecasting future projected needs within the public transit system, and devising strategies to address any challenges.

Some of the key findings identified within the lowa Public Transit Long Range Plan include the following.



- A number of challenges exist which inhibit the public transit system from achieving its potential, including use of older transit vehicles, having a limited pool of qualified transit vehicle drivers, perceptions of overcrowding on transit vehicles, and rapidly changing technologies such as ondemand ride hailing apps and automated vehicles.
- lowa's rural transit regions continue to see a decrease in population and an increase in the age of riders while urban transit regions are experiencing population growth and an increase in population density. This presents unique challenges for ensuring all lowans have adequate means of getting to work, to medical appointments, or any other destinations.
- Based on recent studies, there is a net positive return-on-investment for public transit, indicating that net economic benefits are realized for every dollar invested in providing public transit services.
- There is a current need to address accessibility of the public transit system for all riders while supporting workforce development by connecting employees with jobs. Recent pandemic responses also show a need to support essential segments of the economy by ensuring a reliable transportation system continues to operate regardless of disruptions.
- With the completion of this Iowa Public Transit Long Range Plan, the planning process transitions into implementation. During this phase, the Iowa DOT will expand on the partnerships it has formed with key stakeholders in order to help guide investments among all of Iowa's 35 public transit systems and support Iowa's vision of rightsizing the system.

As this Iowa Public Transit Long Range Plan is implemented through various projects and activities outlined in the strategies section, the impact of these efforts will be measured and used to refine Iowa DOT's approach to public transit and inform future Iowa Public Transit Long Range Plan updates. Instrumental to this implementation is the collaboration between key stakeholder groups including ITCC, IPTA, and

MPO's/RPA's. This plan can be referenced by visiting: https://iowadot.gov/iowainmotion/Modal-Plans/Public-Transit-Plan

Transit Long Range Plan Recommendations

Address funding shortfalls and impacts noted in the Iowa Public Transit Long Range Plan through the implementation of potential revenue mechanisms. It is prudent to continuously evaluate alternative funding sources for public transit and passenger transportation services for their advantages, disadvantages, and overall viability. This is particularly important as circumstances change, as observed during the COVID-19 pandemic with its impacts on the funding of public transit services for employees who work in critical and essential employment sectors of Iowa's economy. Recommended mechanisms include:

- Reduce population threshold for Regional Transit Districts (RTD) formation for counties from 175,000 to 90,000 to allow an additional seven counties to collaborate on transit funding through the formulation of a multi-city/county RTD.
- Increase the property tax cap from \$0.95 to \$1.45 per \$1,000 of taxable valuation for RTDs and municipal transit levies.
- Enable RTDs to levy local option sales taxes to meet the public transportation needs of those who work and live in their district.
- Sustain Rebuild Iowa Infrastructure Fund (RIIF) to help with a variety of transit projects including maintenance facility improvements, construction of bus storage buildings, and repair of bus shelters.
- Increase State Transit Assistance (STA) standing appropriation from 4 percent to 5 percent (equivalent to the state sales tax) of the fees for new registration collected on sales of motor vehicle and accessory equipment to support public transportation.
- Add vehicle rental and leased car sales taxes to support public transit by placing a premium on the usage of such personal transportation options compared to other more cost-effective modes of transit.
- Establish Transportation Network Company (TNC) tax to balance the return-oninvestment of public transportation infrastructure versus the net negative impacts of congestion and increased road surface deterioration that TNCs induce on public infrastructure.
- Enable TNC usage and ridership data to be shared with the state for planning purposes in order to more effectively analyze trends in transportation infrastructure and forecast future needs.

Passenger transportation planning process

Iowa's MPOs and RPAs have facilitated a coordinated planning process to create passenger transportation plans and submit them to the Iowa DOT.

The goals of the passenger transportation planning process are to:

- 1. Improve transportation services to lowans;
- 2. Increase passenger transportation coordination;

- Create awareness of unmet needs;
- 4. Develop new working partnerships;
- 5. Assist decision-makers, advocates, and consumers in understanding the range of transportation options available;
- 6. Develop justification for future passenger transportation investments; and
- 7. Save dollars and eliminate overlapping of services.

Public transit projects to be funded with FTA Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) monies must be derived from a coordinated planning process. While only lowa's large urban transit systems (over 50,000 in population) and two regional public transit systems receive Section 5310 funds annually, the Iowa DOT requires a coordinated passenger transportation plan from all areas of the state. This coordinated planning process brings together local stakeholders in transportation to identify transportation needs in the community. Projects such as medical shuttles, employment shuttles, a one-call/one-click project in eastern Iowa, transportation coordination summits and workshops, and the hiring of local mobility coordinators have come from the passenger transportation planning process. Bringing the right organizations together to discuss transportation needs incites coordination of ideas and resources and enhances the mobility of Iowans.

For a list of Iowa's MPOs and RPAs, please visit:

https://iowadot.gov/systems_planning/district-transportation-planners-area-of-responsibility

Coordination efforts

Public transit agencies strive to coordinate transportation services within their community to the greatest extent possible, to the benefit of all involved. By partnering with the RPAs and local human service providers they work to create more efficient use of the public transit vehicles, cost savings to the coordinating agencies, and access to needed transportation services for the community. One of the biggest barriers to coordination in rural areas is the federal Charter rule (49 CFR Part 604). These rules prevent local public transit agencies from providing group trips to their local community members, groups such as daycares and social service organizations can no longer utilize public transit for trips because they are considered exclusive use of the vehicle for a negotiated price. These trips may only be provided if none of the registered charter companies in an area respond as able to perform a trip or if the public transit agency is able to provide the service for free. While large event transportation should be provided by private charter companies if available, small daycares cannot afford charter rates to transport their children to the local pumpkin patch, library, or zoo. In recent years, several of the regional public transit agencies in Iowa have had luck in notifying the local registered charter providers of requested trips, with none responding, and then providing these trips. However, it is still often the case that the public transit systems shy away from charter work because of the cumbersome rules, so these trips do not occur and learning opportunities are lost.

Another rule hindering the provision of public transit, especially in rural areas, is the Federal Transit Administration's School Bus Operations rule (49 CFR Part 605). Written with urban fixed routes in mind, this rule does apply to rural, demand response systems. With many school districts limiting the areas in

which transportation to students is provided, including within city limits or with limited stops along a route, parents look to the public transit agencies to provide transportation for their children. Public transit agencies must be careful, however, to ensure this service does not look exclusive to school children, even though parents are individually scheduling and paying for their own children and does not cause other general public riders from being denied rides. Like the Charter rule, explained above, some public transit agencies turn down requests for school transportation from parents to ensure compliance with the rule. The School Bus Operations rule also was a hinderance to coordinating transportation to in-person schooling during the COVID-19 pandemic as school districts reached out to public transit agencies in trying to find ways to provide student transportation while being mindful of spaced seating and social distancing. Ultimately, the majority of lowa school districts did find transportation solutions through their own school bus providers, but public transit not being able to be part of the solution because of this rule was unfortunate.

Social service agencies

Human service agencies, counties, nursing homes, sheltered workshops, etc. are all able to transport their clients to medical appointments, work, and social activities by public transit without the expense of purchasing, maintaining, fueling, and insuring a vehicle. Staff time is also saved because an employee is not required to take time out of their workday to transport perhaps as few as one person to an appointment. Unfortunately, public transit days and hours of service do not always provide enough coverage for social service agencies to take full advantage of this coordination effort and sometimes funding sources may dictate the transportation provider to be used. Overall public transit demand, driver availability, vehicle availability, and operational funding factor into hours and days public transit is available to assist social service agencies with their transportation needs. Discussions are always on-going to increasing all of those factors. Working to eliminate funding silos where funding sources prescribe the transportation provider or have restrictions about who may ride a vehicle would also boost coordination in this area.

Aging community

Many of Iowa's public transit agencies receive Federal Title IIIB funding through their respective Area Agencies on Aging (AAA) to provide transportation services to those aged 60 years and over. Eligible passengers living independently typically pay only a donation for the transportation service received. This partnership is valuable, allowing seniors who may not be able to drive or do not want to drive to remain in their homes as long as they desire.

Several public transit agencies also contract with their local AAA for volunteer drivers. These drivers use their own vehicles to transport one or two passengers at a time for the public transit agency. These trips often are from areas not frequently served by public transit or require great distance of travel which would make the trip cost prohibitive for the passenger if provided by a public transit vehicle and driver.

In 2020, during the pandemic when so many of lowa's elderly were socially isolated, another important role for several public transit agencies became that of meal and grocery delivery service. Partnering with the local AAA, fresh or frozen meals were placed on public transit vehicles and delivered to seniors. The

FTA allows up to 20% of a federally-funded vehicle's usage to be for incidental services, such as meal deliveries. This partnership ensured many older lowans received the nutrition they needed during a time when leaving their homes to shop or visit meal sites was not the safest option.

Another function of Iowa's AAAs is to serve as their region's Aging and Disability Resource Center or ADRC. In this role, AAA employees assist and counsel persons who are aging or have disabilities about the benefits for which they are eligible. Understanding the public transit system is useful to this counseling role.

Public health

The lowa DOT is one of the many partner agencies providing input on and taking responsibility for addressing lowa's critical health needs through annual updates to *Healthy Iowans: Iowa's Health Improvement Plan*. In addressing the transportation issues in the plan, the Iowa DOT committed to: "Provide transportation to health care services by making available State Transit Assistance Special Project funds to Iowa's 35 public transit agencies." The Iowa DOT Public Transit team annually sets aside STA funds to provide grant funding to Iowa's public transit agencies for start-up of new projects, an example of which could be medical transportation.

Non-emergency medical transportation

In April 2016, lowa's Medicaid system was contracted out to three managed care organizations (MCO), each responsible for providing non-emergency medical transportation to their respective eligible clients. At the time of this report's writing there are now two MCOs, both utilizing the same transportation broker, Access2Care. In the five and a half years since MCOs took over Medicaid management within the state there have been as many as three transportation brokers. Any time a transition happens with either the addition or departure of a transportation broker, the public transit agencies must quickly negotiate or contract with the brokers and learn a new portal and database system in order to ensure those needing rides to medical appointments have them. Differences in policies from broker to broker is difficult on transportation providers, as procedures can vary. Also, timeliness in receiving payments from the brokers has been an issue for several public transit agencies over the years, making cash-flow tight at times.

A newer challenge to passenger transportation coordination in the state relates to a rule change by Iowa Medicaid Enterprise in December 2017 for persons on the Medicaid Intellectual Disability Waiver. Persons on this waiver, and their provider, receive funding under a tiered rate structure. Prior to December 1, 2017, transportation services were paid on top of the tiered rates. After the rule change, transportation costs were included in the tiered rate structure, therefore each person and their respective service agency had less overall funding to spend on a daily basis. To save money, some service providers have ended arrangements with local public transit agencies and have begun providing transportation internally. These agencies have either purchased vans for providing the transportation or are using staff cars. While not intentional, this has created a challenge in fulfilling the transportation coordination requirements of Code of Iowa Section 324A.4.1 which reads in part:

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.

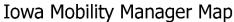
The public transit agencies are willing and able to provide the needed transportation services for the Intellectual Disability Waiver clients and since ending the contracts with the human service agencies for these services public transit agencies have reported significant loss of revenue that has reduced public transit services for all users. Discussions with Iowa Medicaid Enterprise, their service providers, and the public transit agencies may be productive in determining an agreement for providing Medicaid Waiver funded transportation.

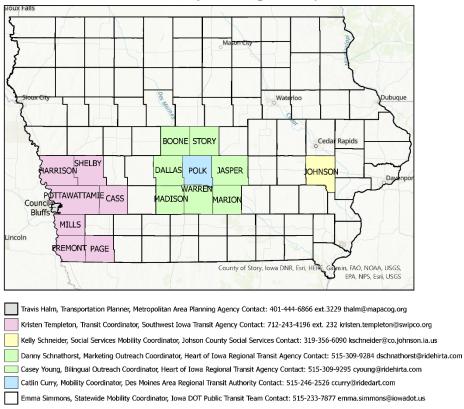
Mobility management

Mobility management has become a major focus area over the past 15 years both nationally and in the State of Iowa. Mobility managers, or mobility coordinators as many are known, assist individuals in navigating beyond Point A to Point B, no matter the number of modes of transportation required, and truly understanding the individual needs of transit riders. Mobility coordinators may provide travel training, showing persons how to ride the bus if they have never had that experience. Mobility coordinators also meet with human service agencies, businesses, and other organizations to inform them of the public transit services available to inspire more collaboration. Currently mobility coordinators are located in Region 11, Johnson County, and Polk County. Region 13 and the Council Bluffs area each have a representative that takes on some of the responsibilities of a mobility coordinator.

One position unique to the State of Iowa is the statewide mobility coordinator. These responsibilities are provided by an Iowa DOT public transit team staff member, in additional to their regular duties as Transit Planner.

The statewide mobility coordinator administers the Iowa Mobility Manager's Network, providing technical assistance to mobility coordinators and associated staff around the state, and serves as a contact for customers not served by a regional or urban mobility coordinator, assisting with travel navigation, and providing referrals to local transportation providers.





While mobility management is an eligible expense under several Federal Transit Administration programs available to lowa's public transit agencies, these funding sources are often fully committed to funding public transit operational activities rather than mobility coordination. Separate, specific funding programs for mobility management no longer exist under the current federal transportation law, therefore creation of new positions requires a real local commitment to the mobility management concept. Many transit systems believe mobility management to be a good idea but are unable to free up already committed funding to pay for an additional staff person. Several transit agencies have realized mobility management is a function of the work performed by existing transit agency staff through community outreach and educational duties, allowing the mobility management network to expand and grow. Region 13 and Council Bluffs/Omaha are examples with staff providing mobility management services in addition to their regular job duties, as needed.

For more information about mobility management, please visit: https://iowadot.gov/iowamobilitymanagement

Rideshare and commuting options

As part of a 2012 Veterans Transportation Community Living Initiative grant the Iowa DOT received from the FTA, Iowa DOT procured a statewide ride matching software, where veterans and the general public

could locate others with similar origins and destinations in order to share transportation costs. www.iowarideshare.org went live in 2016, to serve as lowa's ride matching resource. There are currently 145 total vanpools in the system.

Over the past several years, the lowa DOT has focused on coordinating efforts across offices and divisions to address mobility and accessibility challenges. One such coordinated effort is the 380 Express commuter bus. Intended to relieve congestion during the reconstruction of I-380 between Cedar Rapids and Iowa City, the 380 Express began operation on October 1, 2018. 380 Express is a service of CorridorRides (public transit Region 10) and is operated by a private company under contract. In the past two years, over 59,000 rides were provided in FY2020 and, even in the midst of the COVID pandemic, approximately 44,000 rides were provided in FY2021. As the pandemic subsides, ridership is expected to again increase as construction-related traffic impacts continue and more people become familiar with the service. More information on 380 Express can be found at https://380express.com/.

COVID-19 Pandemic Effect on Public Transit

The COVID-19 pandemic hit in March 2020, about 75% of the way through Fiscal Year 2020. FY2020 statewide ridership did drop 20% from FY2019. Some systems saw ridership decreases as high as 34%. At the height of business and school closures in Spring 2020, ridership had fallen by as much as 85% for some systems. FY2021 was the hardest year for public transit ridership, with statewide decreases of 57% from FY2019. As a result of and/or causing these ridership drops were transit agencies stopping service entirely for a time or cutting route services within certain areas of a community. Knowing what a vital service public transit is, lowa's public transit agencies found ways to re-open and adapt to make their services safer. COVID testing for drivers and front-line staff became important, either with in-house testing or other arrangements made with local testing sites, to ensure peace of mind for the transit passengers and employees. Most agencies – at least temporarily – stopped collecting fares to alleviate the interaction between passenger and driver. On longer fixed-route vehicles, boarding and exiting the vehicle was commonly only allowed at the rear door to protect the health of the driver. Barriers were constructed surrounding the driver compartment to cut down on particulates passed between driver and passenger; some barriers as simple as inexpensive shower curtains, shown in the photo, below, and others custom made plexiglass enclosures. Mask use was required, until the mandate was lifted on April 18, 2022. Buses were and still are being cleaned more frequently to try to stop the virus spread. Some transit systems are also using more robust air cleaners to kill airborne germs in the vehicles.

Ways public transit helped people stay safe at home became almost as important as the number of riders transported this past year. As highlighted earlier in the report, several transit agencies were contracted to provide meal and grocery delivery to aging lowans and those most vulnerable in our population, keeping them healthy at home.



Clear shower curtains hung to protect transit drivers from virus particulates.

Iowa's transit agencies were the recipients of federal CARES Act, CRRSAA, and ARPA funding, paying for up to 100% of the operating deficit for services after January 20, 2020. Iowa DOT's public transit team administers the distribution of those funds to the small urban and regional systems while large urban systems receive their COVID-relief dollars directly from the FTA.

Currently, many transit agencies are still trying to boost their ridership and mileage back to what they were prepandemic. In addition to making the passenger comfortable riding public transit again, driver shortages, bus price increases, and supply chain issues are all hampering the recovery effort.

Driver Shortage

The majority of public transit vehicles in Iowa require a Commercial Driver's License (CDL) to operate. Drivers with CDLs are becoming increasingly hard to find. There is competition with private trucking companies, school bus contractors, and charter bus operators in hiring drivers with CDLs. Many of those competitors are able to pay higher wages than public transit or offer better hours. Additionally, the Federal Motor Carrier Safety Administration recently adopted new Entry-Level Driver Training requirements for those wanting to obtain or upgrade their CDLs, thus prolonging the hiring process if an applicant does not already possess a CDL. If a transit agency is unable to put the applicant on payroll while they go through their training, the applicant often will find another job rather than go unpaid for several weeks. Once a driver is through that training, it has also been difficult for public transit agencies to find prompt appointment times for the drivers to take the CDL knowledge and skills test necessary for receiving the license.

To help alleviate the testing timeliness situation, the Iowa DOT's Motor Vehicle Division proposed and the Iowa Legislature passed into Iaw, 2022 Iowa Acts, Senate File 2337. This legislation amends Iowa Code section 321.187 to authorize public transit systems and regional public transit systems to be third-party CDL testers, and to allow all third-party testers to administer the CDL knowledge test in addition to the CDL skills test. Under this legislation, any CDL knowledge or skills test offered by a third-party must be the same as the test administered by the Iowa DOT. This law will hopefully also in turn help with the driver shortage, since it will make the CDL process and onboarding of new drivers more efficient.

Supply Chain Issues and Bus Price Increases

Like most of the public transit entities in the United States, Iowa's public transit agencies are encountering dramatic bus price increases due to supply chain shortages and lingering manufacturing delays due to the

COVID-19 pandemic. In early summer 2022, the lowa public transit agencies purchasing from the lowa DOT's statewide vehicle procurements received notices from the bus vendors that their bus purchase contracts would be cancelled because the vendors could not provide the product at the previously agreed upon price. These prices had just been set in December 2021 through a statewide vehicle procurement. In order to ensure the public transit agencies could again enter into contracts with the bus vendors, the lowa DOT requested price adjustments from all vendors on the statewide vehicle procurement, thus establishing new price ceilings for federal participation in vehicle purchases.

The gap, or shortfall, caused by the new pricing when compared to the previous federal spending ceilings was over \$10.2 Million. After sorting through old contracts for project underruns and adding the other capital funding available for bus replacement projects, the Iowa DOT found approximately \$9.5 Million. If the Iowa Transportation Commission concurs, the Iowa DOT will work with the public transit agencies to cover as much of the shortfall on open bus replacement contracts as possible.

The impact of the supply chain issues and delayed bus replacements on provision of public transit services is the need to continue maintaining and keeping on the road very old vehicles at great expense to the public transit agencies. Some of the vehicles are old enough that parts are not available or the repair is not worth the expense in relation to the overall value of the vehicle. In some cases, that means there are not enough vehicles available to provide demanded public transit services in a community.

Recommendations

- 1. In order to increase transportation coordination and improve efficiency, the lowa DOT recommends consideration of legislation that allows transportation costs to be eligible expenses for all state human service programs. If a person requires assistance from a human service-type program, it is likely they have difficulty securing transportation to access the benefits afforded to them. For instance, if a person is on a Medicaid waiver, with medical and employment-training transportation covered, it is very likely that person will also need transportation to a job once the training period has ended. Often the limited hours worked and low wages make paying for transportation a burden. However, this transportation is vital for including all persons within their communities. The lowa DOT and ITCC will encourage agencies providing those services for state human service programs to coordinate transportation needs with the local public transit provider. These transportation services are not without cost, however, and solutions for making the transportation to work and other quality of life activities affordable must be found.
- 2. Having a transportation benefit under the Medicaid program is extremely important to ensuring Medicaid recipients persons with limited income or serious health conditions receive needed preventive medical treatment, helping to ensure those persons do not have more serious and costly medical emergencies down the road. Lawmakers are encouraged to continue covering transportation as a Medicaid benefit to ensure clients can travel to their medical appointments and treatments, even if the Federal government offers waivers to this requirement. Providing

transportation to the routine, non-emergency appointments reduces emergency room visits and costly ambulance trips, saving the Medicaid program in the long-run.

- 3. Another barrier to coordination are the state and federal rules surrounding funding of transportation. Efficiency of the passenger transportation system could be improved by allowing a cross-section of the population to ride a publicly-funded transportation service, whether those funds are originally intended for veterans, aging lowans, various human service agencies, or the general public. Iowa DOT will evaluate the viability of estimating the cost savings that could be realized if rides could be shared between the various agencies providing and funding transportation.
- 1. At the city and county level, transportation access public transit, in addition to roads should be considered when new services are being started and when new developments are being proposed. Businesses will only survive if their employees and customers can get to work. The lowa DOT recommends developers and community planners to consider public transit availability early in the approval process when considering new commercial developments. One step in the right direction is Iowa Economic Development Authority's (IEDA) Certified Sites program. IEDA asks the Iowa DOT for input on available transportation in the area of a potential certified site, including public transit services, prior to the site's approval.
- 2. Iowa has one of the oldest transit fleets in the nation. The state needs a funding mechanism for replacing and expanding public transit vehicle fleets. The federal government, through the Bipartisan Infrastructure Law, Infrastructure Investment in Jobs Act, provides a base level of formula dollars to Iowa and a highly competitive grant program for replacement vehicles. Through this new law, there is a considerable increase in funding available for low and no emission vehicles, for which Iowa has successfully applied. However, discretionary grants are never a sure thing. Public transit services are only as good as the vehicles providing them. Iowa's public transit systems work hard to keep vehicles in a state of good repair well beyond their useful lives, but eventually vehicles wear out and must be replaced. A reliable funding stream for this purpose is needed and options should be explored at the federal, state, and local level. It is even more vital now that the State secures funding due to the increase in nationwide bus costs.
- 4. Federal charter rules (49 CFR Part 604) are stifling some coordination efforts in the state of Iowa. Since its adoption in 2008, the federal charter rule has put an end to many community group trips which had been provided by public transit. Efforts to change these rules are ongoing and support from legislators and other parties to work with Iowa's Congressional delegation would show the importance of this issue to Iowa and enhance the likelihood of change.
- 5. Likewise, Iowa's rural, demand response systems need clarification on the applicability of the Federal Transit Administration's School Bus Operations rule (49 CFR Part 605). If rides are properly, individually, scheduled and paid for and trips to a local school fill the better part of a bus at a couple times a day, this service may not pass the 'reasonable person' test viewing the

service as exclusive to school. It is the opinion of the lowa DOT this is simply efficient scheduling by the rural public transit system and is not exclusive school service. Efforts to change these rules are ongoing and support from legislators and other parties to work with lowa's Congressional delegation would show the importance of this issue to lowa and enhance the likelihood of change.

Conclusion

It is hard to predict the long-term impacts of the pandemic on future public transit ridership, service, driver availability, and vehicle replacements. It remains to be seen how many former commuters continue to telework after the virus is under control, possibly reducing the need for express and commuter routes. More leisure trips may pick up for the elderly and those with health conditions after they feel safer leaving their homes, restoring some public transit ridership, especially in the rural areas. For others, this health crisis may make them permanently shy away from crowded buses in favor of single passenger transportation options, like those provided by Uber and Lyft. Dollars are also stretched, making passenger transportation coordination so important in creating efficiencies between agencies and services.

Many coordination efforts are already in place in lowa. This fact can be touted and celebrated. However, more work can be done. Funding silos at the federal and state level must be reduced for the efficient funding of transportation services for those that need it. Greater coordination can be achieved if the various agencies charged with providing services to citizens work together to provide the necessary funding and coordinated transportation services. A majority of the example successes seen to date, started with a conversation. With transit managers and mobility coordinators out talking in the community and engaging human service providers barriers have been eliminated, opportunities have been realized and lowans have been better served. The conversations need to continue, and participation needs to be broader. Government programs must be allocated the necessary funding to provide these important services and the rules must be flexible enough to allow for innovation in coordination. Through the coordinated efforts of the agencies, lowans will experience enhanced quality of life and mobility and lowa will continue to be a great place to live.