

Establishing a Rural Public Transit System in Nebraska

Federal and State funding is available to support public transportation projects in rural Nebraska. This support includes reimbursement for operating expenses and subsidies to purchase transit vehicles. The Nebraska Department of Roads (NDOR) is designated as the direct recipient for these funds which are awarded to subrecipients to carry out public transportation projects.

Eligible subrecipients of funds to administer a public transportation project include private nonprofit organizations, state or local governmental authorities, operators of public transportation services or intercity bus operators. Private nonprofit organizations must fulfill the requirement as a public purpose organization as defined in Section 19-3903 Revised Statutes of Nebraska. Private for profit operators of public transportation or paratransit services may participate in the project through contracts with eligible applicants.

Public transportation services to be provided under this program shall be available to all persons within the service area in rural Nebraska. The service may either be provided directly by the subrecipient or a private nonprofit or private for profit provider under contract to the subrecipient.

Net, eligible operating and administrative costs to provide public transportation services is reimbursable through NDOR. Operating expenses include salaries/ employer costs for drivers and dispatchers, vehicle fuel and oil. Examples of administrative costs include salaries/employer costs for administrative staff, marketing, vehicle maintenance, rent utilities, office supplies, etc.

Expenses are reimbursed at the following rates:

- Operating expenses—50% federal, 25% state, 25% local match
- Non-operating/administrative expenses—80% federal, 10% state, 10% local match
- Vehicle acquisition—80% federal, 20% local match

Start-up rural transit systems should apply for operating assistance and vehicle(s) at the same time. To qualify for reimbursement of operating and non-operating expenses, transit systems must possess and operate an accessible vehicle as per the Americans With Disabilities Act (ADA).

For more information about establishing and administering a federally funded public transportation system, please contact Kari Ruse, Nebraska Department of Roads, 402-479-4694, kari.ruse@nebraska.gov.

