



TBC Federal Agenda 2024



Celebrating a Decade of Impact for American Bus Transit

About Our Coalition

The Bus Coalition (TBC) is an advocacy association of over 900 members from 48 states and Washington DC working with the Administration and bipartisan Members of Congress to ensure adequate funding for the nation's critical bus transit programs.

In communities large and small, bus transit has proven a vital lifeline and an engine of opportunity connecting millions of Americans. TBC stands with transit leaders nationwide in building robust, innovative mobility systems for vibrant communities and stronger economies.

Bus Transit Advocacy

The Bipartisan Infrastructure Law (BIL) represents a historic investment in public transit as a whole and bus transit in particular. After years of disinvestment, the BIL increases the Bus and Bus Facility program from \$808 million in FY21 to \$2.2 billion in FY26.

Funding levels included in BIL will go a long way to helping transit systems of all sizes upgrade aging bus fleets, expand mobility options, boost economic growth, reduce greenhouse gas emissions and ensure better access and equity. TBC and its members are committed to ensuring these substantial new federal investments are spent wisely and efficiently.

To ensure successful implementation of BIL, The Bus Coalition supports FTA and Congressional action on the priority issues laid out in this document.

Issue Overview

FY25 Appropriations: Support Bus Plus-Up and Legislative Language.

We support a \$400 million plus-up to the Bus and Bus Facility competitive grant program (5339b) and providing flexibility to FTA in addressing cost escalations for grant recipients.

Support CTAA's Efforts to Address the Cutaway Bus Shortage Crisis.

We encourage Congress and the FTA to implement solutions that will increase the supply of small buses as cutaway fleets are aging out and timely replacement is not an option.

Support Innovative Microgrid Deployments Strategies at FTA and DOE.

We support close coordination between DOE and FTA to ensure transit systems have the resources to upgrade grid capacity, build out microgrids, and invest in battery storage capabilities.

Support Continued Spare Ratio Flexibility.

FTA has issued a new rule with input from the public transportation industry to create more flexibility in spare ratio requirements. Additional spare ratio flexibility is important, especially as transit systems all over the United States begin transitioning towards zero-emission fleets.

Address Ongoing Local Match Concerns.

We encourage FTA to provide greater flexibility and relax local match requirements where possible, especially as transit systems transition to more expensive zero emission vehicles.

FY25 Appropriations: Support Bus Plus-Up and Legislative Language

Demand for bus transit funds remains at an all-time high. In 2023, the Bus and Bus Facility competitive grant program received \$8.7 billion in funding requests for \$1.6 billion available. **This is the largest oversubscription in the program's history.** Plus-up funding would help address some of this tremendous demand.

In addition, inflation is impacting the cost of previous, current and future bus purchase orders and transit facility construction projects. Cost escalations are reducing the impact of grant awards by forcing transit systems to cut bus orders or require additional non-federal funds from the transit system to fill the gap. The Bus Coalition supports giving FTA the flexibility to use additional plus-up funds to help transit systems cover cost escalations as previous award amounts are no longer able to cover the full cost of procurement.

Support CTAA's Efforts to Address the Cutaway Bus Shortage Crisis

The small bus marketplace is experiencing significant challenges, including long delivery times and significant cost increases. Cutaways provide a range of services for transit agencies, including critical paratransit and on-demand service. In rural areas, cutaways serve as the primary workhorse to get riders to work, medical appointments and shopping. The consolidation in the small bus marketplace is having serious and profound consequences on daily operations which will invariably lead to service disruptions and increasing safety issues. The Bus Coalition strongly supports CTAA's recommendations to address the cutaway crisis, including: **(1)** Issuing a temporary Buy America Waiver for a pending request at FTA; and **(2)** Increasing de-minimus Buy America waiver issued in 2023 from \$500,000 to \$2 million.

Support Microgrid Deployment Strategies at FTA and DOE

Charging a fleet of electric buses requires a significant amount of power and many communities simply do not have the grid infrastructure to handle surges necessary to charge dozens or hundreds of buses at once. It's also very expensive to upgrade grid capacity and invest in costly transformers. The challenge is going to grow over time as transit systems transition to electric fleets. Microgrids and onsite battery storage could help reduce the burden on our grid and provide a stable, more cost-effective power source to charge a fleet of buses. Through the Infrastructure Law, the Department of Energy was provided over \$10 billion in formula and competitive grant funds to help improve grid capacity and reliability. We encourage FTA and DOE to collaborate and support grid and microgrid projects to help transit systems transition their fleets.

Spare Ratio Flexibility

With the transition to any new technology, there is bound to be growing pains. It's already apparent from transit systems that have entered the EV space there are challenges to fleet performance and management. Under current regulations, the number of spare buses in the active fleet for recipients operating 50 or more fixed-route revenue vehicles cannot exceed 20 percent of the number of vehicles operated in maximum fixed-route service.

We appreciate the flexibility FTA has provided in setting aside old and EV buses into a contingency fleet. However, we propose building on this by adding the following: (d): "The Federal Transit Administration shall amend the Grant Management Requirements Circular 5010.1 (a) to not consider vehicles operating beyond the minimum useful life in the spare ratio calculation; and (b) to not consider low- or no emission vehicles in the spare ratio calculation for the next five years."

Local Match Concerns

Especially for mid-size and small transit systems, coming up with a local match can be challenging. Zero emission buses provide significant benefits, but they are more expensive and require costly infrastructure upgrades adding to the cost of transition.



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