

**FTA Recipient Award Toolkit
Section 5339 Grants for
Buses and Bus Facilities Program
Specific Inclusions**



Federal Transit Administration

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Version Log

The following table records the history of modifications and successive editions of this document.

Version	Updates	Version Date
1.0	Developed a Section 5339 program-specific toolkit from existing FTA resources.	05/08/2026

Legal Notice

Notice: This guidance document is not legally binding in its own right, and the Federal Transit Administration will not rely upon it as a separate basis for affirmative enforcement actions or other administrative penalties. Conformity with this document (as distinct from existing statutes and regulations) is voluntary only, and nonconformity will not affect rights and obligations under existing statutes and regulations. This toolkit does not relieve recipients of the need to thoroughly review relevant FTA program circulars and applicable federal regulations. FTA does not require recipients to adhere to the recommendations in this document, except to the extent to which they cite federal regulations.

Toolkit Purpose & Orientation

Overview

The **Federal Transit Administration (FTA) Recipient Award Toolkit** may be used as reference material for developing applications for awards in the Transit Award Management System (TrAMS) and is intended to provide helpful information to recipients regarding application development, consistent with FTA Circulars and other information materials. This document, **Section 5307 Program Specific Inclusions**, provides FTA recipients with recommendations for developing grant applications specific to the Section 5307 grant program. This document offers program-specific guidance around program requirements (including eligibility and match requirements), recommended application inclusions, and application sample language.

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. FTA recommends that recipients consult the [TrAMS User Guide](#) while navigating TrAMS. Throughout the application development process, continue coordinating with assigned regional representatives to support areas requiring additional clarification beyond the TrAMS User Guide.

By following the recommended language and documentation standards outlined in the **FTA Recipient Award Toolkit**, recipients can:

- **Streamline Application Review:** These suggested approaches to application development, relevant to specific programs, are intended to help ensure that the key information in your application is clearly presented. This can reduce the possibility of later requests for clarification and can accelerate the path to a grant award.
- **Facilitate Grant Management:** Using a standardized format for critical program data within the application often makes managing the grant, from initial review through closeout, more efficient for both the recipient and FTA staff.

Toolkit Structure

This document is part of a larger **FTA Recipient Award Toolkit** which provides a framework for all TrAMS applications. All of the toolkit documents are linked on the FTA website at: <https://www.transit.dot.gov/funding/grants/applying/fta-recipient-award-toolkit>.

- **General Application Development Information:** provides recipients with an understanding of the processes, approaches, and best practices of a TrAMS award application, including preliminary work for application development; considerations for application planning; and key elements of an award, such as the executive summary, application projects, and budget descriptions.
- **Program Specific Inclusions:** expands on the General Application Development document by providing recipients with accessible information for application

development for the grant programs listed below, including program descriptions, program-specific applicability requirements, match percentages for funding, and navigation support for FTA Program Circulars.

- **Section 5307:** Urbanized Area Formula Program
- **Section 5310:** Enhanced Mobility of Seniors and Individuals with Disabilities Program
- **Section 5311:** Formula Grants for Rural Areas Program
- **Section 5311(c)(2):** Public Transportation on Indian Reservations (Tribal Transit) Program
- **Section 5337:** State of Good Repair Grants Program
- **Section 5339:** Grants for Buses and Bus Facilities Program

Acronyms and definitions for terms used in this toolkit are provided in the applicable [FTA Circulars](#).

This toolkit is subject to change without notice. When available, hyperlinks to source documents are included so that users have access to the most up-to-date information.

Section 5339: Grants for Buses and Bus Facilities

Program Introduction and Application Considerations

Overview: FTA apportions or allocates Section 5339 funding to recipients to finance capital projects for replacing, rehabilitating, and purchasing buses and related equipment. This includes technological changes or innovations to modify low or no emission vehicles or facilities and for constructing bus-related facilities.¹

Section 5339 funding is made available through three programs:

- **5339(a)** Buses and Bus Facilities Formula Program
- **5339(b)** Buses and Bus Facilities Competitive Program
- **5339(c)** Low- or No-Emission Competitive Grant Program
 - This program specifically provides funding to finance acquisition or lease of low- or no-emission vehicles; construct or lease facilities and related equipment for low or no emission vehicles; or construct, rehabilitate, or improve facilities to accommodate low or no emission vehicles to be used in public transportation service.²

Program information in this section of the toolkit is intended to apply to Section 5339(a) unless otherwise stated. For detailed information on eligibility and requirements for Section 5339(b) and Section 5339(c), consult their respective [Notices of Funding Opportunity \(NOFOs\)](#) in the Federal Register.

The following application considerations are unique to Section 5339 funding:

5339 Program Considerations
<p>For 5339(a), 5339(b), and 5339(c):</p> <ul style="list-style-type: none">• Under 49 U.S.C. § 5339(a)(3), projects located in urbanized areas (UZAs) are subject to the requirements of Section 5307, while projects located in rural areas are subject to the requirements of Section 5311(C).
<p>For 5339(a):</p> <ul style="list-style-type: none">• States and Designated Recipients may authorize large and small UZAs to become direct recipients of Section 5339(a) formula funds, but these direct recipients must operate

¹ [49 USC 5339 - Grants for buses and bus facilities](#)

² [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 2, Section 9, Pg. II-10)

5339 Program Considerations

fixed route service. Agencies that do not operate fixed route service may only receive funds as subrecipients.³

For 5339(a) and 5339(b):

- Applicants must use, to the extent possible, the innovative procurement tools authorized under Section 3019 of the Fixing America’s Surface Transportation (FAST) Act. If fewer than five buses are purchased through a stand-alone procurement, the recipient must provide a written explanation to FTA of why the authorized procurement tools were not used.⁴ This written explanation can be achieved by placing an affirmation in the application Executive Summary.

For 5339(b) and 5339(c):

- Recipients receiving FY 2022 or later funding for a zero-emission project must include a zero-emission fleet transition plan that meets specific legal requirements per [49 USC 5339\(c\)\(3\)\(d\)](#) as part of their competitive proposal. The zero-emission fleet transition plan must be attached to the TrAMS application, if applicable.
- FY 2022 or later zero-emission projects must also include 5% of the requested Federal amount for workforce development activities per [49 USC 5339\(d\)](#) unless the applicant certifies via the competitive application that less funding is needed. Certification must take place at the time of project proposal, prior to project selection.
 - If Section 5339(b) and 5339(c) grant funds are combined into the same application, use separate scope codes or projects in TrAMS to ensure proper reservation of funds.
 - Include supporting documentation for any commitments made to receive credit for selection considerations from your original proposal.
 - For competitive components, refer to the NOFO for requirements.

For 5339(c):

- Eligible bus propulsion types for Section 5339(c) funding include battery-electric, hydrogen, hybrid-electric, compressed natural gas (CNG), liquefied natural gas (LNG), and propane-powered buses. Standard propulsion types (e.g., diesel, clean diesel, biodiesel, and gasoline) are not eligible under the program.

³ Per 49 U.S.C. § 5339(a)(4) – Eligible Recipients: “Eligible recipients under this subsection are (i) designated recipients that allocate funds to fixed route bus operators; or (ii) State or local governmental entities that operate fixed route bus service.”

⁴ Per 49 U.S.C. 5339(a)(10) and 49 U.S.C. 5339(b)(11); see [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-12)

Executive Summary – Recommended Inclusions

For Section 5339, it is sufficient to follow the **Executive Summary** guidelines provided in the [Recipient Award Toolkit - General Application Development Information](#).

Award Description – Recommended Inclusions

In the application **Award Description**, provide a brief description outlining the Purpose, Activities to be Performed, Expected Outcomes, Intended Beneficiaries, and Subrecipient Activities pertaining to the application.⁵ A sample Award Description for a 5339 application follows below; alter the details for your specific application:

- **Purpose:** The purpose of this award is to provide funding for the purchase of five replacement vehicles and the construction of a new maintenance facility for ABC Transit.
- **Activities to be Performed:** Five buses will be replaced, and the new maintenance facility will be constructed at 456 Maintenance Street to replace the prior facility that is past its useful life.
- **Expected outcomes:** Both projects will improve the state of good repair for transit assets at ABC Transit.
- **Intended beneficiaries:** Populace of the ABC Transit service area and local area commuters.
- **Subrecipients:** None

Budget Information – Eligible Program Activities & Match Requirements⁶

The following table lists activities eligible for Section 5339 funding. List applicable local non-federal funding match percentages in the **Project Budget**. Please note that **preventive maintenance** is **not** eligible for Section 5339 funding.

Eligible Activity	Description
Capital Projects⁷	Eligibility <ul style="list-style-type: none">• Eligible activities include capital projects to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities. This includes implementing

⁵ [FTA Circular C5010.1F Award Management Requirements](#) (Appendix B, Section 3, Pg. B-3)

⁶ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Pg. IV-4)

⁷ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-2)

Eligible Activity	Description
	<p>or enabling technological changes or innovations to modify low- or zero-emission vehicles or facilities. 5339(c) projects are related to low or zero emission vehicles.</p> <ul style="list-style-type: none"> • Refer to Table IV-2 (Pg. IV-4) within Circular 9050.1A for examples of eligible projects. • Additionally, refer to Chapter IV (Pg. IV-10) of Circular 9050.1A to confirm that your award activities meet any unique eligibility considerations and circumstances for particular capital activities (e.g., unique requirements for innovative procurement). <p>Match Requirement</p> <ul style="list-style-type: none"> • Funded up to 80% Federal share and a 20% local match (80%/20%). • Some capital activities may be subject to differing match requirements (e.g., up to 85% Federal share for acquisition of Vehicles or Facilities that are Americans with Disabilities Act (ADA) compliant). Refer to Chapter IV (Pg. IV-10) of Circular 9050.1A for additional information.
<p>Workforce Development Activities⁸</p>	<p>Eligibility</p> <ul style="list-style-type: none"> • Recipients are allowed to use 0.5% of their Section 5339 funding to support workforce development activities, including for the cost of administering a training program. See 49 USC 5314(b) for a list of eligible activities. • For zero emission projects under 5339(b) and (c), recipients must use 5% of the Federal amount requested for workforce development activities or explain why 5% is not needed. • Recipients may use an additional 0.5% of their Section 5339 funding towards tuition, supplies, travel, and accommodations associated with National Transit Institute (NTI) training or other state-contracted training, not including administrative expenses (49 USC 5314(c)).

⁸ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-22)

Eligible Activity	Description
	<ul style="list-style-type: none"> Explain if and how the training activities will be applied at the UZA level within the Designated Recipient’s program of projects. <p>Match Requirement</p> <ul style="list-style-type: none"> Funded up to 80% Federal share and a 20% local match (80%/20%). Training for maintenance personnel can be funded as Preventive Maintenance at up to 80% Federal share and a 20% local match (80%/20%).
<p>Interest and Debt Financing⁹</p>	<p>Eligibility</p> <ul style="list-style-type: none"> Bond interest under advance project authority, buildings and equipment, working capital, leasing, capital cost of contracting, and other interest costs are often eligible project costs; with certain limitations (including the factors indicated in 2 CFR 200.449(c)–(g)). For further information, please refer to Chapter VI (Pg. VI-13) of Circular 5010.1A.

Application Finalization – Relevant Attachments and Documentation

The following table outlines TrAMS attachments for grant applications utilizing Section 5339(a) funding. Upload attachments to the “**Recipient Documents**” or “**Application Documents**” modules in TrAMS as designated below.

Attachment	Description	Document Upload Location
<p>Governor’s Designation Letter</p>	<ul style="list-style-type: none"> Governor’s designation letter for Designated recipients. 	<ul style="list-style-type: none"> Recipient Documents
<p>Program of Projects (POP)</p>	<ul style="list-style-type: none"> Please refer to Chapter 5 (Page V-4) in Circular 9070.1H for a more information about POPs for Section 5339(a). 	<ul style="list-style-type: none"> Application Documents

⁹ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-24)