



U.S. Department of Transportation  
**Federal Transit Administration**



**FACT SHEET:**  
**INNOVATIVE PROCUREMENT & LEASING**  
**FAST Act Section 3019**

**PROGRAM REQUIREMENT:** This new provision of the FAST Act lays out the parameters for joint cooperative purchasing of rolling stock and related equipment. It also addresses capital leases for rolling stock and related equipment, specifically for zero emission vehicles.

**What's Changed?**

The FAST Act lays out several new joint procurement and leasing options for FTA grantees:

1.) Cooperative Procurement Contracts

Section 3019 allows grantees to purchase rolling stock and related equipment from cooperative procurement contracts. A “cooperative procurement contract” means a contract entered into between a State government or eligible nonprofit entities and 1 or more vendors under which the vendors agree to provide an option to purchase rolling stock and related equipment to multiple participants. The contract term for a cooperative procurement contract may be for an initial term of not more than two years and may include three optional extensions of one year each. A lead procurement agency or lead nonprofit entity in such a procurement may charge participants in the contract no more than 1 percent of the total value of the contract.

2.) State Cooperative Procurement Schedules

A State government may enter into a cooperative procurement contract with one or more vendors if the vendors agree to provide an option to purchase rolling stock and related equipment to the State government and any other participant and the State government acts as the lead procurement agency. Under prior law, FTA referred to these types of State contracts as “State purchasing schedules” and, as such, are only available to recipients within that State. Under the FAST Act, a grantee may purchase rolling stock and related equipment from any State’s cooperative procurement contract or schedule.

3.) Pilot Program for Non-Profit Cooperative Procurements

Cooperative procurement contracts also may be entered into between eligible nonprofit entities and 1 or more vendors. The Secretary shall establish and carry out a pilot program to demonstrate the effectiveness of cooperative procurement contracts administered by nonprofit entities. No fewer than three eligible nonprofit entities shall be designated.

4.) Joint Procurement Clearinghouse

The Secretary shall establish a clearinghouse for the purpose of allowing FTA grantees to aggregate planned rolling stock purchases and identify joint procurement participants. The

clearinghouse may include information on bus size, engine type, floor type, and any other attributes necessary to identify joint procurement participants.

5.) Leasing

The FAST Act provides for clarification and encouragement of capital leasing arrangements in lieu of purchases, and encourages the capital leasing of zero emission vehicle components, particularly power sources.

**For Additional Information on FTA and the FAST Act, please visit: [www.fta.dot.gov/fastact](http://www.fta.dot.gov/fastact)**