



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.) Interstate Cooperative Procurements

A grantee may participate in a cooperative procurement contract without regard to whether the other grantee is located in the same State as the parties to the contract. The FAST Act requires that the initial contract term be for 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.

3.) Pilot Program for Non-Profit Cooperative Procurements

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/fast.html