

May XX, 2020

The Honorable Mike Crapo  
Chairman, Committee on Banking, Housing, and Urban Affairs  
United States Senate  
Washington, DC 20510

The Honorable Sherrod Brown  
Ranking Member, Committee on Banking, Housing, and Urban Affairs  
United States Senate  
Washington, DC 20510

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The Honorable Peter DeFazio  
Chairman, Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Sam Graves  
Ranking Member, Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear [Chairman Crapo and Ranking Member Brown:] / [Chairman DeFazio and Ranking Member Graves:]

CALSTART and its undersigned partner organizations write in support of the Committee's efforts to move forward and pass a strong, bipartisan five-year surface transportation reauthorization measure this year that includes robust support for low- and no-emission bus deployment, research, development, and demonstration (RD&D), technical assistance, and zero-emission innovative mobility options RD&D.

The COVID-19 public health emergency has upended the prospects for regular order in U.S. Congress. Federal transit agencies and Congress are focused rightly on immediate relief and emergency response support for vital transit operations across the nation. ~~While we fully respect the fact that the federal landscape has necessarily changed to meet this moment,~~ Looking ahead, we continue to urge the Committees to keep surface transportation reauthorization a priority, and, within that effort, a strong investment in promising clean transit vehicles and workers. Moreover, because of this new reality, our transit agency and bus and transit supply chain partners now more than ever need the U.S. Department of Transportation's Federal Transit Administration (FTA) support to deploy transit vehicles that provide public health benefits by reducing harmful emissions; to continue to double-down on innovations that promote the deployment of transit vehicles and mobility options in all 50 states; and to assist transit operators in making clean transit vehicle choices and addressing the demands of zero-emission vehicle infrastructure through technical assistance and vehicle testing.

Since its establishment under the FAST Act, the FTA's Low and No Emission Program (Low-No) has been supported and bolstered by CALSTART and its members, who have long been proponents of deploying zero- and near-zero-emission buses across the country. CALSTART and its members have also helped FTA push the envelope on innovation in cleaner transit. With this history, we are pleased to offer the following recommendations to continue to move FTA programs forward through the surface transportation reauthorization effort currently underway in Congress:

1. ***Support a fourfold increase in Low-No (49 U.S. Code §5339(c)) deployment of ZE buses (ZEBs), from \$55 million/year to \$220 million/year, starting in FY 2021.***

Low-No has successfully funded transit agencies of every size across the U.S. to purchase low- and no-emission buses and have helped grow the supplier base. However, each year the program is significantly over-subscribed as fleets race to meet demand. In addition, due to declining ridership due to the coronavirus, transit agencies that are facing financial pressures are faced with the choice of potentially cancelling orders of ZEBs. **CALSTART recommends that Congress reauthorize Low-No at \$220 million/year starting in FY 2021 to continue to allow transit agencies to purchase meaningful numbers of clean transit vehicles for their fleets.** We encourage making awards of all sizes, including larger scale deployments, where appropriate. Low-No should also meet the infrastructure needs for zero- or near-zero-emission buses enter transit fleets and thus should allow funding to be utilized as appropriate for this purpose. Low-No should address all transit vehicle needs across a diverse footprint of transit agencies and as such should consider rural and micro-transit vehicle needs, including smaller transit buses. In addition, because partnerships between bus manufacturers, transit agencies, and nonprofits have proven an effective way to scale deployments of ZEBs under the program and can help FTA be a better steward taxpayer funds, we encourage that the Low-No program allow this model to continue for future projects. Finally, Low-No should continue to provide funding for both low- and no-emission buses, with a growing emphasis on no-emission vehicles by 2025 in support of the goal of 1000 ZEBs procured per year by 2025.

2. ***Support robust investment in innovation for Low- and No-Emission Buses through FTA Innovation and Technical Assistance (49 U.S. Code §5312), including \$50 million/year in competitive funding and \$5 million/year in technical assistance.***

The rapid acceleration of low- and no-emission buses requires strong investment through competitive funding opportunities in new technologies to make sure that these vehicles operate cost-effectively, can address market barriers, and can adapt as efficiently as possible to a range of operating environments. **CALSTART recommends that FTA support \$50 million per year in competitive funding solicitations through FTA's Research, Demonstration and Innovation Program for low- and no-emission bus research activities.** CALSTART encourages investment across a wide range of critical technologies, including but not limited to electric and more efficient fuel-fired heating and air conditioning systems for use in extremely cold and hot climates; advanced electric bus charging solutions; automation technologies; integration of transit buses and micro-mobility, and mobility on demand; longer-range zero-emission bus technologies; advanced braking solutions; and hydrogen fuel cell and storage technologies, among other areas.

In addition, **CALSTART recommends that FTA provide \$5 million annually for qualified organizations with experience in the related areas to provide technical assistance to transit operators.** During this period of rapid technological development, transit operators will need technical assistance from entities with specialized knowledge in evaluating, transitioning to, and implementing new technologies. FTA should continue to encourage partnerships between transit

operators, fleet suppliers, and qualified nonprofit entities to encourage effective, accelerated adoption of low- and no-emission buses.

3. *Develop new rider-friendly innovative mobility modes through the FTA's Public Transportation Innovation Program (49 U.S. Code §5312), including investing \$150 million/year under the Integrated Mobility Innovation (IMI) Demonstration and Accelerating Innovative Mobility (AIM) ~~competitive solicitations programs~~ and providing long-term certainty to these funding programs.*

Advances in driver assistance and automation, sensors, small electric drive systems and other technologies could help to expand the reach and effectiveness of high-throughput public transportation and could reshape intermodal transit systems. Integration of transit ~~and with microtransit, micro-mobility options,~~ ridesharing and first-mile / last-mile ~~options transit integration,~~ and innovations in transit payment methods are growing areas of public transit system interest, innovation, and demonstration. Currently, IMI -- which includes FTA's existing Mobility on Demand (MOD), Strategic Automation Research, and Mobility Payment Integration efforts -- and AIM were funded at approximately \$30 million in total across both programs in all of FY19 and FY20. IMI was oversubscribed by in applicants applying for available funding by a ratio of over 5:1. There is an opportunity to double-down on new mobility options and better integrate them into FTA innovation programs. **CALSTART recommends that FTA fund up to \$150 million annually through the Public Transportation Innovation for innovative mobility modes through the IMI and AIM competitive solicitations.** In addition, FTA currently relies on the umbrella authority provided under the Public Transportation Innovation Program to fund IMI and AIM; moreover, its there is not a clearly articulated program directive to offer regular, annual competitive funding opportunities under each program. **CALSTART recommends specifically authorizing each program with the requirement that they offer annual solicitations** in order to provide funding certainty and predicable planning timelines for stakeholders who seek to partner with FTA in this important work. Finally, CALSTART and its members are positioned to help the Committees and the FTA further the discussion of how U.S. transit agencies, the clean bus supply chain, and innovative mobility options stakeholders can work together to meet the moment and plan for a post-COVID-19 transportation reality reshaping public transit in real-time. CALSTART and its members represent a strong and diverse coalition of thought leaders that are poised to help policymakers and leaders in public transit systems, in their many forms, recover and adapt to this public health emergency.

CALSTART and our members are grateful for the opportunity to provide these draft recommendations on advancing U.S. low- and no-emission buses, new technologies and ways of doing business to advance transit in whatever form it takes, and innovative mobility options as they grown in prevalence in a post-COVID-19 environment. We look forward to continuing to work with the Committees to move transit authorities, the zero- and near-zero emission bus supply chain, innovative mobility stakeholders, and workers in each of these areas forward. Thank you for your consideration of these recommendations.

Sincerely,

