The Honorable Pete Buttigieg  
Secretary of Transportation  
1200 New Jersey Ave SE  
Washington, DC 20590  

October 3, 2022

Dear Mr. Secretary,

Thank you for your leadership in implementing the historic Bipartisan Infrastructure Law. This investment in our infrastructure comes as a critical time as the nation emerges from the COVID-19 pandemic and navigates ongoing supply chain and inflation issues.

The undersigned organizations, led by the Community Transportation Association of America’s (CTAA), write today to bring awareness to a burgeoning crisis in the small bus industry that threatens the ongoing operations of rural, small-city, paratransit and non-emergency medical transportation providers across the nation. Today, the demand for small buses, particularly body-on-chassis vehicles, far outstrips supply with estimates of 20,000 small bus purchases currently backlogged.

We need your assistance in securing more chassis for the small bus marketplace so the trips to vital health care appointments (like dialysis); to congregate meal sites and grocery stores; to work and education; and to other social services that these types of buses typically serve can safely continue. In addition, the current environment creates an opportunity to promote flexibility, competition, and innovation by streamlining the procurement regulations for small buses.

Recent dialogue among transit agencies, state departments of transportation, bus dealers and bus manufacturers highlight the current state of the small bus marketplace:

- A survey of State Departments of Transportation (State DOTs) last month revealed that three quarters of State DOTs are feeling an unprecedented level of concern regarding standard vehicle replacements and maintaining a state of good repair,
with more than one-half of agencies having had a small bus purchasing contract or agreement terminated in 2022;

- Bus dealers predict the small bus backlog, nationally, to eclipse 20,000 in 2023, and expect full recovery of the market to take five to seven years;
- The largest small bus manufacturer currently has one of seven manufacturing facilities up-and-running, and can only meet 25 percent of demand; and
- Prices for these vehicles are running 30 percent to 70 percent above pre-pandemic levels.

With the Biden Administration’s leadership in enacting the Infrastructure Investment and Jobs Act (IIJA), public transit providers have record levels of federal capital investment. However, the small bus manufacturing backlog and price inflation threaten to stifle the IIJA’s impact on transit service delivery in communities across the country. The positive impact of the IIJA’s generational infrastructure investment is surely threatened by this situation.

The undersigned transit industry partners are actively working together to collaborate and support each other throughout this challenging time. Working together, we have developed a number of potential solutions for your consideration, including:

- Encourage chassis manufacturers, particularly Ford, to set aside units for vital public transportation and for small buses.
- Streamline current procurement regulations, with an emphasis on flexibility, because of the unprecedented nature of current small bus crisis. Use the vehicle backlog, nationally, to determine the timeframe for these procurement process changes.
- Expand the Federal Transit Administration’s (FTA) proposed Buy America general nonavailability waiver for passenger vans (87 Fed. Reg. 43101) to include waiving Buy America requirements for small buses and vans when manufacturers are not able to guarantee delivery within 12 months or less of an order. Use this temporary waiver to incent manufacturers to locate production facilities in the United States.
- Offer clear guidance to FTA grantees on whether, when, and how to amend bus procurements or reprogram funds when vehicles as specified cannot be delivered under the terms of a procurement agreement.

In summary, we strongly encourage the U.S. Department of Transportation to help the public transit industry secure additional chassis for the small bus market. It is critical to our shared goal of ensuring that the Bipartisan Infrastructure Law provides unparalleled opportunities to all Americans. We would surely welcome any opportunity to discuss this critical subject further.
Sincerely,

Scott Bogren  
Executive Director  
CTAA

Paul P. Skoutelas  
President and CEO  
APTA

Jim Tymon  
Executive Director  
AASHTO
Vermont Agency of Transportation
Barre, VT
Washington State Transit Association
Washington

Nebraska Association of Transportation Providers
Milford, NE
River Bend Transit
Davenport, IA

Tennessee Public Transportation Association
Nashville, TN
Arkansas Transit Association
Arkansas

Georgia Transit Association
Marietta, GA
Mercer County Trade Trenton, NJ

Transportation Association of Maryland
Linthicum, MD
Oklahoma Transit Association
Oklahoma

Prairie Hills Transit
Spearfish, SD
Coordinated Transportation Solutions
Trumbull, CT

TransAction Corporate Shuttles, Inc.
Woburn MA
Alabama DOT
Alabama

New Mexico Department of Transportation
Santa Fe, NM
Special Services Transportation Agency
Colchester, VT

Call a Ride Service, Inc.
Lewistown, PA
Tri-Valley Transit
Middlebury VT

Utah State University Aggie Shuttle
Logan, Utah
Claiborne County Human Resource Agency
Port Gibson, MS

Southern Georgia Regional Commission
Georgia
Alaska Mobility Coalition
Anchorage, AL

Starkville Mississippi State Area Rapid Transit
Mississippi State, MS
Oklahoma Department of Transportation
Oklahoma City, OK

Rogue Valley Transportation District
Medford, OR
California Association for Coordinated Transportation (CALACT)
Sacramento, CA

Ohio Department of Transportation
Ohio
Fairmont-Marion County Transit Authority
Fairmont, WV
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South West Transit Association
Fort Worth, Texas

Texas Transit Association - TTA
Austin, Texas

MS Department of Transportation
Mississippi

Southeast Vermont Transit
Vermont

Gifford Health Care
Randolph, Vermont

Community Transit of Watertown/Sisseton, Inc.
Watertown, SD

Two Rivers-Ottauquechee Regional Commission
Woodstock, Vermont

Senior Solutions Council on Aging
Southeastern, VT

Age Well, Inc.
Vermont

Upper Valley Services
Bradford, VT

Senior Solutions
Springfield, VT

Mississippi Public Transit Association
Natchez, Mississippi

Natchez Transit Regional Center
Natchez, Mississippi

Natchez Senior Citizen's Multipurpose Center Natchez, Mississippi