

116TH CONGRESS
2D SESSION

H. R. 8447

To authorize the Secretary of Transportation to provide loans for the acquisition of electric or fuel cell buses and related infrastructure.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 30, 2020

Mr. BEYER (for himself, Mr. ROGERS of Alabama, and Mr. LOWENTHAL) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To authorize the Secretary of Transportation to provide loans for the acquisition of electric or fuel cell buses and related infrastructure.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Community Health
5 and Clean Transit Act of 2020”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act—

1 (1) the term “covered loan” means a direct loan
2 made by the Secretary under section 4;

3 (2) the term “electric bus” means a bus that is
4 a zero emission vehicle (as defined in section
5 5339(e)(1) of title 49, United States Code) that is
6 fully battery-powered;

7 (3) the term “eligible area” means an area that
8 is—

9 (A) designated as a nonattainment area
10 for ozone or carbon monoxide under section
11 107(d) of the Clean Air Act (42 U.S.C.
12 7407(d)); or

13 (B) any area that was nonattainment and
14 subsequently designated to attainment in ac-
15 cordance with section 107(d)(3) of that Act (42
16 U.S.C. 7407(d)(3)) and that is subject to a
17 maintenance plan under section 175A of that
18 Act (42 U.S.C. 7505a);

19 (4) the term “eligible entity” means an eligible
20 recipient, as described in section 5339(a)(4) of title
21 49, United States Code;

22 (5) the term “eligible project” has the meaning
23 given the term in section 5339(e)(1) of title 49,
24 United States Code, except that—

1 (A) that definition shall be applied by sub-
2 stituting “electric or fuel cell buses” for “low or
3 no emission vehicles”; and

4 (B) an eligible project only includes a
5 project in an eligible area (as defined in this
6 section);

7 (6) the term “eligible project cost”—

8 (A) means the cost of an eligible project;
9 and

10 (B) includes (and in the case of an eligible
11 project described in clause (i), (ii), or (iii) of
12 section 5339(c)(1)(B), means only)—

13 (i) the incremental cost of acquiring
14 an electric or fuel cell bus necessary to
15 meet the needs of the eligible entity, as
16 compared to the average cost of a diesel
17 bus; and

18 (ii) the cost of technical assistance for
19 the acquisition, financing, and operation of
20 an electric or fuel cell bus and related in-
21 frastructure, including technical assistance
22 for route electrification, technology selec-
23 tion, and vehicle-to-grid interfacing;

24 (7) the term “fuel cell” means a method to pro-
25 pel by power derived from 1 or more cells which con-

1 vert chemical energy directly into electricity by com-
2 bining oxygen with hydrogen fuel which is stored on
3 board the vehicle in any form and may or may not
4 require reformation prior to use;

5 (8) the term “Secretary”, except as otherwise
6 provided in this Act, means the Secretary of Trans-
7 portation; and

8 (9) the term “subsidy amount” means the
9 amount of budget authority sufficient to cover the
10 estimated long-term cost to the Federal Government
11 of a covered loan—

12 (A) calculated on a net present value basis;

13 and

14 (B) excluding administrative costs and any
15 incidental effects on governmental receipts or
16 outlays in accordance with the Federal Credit
17 Reform Act of 1990 (2 U.S.C. 661 et seq.).

18 **SEC. 3. PURPOSE.**

19 The purpose of this Act is to help entities that pro-
20 vide or finance public transportation to choose and be able
21 to afford the best vehicles for their needs, and to achieve
22 fuel and maintenance cost savings, by providing loans to
23 eligible entities to acquire electric or fuel cell buses and
24 related infrastructure.

1 **SEC. 4. AUTHORIZATION TO PROVIDE ASSISTANCE.**

2 The Secretary may make a direct loan to an eligible
3 entity for eligible project costs.

4 **SEC. 5. APPLICATIONS.**

5 (a) IN GENERAL.—An eligible entity desiring a cov-
6 ered loan shall submit to the Secretary an application
7 that—

8 (1) includes an implementation plan for use of
9 the covered loan;

10 (2) estimates the amounts the eligible entity
11 will save on fuel and maintenance costs due to the
12 covered loan; and

13 (3) provides reasonable assurance that the eligi-
14 ble entity will make all payments on the covered
15 loan.

16 (b) LINK TO LOW OR NO EMISSION BUS AND BUS
17 FACILITIES GRANT APPLICATIONS.—The Secretary shall
18 establish a procedure under which an eligible entity that
19 submits an application for a grant under section 5339 of
20 title 49, United States Code, may amend the application
21 to also be considered for a covered loan under this Act
22 without having to submit a separate application under this
23 section.

24 (c) GUIDANCE AND BEST PRACTICES.—Not later
25 than 1 year after the date of enactment of this Act, the
26 Secretary of Energy, in consultation with the Secretary

1 of Transportation, shall develop and publish on the
2 website of the Department of Energy guidance on best
3 practices for transit districts to enter into innovative rela-
4 tionships with public utilities and bus manufacturers to
5 incorporate into operations and financing of electric or
6 fuel cell buses and infrastructure—

- 7 (1) secondary use or recycling of the battery;
- 8 (2) vehicle-to-grid integration;
- 9 (3) charging infrastructure cost shares; or
- 10 (4) battery performance guarantees.

11 **SEC. 6. TERMS AND CONDITIONS.**

12 (a) IN GENERAL.—A covered loan—

- 13 (1) shall not accrue interest; and
- 14 (2) shall be on such terms and conditions and
15 contain such covenants, representations, warranties,
16 and requirements (including requirements for au-
17 dits) as the Secretary may prescribe.

18 (b) TERM OF LOAN.—The Secretary may provide a
19 covered loan only if the final maturity date of the covered
20 loan is not later than the date on which the electric or
21 fuel cell bus acquired using the covered loan is expected
22 to exceed its useful life, based on the average life expect-
23 ancy of the electric or fuel cell bus.

24 (c) BUY AMERICA.—Section 5323(j) of title 49,
25 United States Code, shall apply with respect to a project

1 funded using a covered loan in the same manner as to
2 a project funded using amounts appropriated to carry out
3 chapter 53 of such title 49.

4 (d) NON-FEDERAL SHARE FOR LOW-NO GRANTS.—

5 The proceeds of a covered loan may be used for any non-
6 Federal share of project costs required under section
7 5339(c) of title 49, United States Code, if the covered loan
8 is repayable from non-Federal funds.

9 **SEC. 7. REPAYMENT.**

10 (a) COMMENCEMENT.—Scheduled repayments of
11 principal on a covered loan provided to an eligible entity
12 shall commence not later than 180 days after the date on
13 which the eligible entity places in revenue service the elec-
14 tric or fuel cell bus and necessary infrastructure that were
15 acquired using the covered loan.

16 (b) PREPAYMENT.—An eligible entity may make re-
17 payments on a covered loan in advance of the scheduled
18 repayment date with no penalty.

19 (c) DELINQUENCY.—Notwithstanding any other pro-
20 vision of law, if an eligible entity fails to make a scheduled
21 repayment on a covered loan, the Secretary may withhold
22 from the eligible entity an equivalent amount of any assist-
23 ance that would otherwise be provided to the eligible entity
24 under a formula grant program under chapter 53 of title
25 49, United States Code.

1 **SEC. 8. AVAILABILITY OF FUNDS.**

2 Subject to the availability of funds and except as oth-
3 erwise provided in this Act, amounts provided by the Sec-
4 retary under this Act shall be available until expended.

5 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

6 (a) IN GENERAL.—There is authorized to be appro-
7 priated \$15,000,000 for each of the first 5 fiscal years
8 beginning after the date of enactment of this Act for the
9 subsidy amount of covered loans.

10 (b) ADMINISTRATIVE COSTS.—There is authorized to
11 be appropriated such sums as are necessary for the admin-
12 istrative cost of providing covered loans.

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