119TH CONGRESS 1ST SESSION



To establish limitations on advanced payments for bus rolling stock, and for other purposes.

## IN THE SENATE OF THE UNITED STATES

Ms. SMITH (for herself, Mr. CRAMER, Mr. FETTERMAN, and Mrs. BRITT) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_\_

## A BILL

To establish limitations on advanced payments for bus rolling stock, and for other purposes.

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 "Bus Rolling Stock5 Modernization Act of 2025".

6 SEC. 2. LIMITATIONS ON ADVANCED PAYMENTS FOR BUS
7 ROLLING STOCK.

8 Section 5323 of title 49, United States Code, is9 amended by adding at the end the following:

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"(w) LIMITATIONS ON ADVANCED PAYMENTS FOR
 BUS ROLLING STOCK.—

"(1) IN GENERAL.—Notwithstanding any provi-3 4 sion of this chapter or part 200 of title 2, Code of 5 Federal Regulations, or any successor regulation, a 6 recipient may use assistance made available under this chapter to make an advance payment on a bus 7 8 rolling stock vehicle without the recipient obtaining 9 pre-approval or requiring a performance bond or 10 other form of security from the transit vehicle manu-11 facturer.

12 "(2) LIMITATIONS.— A recipient making an ad13 vance payment under paragraph (1)—

15 "(i) a signed purchase order and exe16 cuted contract with a transit vehicle manu17 facturer that includes advance payment
18 provisions;

19 "(ii) preaward authority; and

20 "(iii) met the requirements under sub21 section (m) and section 5318(e) of this
22 title; and

23 "(B) shall not provide an advanced pay24 ment that is more than 20 percent of the total
25 purchase order value.".