

112TH CONGRESS
1ST SESSION

H. R. 1390

To amend title 49, United States Code, to provide for enhanced motorcoach safety, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2011

Mr. SHUSTER (for himself, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. HOLDEN) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Energy and Commerce, Ways and Means, and Small Business, 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 amend title 49, United States Code, to provide for enhanced motorcoach safety, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Bus Uniform Standards and Enhanced Safety Act of
6 2011” or the “BUSES Act of 2011”.

7 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—MOTORCOACH SAFETY

- Sec. 101. Improved oversight of providers of motorcoach services and other motor carriers of passengers.
- Sec. 102. Motorcoach driver training.
- Sec. 103. Review of requirements for commercial driver’s license passenger endorsement.
- Sec. 104. Improved physical fitness oversight and commercial driver medical certificates.
- Sec. 105. Commercial motor vehicle safety inspection programs.
- Sec. 106. Registration of motor carriers.
- Sec. 107. Effective periods of registration.
- Sec. 108. Duties of employers and employees.
- Sec. 109. Required safety standards for motorcoaches.

TITLE II—CREDIT FOR COST OF MOTORCOACHES COMPLYING WITH FEDERAL SAFETY REQUIREMENTS

- Sec. 201. Credit for costs of motorcoaches complying with Federal safety requirements.

TITLE III—OTHER PROVISIONS

- Sec. 301. Department of Transportation grants.
- Sec. 302. Small business administration loans and loan guarantees.
- Sec. 303. Authorization of appropriations.

1 **TITLE I—MOTORCOACH SAFETY**2 **SEC. 101. IMPROVED OVERSIGHT OF PROVIDERS OF MO-**
3 **TORCOACH SERVICES AND OTHER MOTOR**
4 **CARRIERS OF PASSENGERS.**

5 (a) IN GENERAL.—Section 31144 of title 49, United
6 States Code, is amended by adding at the end the fol-
7 lowing:

8 “(h) SUSTAINED MONITORING OF OWNERS AND OP-
9 ERATORS OF COMMERCIAL MOTOR VEHICLES DESIGNED
10 OR USED TO TRANSPORT PASSENGERS.—

11 “(1) SAFETY MONITORING.—Not later than 3
12 years after the date of enactment of this subsection,
13 the Secretary shall require monitoring on a regular
14 basis, through a comprehensive safety analysis, of

1 the safety performance of each owner or operator of
2 a commercial motor vehicle designed or used to
3 transport passengers.

4 “(2) ELEMENTS OF MONITORING AND SAFETY
5 ENFORCEMENT.—Regulations issued under para-
6 graph (1) shall provide for the following:

7 “(A) Monitoring of the safety performance
8 of an owner or operator of a commercial motor
9 vehicle designed or used to transport passengers
10 in critical safety categories, as defined in the
11 regulation. Monitoring activities shall include
12 activities that can be conducted either on-site at
13 the offices of the owner or operator or off-site.

14 “(B) Progressive interventions designed to
15 correct unsafe practices of an owner or operator
16 of a commercial motor vehicle designed or used
17 to transport passengers. In the event such prac-
18 tices are not corrected, the interventions shall
19 result in an enforcement action and, if nec-
20 essary, a final determination that the owner or
21 operator is not fit and prohibited from oper-
22 ating as provided in subsection (c)(2).

23 “(3) ENFORCEMENT STRIKE FORCES.—In addi-
24 tion to the enhanced monitoring and enforcement ac-
25 tions required by paragraph (2), the Secretary may

1 organize special enforcement strike forces targeting
2 owners or operators of commercial motor vehicles de-
3 signed or used to transport passengers, when and
4 where the Secretary considers appropriate.”.

5 (b) REVISION OF SAFETY FITNESS DETERMINATION
6 METHODOLOGY.—Not later than 2 years after the date
7 of enactment of this Act, the Secretary of Transportation
8 shall revise the safety fitness determination methodology
9 of the Department of Transportation established pursuant
10 to section 31144 of title 49, United States Code, to ensure
11 that such methodology meets the goals of Safety Rec-
12 ommendation H-99-6 of the National Transportation
13 Safety Board, issued February 26, 1999.

14 **SEC. 102. MOTORCOACH DRIVER TRAINING.**

15 The Secretary of Transportation shall prescribe regu-
16 lations establishing minimum training requirements for
17 drivers seeking a commercial driver’s license passenger en-
18 dorsement. The training shall include certification that a
19 driver has met the requirements established by the Sec-
20 retary. The training may be provided by an owner or oper-
21 ator of a commercial motor vehicle designed or used to
22 transport passengers if the owner or operator has in effect
23 a training program that meets or exceeds the minimum
24 training requirements established by the Secretary.

1 **SEC. 103. REVIEW OF REQUIREMENTS FOR COMMERCIAL**
2 **DRIVER'S LICENSE PASSENGER ENDORSE-**
3 **MENT.**

4 (a) IN GENERAL.—Not later than 3 years after the
5 date of enactment of this Act, the Secretary of Transpor-
6 tation shall review and assess the current knowledge and
7 skill testing requirements for a commercial driver's license
8 passenger endorsement to determine if improvements are
9 needed to ensure the safe operation of commercial motor
10 vehicles designed or used to transport passengers.

11 (b) REPORT.—Not later than 120 days after comple-
12 tion of the review and assessment under subsection (a),
13 the Secretary shall submit to the Committee on Transpor-
14 tation and Infrastructure of the House of Representatives
15 and the Committee on Commerce, Science, and Transpor-
16 tation of the Senate a report on the review and assessment
17 conducted under subsection (a), together with a descrip-
18 tion of plans to implement improvements.

19 **SEC. 104. IMPROVED PHYSICAL FITNESS OVERSIGHT AND**
20 **COMMERCIAL DRIVER MEDICAL CERTIFI-**
21 **CATES.**

22 (a) EXAMINATION REQUIREMENT FOR NATIONAL
23 REGISTRY OF MEDICAL EXAMINERS.—Section
24 31149(c)(1)(D) of title 49, United States Code, is amend-
25 ed to read as follows:

1 “(D) develop requirements applicable to a
2 medical examiner seeking to be listed in the na-
3 tional registry established under this section, in-
4 cluding—

5 “(i) as appropriate, specific courses
6 and materials that must be completed;

7 “(ii) a rigorous examination for which
8 a passing grade must be achieved; and

9 “(iii) at a minimum, self-certification
10 requirements to verify that the medical ex-
11 aminer has completed specific training, in-
12 cluding refresher courses;”.

13 (b) ADDITIONAL OVERSIGHT OF LICENSING AU-
14 THORITIES.—

15 (1) IN GENERAL.—Section 31149(c)(1) of title
16 49, United States Code, is amended—

17 (A) in subparagraph (E) by striking “and”
18 at the end;

19 (B) in subparagraph (F) by striking the
20 period at the end and inserting “; and”; and

21 (C) by adding at the end the following:

22 “(G) each year, review the implementation
23 of commercial driver’s license requirements of a
24 minimum of 10 States to assess the accuracy
25 and validity of physical examination reports and

1 medical certificates submitted by certified med-
2 ical examiners.”.

3 (2) INTERNAL OVERSIGHT POLICY.—

4 (A) IN GENERAL.—Not later than 2 years
5 after the date of enactment of this Act, the Sec-
6 retary of Transportation shall establish an over-
7 sight policy and process within the Department
8 of Transportation for the purposes of carrying
9 out the requirement of section 31149(c)(1)(G)
10 of title 49, United States Code, as added by
11 paragraph (1).

12 (B) EFFECTIVE DATE.—The requirement
13 of section 31149(c)(1)(G) of such title, as
14 added by paragraph (1), shall take effect on the
15 date that the oversight policies and processes
16 are established pursuant to subparagraph (A).

17 (c) DEADLINE FOR ESTABLISHMENT OF NATIONAL
18 REGISTRY OF MEDICAL EXAMINERS.—Not later than 2
19 years after the date of enactment of this Act, the Sec-
20 retary shall establish the national registry of medical ex-
21 aminers required by section 31149(d)(1) of such title.

22 (d) ADDITIONAL FUNCTION OF MEDICAL REVIEW
23 BOARD.—Section 31149(a)(1) of title 49, United States
24 Code, is amended to read as follows:

1 “(1) ESTABLISHMENT AND FUNCTION.—The
2 Secretary shall establish a Medical Review Board
3 with the following functions:

4 “(A) Providing the Federal Motor Carrier
5 Safety Administration with medical advice and
6 recommendations on medical standards and
7 guidelines for—

8 “(i) the physical qualifications of op-
9 erators of commercial motor vehicles;

10 “(ii) medical examiner education; and

11 “(iii) medical research.

12 “(B) Providing the Secretary with advice
13 and recommendations concerning the criteria to
14 be used for evaluating medical examiners for
15 admission to the national registry established
16 under this section.”.

17 **SEC. 105. COMMERCIAL MOTOR VEHICLE SAFETY INSPEC-**
18 **TION PROGRAMS.**

19 (a) STUDY.—The Secretary of Transportation shall
20 conduct a study to review the regulations prescribed pur-
21 suant to section 31142(b) of title 49, United States Code,
22 relating to commercial motor vehicle safety inspections.

23 (b) CONTENTS.—The study shall include—

24 (1) an assessment of the risks associated with
25 improperly maintained or inspected commercial

1 motor vehicles designed or used to transport pas-
2 sengers;

3 (2) an assessment of the effectiveness of the
4 Government standards for inspection of commercial
5 motor vehicles designed or used to transport pas-
6 sengers to mitigate the risks identified in paragraph
7 (1) and to ensure the safe and proper operating con-
8 dition of commercial motor vehicles subject to sec-
9 tion 31142 of title 49, United States Code;

10 (3) an assessment of the effectiveness of at
11 least 2 alternatives to the current standards pre-
12 scribed pursuant to section 31142 of title 49, United
13 States Code; and

14 (4) a comparison of the costs and benefits of
15 the alternatives and the current standards pre-
16 scribed pursuant to section 31142 of title 49, United
17 States Code.

18 (c) REPORT.—

19 (1) IN GENERAL.—Not later than one year
20 after the date of enactment of this Act, the Sec-
21 retary shall submit to the Committee on Transpor-
22 tation and Infrastructure of the House of Represent-
23 atives and the Committee on Commerce, Science,
24 and Transportation of the Senate a report on the re-
25 sults of the study.

1 (2) CONTENTS.—The report shall include—

2 (A) the findings and conclusions of the
3 Secretary with respect to the study;

4 (B) any recommendation of the Secretary
5 for improving the commercial motor vehicle
6 safety inspection standards; and

7 (C) any recommendations of the Secretary
8 for additional authority to improve commercial
9 motor vehicle safety inspections.

10 **SEC. 106. REGISTRATION OF MOTOR CARRIERS.**

11 Section 13902(b) of title 49, United States Code, is
12 amended—

13 (1) by redesignating paragraphs (2) through
14 (8) as paragraphs (3) through (9), respectively; and

15 (2) by inserting after paragraph (1) the fol-
16 lowing:

17 “(2) REVIEW OF PASSENGER CARRIER APPLICA-
18 TIONS.—The Secretary shall not register a motor
19 carrier of passengers under subsection (a)(1) until
20 the application for registration filed under that sub-
21 section is reviewed to ensure that the applicant is
22 willing and able to comply with the requirements of
23 that subsection. This review process shall include a
24 determination of whether the applicant is or has
25 been related, through common ownership, common

1 management, or common familial relationship to any
2 other motor carrier of passengers within 3 years of
3 the filing of the application for registration. If fol-
4 lowing this review it is determined that the applicant
5 has failed to disclose such relationships with other
6 such carriers, the Secretary may withhold the reg-
7 istration.”.

8 **SEC. 107. EFFECTIVE PERIODS OF REGISTRATION.**

9 Section 13905 of title 49, United States Code, is
10 amended—

11 (1) by striking subsection (d)(1) and inserting
12 the following:

13 “(1) IN GENERAL.—On application of the reg-
14 istrant, the Secretary may amend or revoke a reg-
15 istration. On complaint or on the Secretary’s own
16 initiative and after notice and an opportunity for a
17 proceeding, the Secretary may—

18 “(A) suspend, amend, or revoke any part
19 of the registration of a motor carrier, broker, or
20 freight forwarder for willful failure to comply
21 with this part, an applicable regulation or order
22 of the Secretary or of the Board (including the
23 accessibility requirements established by the
24 Secretary under subpart H of part 37 of title
25 49, Code of Federal Regulations, or such suc-

1 cessor regulations to those accessibility require-
2 ments as the Secretary may issue, for transpor-
3 tation provided by an over-the-road bus), or a
4 condition of its registration;

5 “(B) suspend, amend, or revoke any part
6 of the registration of a motor carrier, broker, or
7 freight forwarder—

8 “(i) for failure to pay a civil penalty
9 imposed under chapter 5, 51, 149, or 311
10 of this title; or

11 “(ii) for failure to arrange and abide
12 by an acceptable payment plan for such
13 civil penalty, within 90 days of the time
14 specified by order of the Secretary for the
15 payment of such penalty; and

16 “(C) deny, suspend, amend, or revoke any
17 part of a registration of a motor carrier of pas-
18 sengers for failure to disclose in its application
19 for registration a material fact relevant to its
20 willingness and ability to comply with this part,
21 an applicable regulation or order of the Sec-
22 retary or of the Board, or a condition of its reg-
23 istration.

24 Subparagraph (B) shall not apply to any person who
25 is unable to pay a civil penalty because such person

1 is a debtor in a case under chapter 11 of title 11.”;
2 and

3 (2) in subsection (e) by inserting “or if the Sec-
4 retary determines that the registrant has failed to
5 disclose a material fact in its application for reg-
6 istration in accordance with subsection (d)(1)(C),”
7 after “registrant.”.

8 **SEC. 108. DUTIES OF EMPLOYERS AND EMPLOYEES.**

9 Section 31135 of title 49, United States Code, is
10 amended—

11 (1) by redesignating subsection (d) as sub-
12 section (e); and

13 (2) by inserting after subsection (c) the fol-
14 lowing:

15 “(d) MOTOR CARRIERS OF PASSENGERS.—If the
16 Secretary finds that common ownership, common manage-
17 ment, or common familial relationship between 2 or more
18 motor carriers of passengers is being used to enable any
19 or all such motor carriers of passengers to avoid compli-
20 ance, or mask or otherwise conceal noncompliance, with
21 regulations on commercial motor vehicle safety prescribed
22 under this subchapter, or an order of the Secretary issued
23 under authority of such regulations, the Secretary may
24 deny, suspend, amend, or revoke all or part of any such
25 motor carrier’s registration under section 13905.”.

1 **SEC. 109. REQUIRED SAFETY STANDARDS FOR**
2 **MOTORCOACHES.**

3 (a) SAFETY STANDARDS FOR NEW
4 MOTORCOACHES.—

5 (1) OCCUPANT PROTECTION SYSTEMS.—

6 (A) IN GENERAL.—Not later than 3 years
7 after the date of enactment of this Act, the Sec-
8 retary of Transportation shall prescribe stand-
9 ards for motorcoach occupant protection sys-
10 tems that account for frontal impact collisions,
11 side impact collisions, rear impact collisions,
12 and rollovers. Such standards shall not elimi-
13 nate or lessen the occupant protection stand-
14 ards currently in effect and shall—

15 (i) be based on sound scientific re-
16 search, extensive testing, and analysis by
17 the National Highway Traffic Safety Ad-
18 ministration, consistent with the rec-
19 ommendations of the National Transpor-
20 tation Safety Board regarding motorcoach
21 occupant protection; and

22 (ii) take into consideration the various
23 types of motorcoaches and the various uses
24 and configurations of the occupant com-
25 partment as well as local, State, and Fed-
26 eral size and weight limits and restrictions.

1 (B) CONTENTS.—Such standards may in-
2 clude seatbelts or other occupant protection sys-
3 tems, passive or otherwise, for passengers, in-
4 cluding those in child safety restraint systems.

5 (C) CONSULTATION.—Prior to promul-
6 gating such standards, the Secretary shall con-
7 sult with affected parties, as appropriate, on
8 the proceedings leading to the promulgation of
9 the standards required by this subparagraph.
10 Any communications concerning such consulta-
11 tion shall be included in the public record of the
12 proceedings leading to the promulgation of such
13 standards and shall be subject to public com-
14 ment.

15 (2) ROOF STRENGTH.—

16 (A) RESEARCH AND TESTING.—The Sec-
17 retary shall conduct research and testing on
18 roof strength to determine the method or meth-
19 ods that provide adequate survival space for all
20 seating positions.

21 (B) STANDARDS.—Not later than 3 years
22 after the date of enactment of this Act, the Sec-
23 retary shall prescribe roof strength standards
24 for motorcoaches based on the results of such
25 research and testing and taking into account all

1 motorcoach window dimensions and highway
2 size and weight restrictions.

3 (3) WINDOW GLAZING.—

4 (A) RESEARCH AND TESTING.—The Sec-
5 retary shall conduct research and testing on ad-
6 vanced window glazing and securement to de-
7 termine the best method or methods for window
8 glazing to prevent motorcoach occupant protec-
9 tion ejection.

10 (B) STANDARDS.—Not later than 3 years
11 after the date of enactment of this Act, the Sec-
12 retary shall revise window glazing standards for
13 motorcoaches based on the results of such re-
14 search and testing and taking into account all
15 motorcoach window dimensions and highway
16 height and weight restrictions.

17 (4) FIRE PREVENTION AND MITIGATION.—

18 (A) RESEARCH AND TESTING.—The Sec-
19 retary shall conduct research and testing to de-
20 termine the most prevalent causes of motor-
21 coach fires and the best methods to prevent
22 such fires and to mitigate the effect of such
23 fires, both inside and outside the motorcoach.

24 (B) STANDARDS.—Not later than 3 years
25 after the date of enactment of this Act, the Sec-

1 retary shall promulgate fire prevention and
2 mitigation standards for motorcoaches, based
3 on the results of the Secretary's research and
4 testing, taking into account motorcoach high-
5 way size and weight restrictions.

6 (5) EMERGENCY EVACUATION DESIGN.—

7 (A) RESEARCH AND TESTING.—The Sec-
8 retary shall conduct research and testing to de-
9 termine any necessary changes in motorcoach
10 design standards, including windows and doors,
11 to improve motorcoach emergency evacuation.

12 (B) STANDARDS.—Not later than 3 years
13 after the date of enactment of this Act, the Sec-
14 retary shall promulgate motorcoach emergency
15 evacuation design standards, including—

16 (i) window standards that enhance the
17 use of windows for emergency evacuation
18 to the maximum extent feasible, while not
19 detracting from the window glazing stand-
20 ards to be promulgated under this sub-
21 section; and

22 (ii) door standards, including design
23 of the wheelchair lift door for emergency
24 evacuation use. Such standards shall take

1 into account motorcoach highway size and
2 weight restrictions.

3 (6) GENERAL PROVISIONS.—

4 (A) EFFECT ON STATE AND LOCAL
5 LAWS.—Notwithstanding any provision of chap-
6 ter 301 of title 49, United States Code, a State
7 or a political subdivision of a State may not
8 adopt or enforce a law or regulation related to
9 a motorcoach crash avoidance and occupant
10 protection system prior to the effective date of
11 the regulations promulgated pursuant to this
12 subsection.

13 (B) APPLICABILITY OF STANDARDS.—The
14 standards prescribed under paragraphs (1)
15 through (5) shall require motorcoaches manu-
16 factured after the last day of 3-year period be-
17 ginning on the date on which such standards
18 are prescribed to be engineered and equipped to
19 meet such standards.

20 (C) LIMITATION ON STATUTORY CON-
21 STRUCTION.—Nothing in this subsection or in
22 the regulations prescribed pursuant to this sub-
23 section shall be construed as indicating an in-
24 tention by Congress to affect, change, or modify
25 in any way the liability, if any, of a motorcoach

1 manufacturer or motorcoach owner or operator
2 under applicable law to buses or motorcoaches,
3 manufactured and operated with or without
4 passenger seat belts or other passenger re-
5 straint systems, prior to the effective date of
6 the regulations promulgated pursuant to this
7 subsection.

8 (b) SAFETY STANDARDS FOR EXISTING
9 MOTORCOACHES.—

10 (1) IN GENERAL.—Not later than 3 years after
11 the date of enactment of this subsection, the Sec-
12 retary shall prescribe standards for motorcoaches
13 that are manufactured before the date that is 3
14 years after the date on which the standards required
15 under subsection (a) are prescribed, taking into ac-
16 count the limitations posed by the need to retrofit
17 existing motorcoaches. Such standards shall have the
18 same objectives as the standards required under
19 paragraphs (1) through (5) of subsection (a), but
20 may differ from such standards based on what is
21 technically feasible for existing motorcoaches.

22 (2) STANDARDS FOR COMPONENT PARTS AND
23 EQUIPMENT.—In lieu of promulgating comprehen-
24 sive standards for motorcoaches under paragraph
25 (1), the Secretary may develop standards for various

1 component parts and equipment of motorcoaches
2 that would increase occupant protection.

3 (3) EFFECTIVE DATE.—The effective date for
4 the standards prescribed pursuant to this subsection
5 shall be the same as the effective date for the stand-
6 ards prescribed pursuant to subsection (a).

7 (4) CERTIFICATION.—The Secretary shall es-
8 tablish, by regulation, a system whereby the
9 motorcoaches to which the standards prescribed
10 under paragraph (1) apply shall be certified as in
11 compliance with such standards. Such certification
12 shall be carried out by the Secretary or by private
13 parties at the discretion and authorization of the
14 Secretary.

15 (c) COMPLIANCE TIMETABLES.—

16 (1) EFFECTIVE DATE.—The effective date of
17 the standards prescribed under subsections (a) and
18 (b) shall be 3 years after the date on which such
19 final standards are promulgated. All motorcoaches
20 manufactured after such date shall comply with such
21 standards.

22 (2) PHASED IN REQUIREMENTS.—

23 (A) FIRST PHASE.—Not later than 6 years
24 after the effective date of the standards pre-
25 scribed under subsections (a) and (b), a motor-

1 coach owner or operator shall ensure that at
2 least 50 percent of the motorcoaches used by
3 the owner or operator comply with either the
4 standards prescribed under subsection (a) or
5 the standards prescribed under subsection (b),
6 as appropriate.

7 (B) SECOND PHASE.—Not later than 12
8 years after the effective date of the standards
9 prescribed under subsections (a) and (b), a mo-
10 torcoach owner or operator shall ensure that
11 100 percent of the motorcoaches used by the
12 owner or operator comply with either of such
13 standards.

14 (3) STATE AND LOCAL LAWS.—

15 (A) LIABILITY OF MOTORCOACH MANUFAC-
16 TURERS AND OWNERS AND OPERATORS.—Noth-
17 ing in this section shall be construed to affect,
18 change, or modify in any way the liability, if
19 any, of a motorcoach manufacturer or motor-
20 coach owner or operator under applicable law to
21 buses or motorcoaches unless such manufac-
22 turer or owner or operator is shown not to be
23 in compliance with the timetables set forth in
24 paragraphs (1) and (2).

1 (B) PREEMPTION.—Notwithstanding any
 2 provision of chapter 301 of title 49, United
 3 States Code, a State or a political subdivision
 4 of a State may not adopt or enforce a law or
 5 regulation related to any of the standards re-
 6 quired by subsections (a) and (b) during the
 7 time periods set forth in paragraphs (1) and
 8 (2).

9 (d) DEFINITION OF MOTORCOACH.—In this section,
 10 the term “motorcoach” means an over-the-road bus, char-
 11 acterized by an elevated passenger deck located over a
 12 baggage compartment.

13 **TITLE II—CREDIT FOR COST OF**
 14 **MOTORCOACHES COMPLYING**
 15 **WITH FEDERAL SAFETY RE-**
 16 **QUIREMENTS**

17 **SEC. 201. CREDIT FOR COSTS OF MOTORCOACHES COM-**
 18 **PLYING WITH FEDERAL SAFETY REQUIRE-**
 19 **MENTS.**

20 (a) IN GENERAL.—Subpart D of part IV of sub-
 21 chapter A of chapter 1 of the Internal Revenue Code of
 22 1986 is amended by inserting after section 45R the fol-
 23 lowing new section:

1 **“SEC. 45S. CREDIT FOR COSTS OF MOTORCOACHES COM-**
2 **PLYING WITH FEDERAL SAFETY REQUIRE-**
3 **MENTS.**

4 “(a) IN GENERAL.—For purposes of section 38, the
5 qualified motorcoach safety credit determined under this
6 subsection for any taxable year is an amount equal to 10
7 percent of the aggregate amount paid or incurred by the
8 taxpayer during the taxable year for—

9 “(1) qualified new motorcoaches, and

10 “(2) such improvements to any existing motor-
11 coach which is used by the taxpayer as are necessary
12 for such motorcoach to satisfy the requirements pre-
13 scribed under section 109(b) of the Bus Uniform
14 Standards and Enhanced Safety Act of 2009.

15 “(b) LIMITATION.—The credit determined under sub-
16 section (a) with respect to any motorcoach shall not exceed
17 \$45,000.

18 “(c) QUALIFIED NEW AND EXISTING
19 MOTORCOACHES.—For purposes of this section—

20 “(1) QUALIFIED MOTORCOACH.—The term
21 ‘qualified new motorcoach’ means any motorcoach—

22 “(A) the original use of which commences
23 with the taxpayer,

24 “(B) which is acquired for use or lease by
25 the taxpayer and not for resale,

1 “(C) which is property of a character sub-
2 ject to an allowance for depreciation,

3 “(D) which is made by a manufacturer,

4 “(E) which is manufactured after the spec-
5 ified effective date, and

6 “(F) which meets the requirements pre-
7 scribed under section 109(a) of the Bus Uni-
8 form Standards and Enhanced Safety Act of
9 2009.

10 “(2) EXISTING MOTORCOACH.—The term ‘exist-
11 ing motorcoach’ means any motorcoach—

12 “(A) which is property of a character sub-
13 ject to an allowance for depreciation, and

14 “(B) which is manufactured on or before
15 the specified effective date.

16 “(d) OTHER DEFINITIONS AND SPECIAL RULES.—
17 For purposes of this section—

18 “(1) MOTORCOACH.—The term ‘motorcoach’
19 means any vehicle to which the requirements pre-
20 scribed under section 109(a) of the Bus Uniform
21 Standards and Enhanced Safety Act of 2009, apply,
22 or would apply if such vehicle were manufactured
23 after the specified effective date.

24 “(2) SPECIFIED EFFECTIVE DATE.—The term
25 ‘specified effective date’ means the effective date de-

1 scribed in section 109(c)(1) of the Bus Uniform
2 Standards and Enhanced Safety Act of 2009.

3 “(3) BASIS REDUCTION.—The basis of any
4 property for which a credit is determined under sub-
5 section (a) shall be reduced by the amount of the
6 credit so determined.

7 “(4) RECAPTURE.—The Secretary shall, by reg-
8 ulations, provide for recapturing the benefit of any
9 credit determined under subsection (a) with respect
10 to any property which ceases to be property eligible
11 for such credit.

12 “(5) PROPERTY USED OUTSIDE UNITED
13 STATES, ETC., NOT QUALIFIED.—No credit shall be
14 determined under subsection (a) with respect to—

15 “(A) the portion of the cost of any prop-
16 erty taken into account under section 179, or

17 “(B) any property referred to in section
18 50(b).

19 “(6) ELECTION NOT TO TAKE CREDIT.—No
20 credit shall be determined under subsection (a) for
21 any vehicle if the taxpayer elects to not have this
22 section apply to such vehicle.

23 “(e) TERMINATION.—No credit shall be determined
24 under this subsection for any taxable year ending after
25 December 31, 2026.”

1 (b) DENIAL OF DOUBLE BENEFIT.—Section 280C of
2 the Internal Revenue Code of 1986 is amended by adding
3 at the end the following new subsection:

4 “(i) CREDIT FOR COSTS OF MOTORCOACHES COM-
5 PLYING WITH FEDERAL SAFETY REQUIREMENTS.—No
6 deduction shall be allowed for that portion of the expenses
7 otherwise allowable as a deduction for the taxable year
8 which is equal to the amount of the credit determined for
9 the taxable year under section 45S(a).”.

10 (c) CONFORMING AMENDMENTS.—

11 (1) Section 38(b) of the Internal Revenue Code
12 of 1986 is amended by striking “plus” at the end of
13 paragraph (35), by striking the period at the end of
14 paragraph (36) and inserting “, plus”, and by add-
15 ing at the end the following:

16 “(37) the qualified motorcoach safety credit de-
17 termined under section 45S(a).”.

18 (2) Section 1016(a) of such Code is amended
19 by striking “and” at the end of paragraph (36), by
20 striking the period at the end of paragraph (37) and
21 inserting “, and”, and by adding at the end the fol-
22 lowing new paragraph:

23 “(38) to the extent provided in section
24 45S(d)(3).”.

1 (3) Section 6501(m) of such Code is amended
2 by inserting “45S(d)(6),” after “45H(g),”.

3 (4) The table of sections for subpart D of part
4 IV of subchapter A of chapter 1 of such Code is
5 amended by inserting after the item relating to sec-
6 tion 45R the following new item:

“Sec. 45S. Credit for costs of motorcoaches complying with Federal safety re-
quirements.”.

7 (d) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years ending after De-
9 cember 31, 2011.

10 **TITLE III—OTHER PROVISIONS**

11 **SEC. 301. DEPARTMENT OF TRANSPORTATION GRANTS.**

12 (a) IN GENERAL.—The Secretary of Transportation
13 shall develop and administer grants, not to exceed \$20,000
14 per vehicle, for owners and operators of motorcoaches in
15 order to assist with the cost of retrofitting motorcoaches
16 for purposes of complying with the standards prescribed
17 under section 109.

18 (b) ELIGIBILITY.—To be eligible for a grant under
19 subsection (a), a motorcoach owner or operator shall—

20 (1) have a fleet of not more than 25
21 motorcoaches;

22 (2) have total annual revenue of less than
23 \$5,000,000; and

24 (3) demonstrate to the Secretary that—

1 (A) the owner or operator has been in
2 business as an over-the-road charter bus owner
3 or operator for not less than 3 consecutive
4 years; and

5 (B) the owner or operator was unable to
6 recover, through allowed tax credits established
7 by section 45R of the Internal Revenue Code of
8 1986, as added by section 201 of this Act, in
9 a consecutive 2-year period, the full cost of ret-
10 rofitting motorcoaches in order to comply with
11 the applicable standards.

12 (c) GRANT REQUIREMENTS.—A grant under this sec-
13 tion shall be subject to all of the terms and conditions
14 applicable to subrecipients who provide intercity bus trans-
15 portation under section 5311(f) of title 49, United States
16 Code, and such other terms and conditions as the Sec-
17 retary may prescribe.

18 **SEC. 302. SMALL BUSINESS ADMINISTRATION LOANS AND**
19 **LOAN GUARANTEES.**

20 Section 7(a) of the Small Business Act (15 U.S.C.
21 636(a)) is amended by adding after paragraph (35) the
22 following:

23 “(36) BUSES AND MOTORCOACHES.—In car-
24 rying out this subsection with respect to the over-

1 the-road charter bus industry, the following shall
2 apply:

3 “(A) The Administrator shall adopt under-
4 writing criteria specific to that industry.

5 “(B) The Administrator shall make avail-
6 able the assistance under this subsection to
7 members of that industry to facilitate retro-
8 fitting of buses and motorcoaches for occupant
9 protection.

10 “(C) Multiple buses or motorcoaches shall
11 be treated as a single source of collateral.

12 “(D) A member of that industry who owns
13 a single bus or motorcoach shall be treated as
14 eligible for such assistance, without regard to
15 whether the member otherwise meets the appli-
16 cable size standard for eligibility.

17 “(E) The Administrator shall provide any
18 applicant who is a member of that industry
19 with counseling and advice regarding the other
20 assistance programs of the Administration that
21 may be available to members of that industry.”.

22 **SEC. 303. AUTHORIZATION OF APPROPRIATIONS.**

23 There is authorized to be appropriated to the Sec-
24 retary of Transportation such sums as may be necessary

1 to carry out the authorities of the Secretary under this
2 Act, including the amendments made by this Act.

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