

PART 663—PRE-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES

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AUTHORITY: 49 U.S.C. 1608(j); 23 U.S.C. 103(e)(f); Pub. L. 96–184, 93 Stat. 1320; Pub. L. 101–551, 104 Stat. 2733; sec. 3023(m), Pub. L. 109–59; 49 CFR 1.51.

SOURCE: 56 FR 48395, Sept. 24, 1991, unless otherwise noted.

Subpart A—General

§ 663.1 Purpose.

This part implements section 12(j) of the Federal Mass Transit Act of 1964, as amended, which was added by section 319 of the 1987 Surface Transportation and Uniform Relocation Assistance Act (Pub. L. 100–17). Section 12(j) requires the Federal Transit Administration, by delegation from the Secretary of Transportation, to issue regulations requiring pre-award and post-delivery audits when a recipient of

Federal financial assistance purchases rolling stock with funds made available under the Federal Mass Transit Act, as amended.

§ 663.3 Scope.

This part applies to a recipient purchasing rolling stock to carry passengers in revenue service with funds made available under sections 3, 9, 18, and 16(b)(2) of the Federal Mass Transit Act, as amended; 23 U.S.C. 103(e)(4); and section 14 of the National Capital Transportation Act of 1969, as amended.

§ 663.5 Definitions.

As used in this part—

(a) *Pre-award* means that period in the procurement process before the recipient enters into a formal contract with the supplier.

(b) *Post-delivery* means the time period in the procurement process from when the rolling stock is delivered to the recipient until title to the rolling stock is transferred to the recipient or the rolling stock is put into revenue service, whichever is first.

(c) *Recipient* means a recipient of Federal financial assistance from FTA.

(d) *Revenue service* means operation of rolling stock for transportation of fare-paying passengers as anticipated by the recipient.

(e) *Rolling stock* means buses, vans, cars, railcars, locomotives, trolley cars and buses, ferry boats, and vehicles used for guideways and incline planes.

(f) *Audit* means a review resulting in a report containing the necessary certifications of compliance with Buy America standards, purchaser's requirements specifications, and, where appropriate, a manufacturer's certification of compliance with or inapplicability of the Federal Motor Vehicle Safety Standards, required by section 319 of STURAA and this part.

(g) *FTA* means the Federal Transit Administration.

§ 663.7 Certification of compliance to FTA.

A recipient purchasing revenue service rolling stock with funds obligated by FTA on or after October 24, 1991, must certify to FTA that it will conduct or cause to be conducted pre-

award and post-delivery audits as prescribed in this part. In addition, such a recipient must maintain on file the certifications required under subparts B, C, and D of this part.

§ 663.9 Audit limitations.

(a) An audit under this part is limited to verifying compliance with

(1) Applicable Buy America requirements [section 165 of the Surface Transportation Assistance Act of 1982, as amended.]; and

(2) Solicitation specification requirements of the recipient.

(b) An audit under this part includes, where appropriate, a copy of a manufacturer's self certification information that the vehicle complies with Federal Motor Vehicle Safety Standards or a certification that such standards are inapplicable.

(c) An audit conducted under this part is separate from the single annual audit requirement established by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," dated May 16, 1985.

§ 663.11 Audit financing.

A recipient purchasing revenue rolling stock with FTA funds may charge the cost of activities required by this part to the grant which FTA made for such purchase.

§ 663.13 Buy America requirements.

A Buy America certification under this part shall be issued in addition to any certification which may be required by part 661 of this title. Nothing in this part precludes FTA from conducting a Buy America investigation under part 661 of this title.

§ 663.15 Compliance.

A recipient subject to this part shall comply with all applicable requirements of this part. Such compliance is a condition of receiving Federal financial assistance from FTA. A recipient determined not to be in compliance with this part will be subject to the immediate suspension, withholding, or repayment of Federal financial assistance from FTA or other appropriate actions unless and until it comes into compliance with this part.

Subpart B—Pre-Award Audits

§ 663.21 Pre-award audit requirements.

A recipient purchasing revenue service rolling stock with FTA funds must ensure that a pre-award audit under this part is complete before the recipient enters into a formal contract for the purchase of such rolling stock.

§ 663.23 Description of pre-award audit.

A pre-award audit under this part includes—

(a) A Buy America certification as described in § 663.25 of this part;

(b) A purchaser's requirements certification as described in § 663.27 of this part; and

(c) Where appropriate, a manufacturer's Federal Motor Vehicle Safety certification information as described in § 663.41 or § 663.43 of this part.

§ 663.25 Pre-award Buy America certification.

For purposes of this part, a pre-award Buy America certification is a certification that the recipient keeps on file that—

(a) There is a letter from FTA which grants a waiver to the rolling stock to be purchased from the Buy America requirements under section 165(b)(1), (b)(2), or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended; or

(b) The recipient is satisfied that the rolling stock to be purchased meets the requirements of section 165(a) or (b)(3) of the Surface Transportation Assistance Act of 1982, as amended, after having reviewed itself or through an audit prepared by someone other than the manufacturer or its agent documentation provided by the manufacturer which lists—

(1) Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and

(2) The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

§ 663.27 Pre-award purchaser's requirements certification.

For purposes of this part, a pre-award purchaser's requirements certification is a certification a recipient keeps on file that—

- (a) The rolling stock the recipient is contracting for is the same product described in the purchaser's solicitation specification; and
- (b) The proposed manufacturer is a responsible manufacturer with the capability to produce a vehicle that meets the recipient's specification set forth in the recipient's solicitation.

Subpart C—Post-Delivery Audits

§ 663.31 Post-delivery audit requirements.

A recipient purchasing revenue service rolling stock with FTA funds must ensure that a post-delivery audit under this part is complete before title to the rolling stock is transferred to the recipient.

§ 663.33 Description of post-delivery audit.

A post-delivery audit under this part includes—

- (a) A post-delivery Buy America certification as described in § 663.35 of this part;
- (b) A post-delivery purchaser's requirements certification as described in § 663.37 of this part; and
- (c) When appropriate, a manufacturer's Federal Motor Vehicle Safety Standard self-certification information as described in § 663.41 or § 663.43 of this part.

§ 663.35 Post-delivery Buy America certification.

For purposes of this part, a post-delivery Buy America certification is a certification that the recipient keeps on file that—

- (a) There is a letter from FTA which grants a waiver to the rolling stock received from the Buy America requirements under sections 165 (b)(1), or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended; or
- (b) The recipient is satisfied that the rolling stock received meets the requirements of section 165 (a) or (b)(3) of the Surface Transportation Assistance

Act of 1982, as amended, after having reviewed itself or by means of an audit prepared by someone other than the manufacturer or its agent documentation provided by the manufacturer which lists—

- (1) Components and subcomponent parts of the rolling stock identified by manufacturer of the parts, their country of origin and costs; and
- (2) The actual location of the final assembly point for the rolling stock including a description of the activities which took place at the final assembly point and the cost of the final assembly.

§ 663.37 Post-delivery purchaser's requirements certification.

For purposes of this part, a post-delivery purchaser's requirements certification is a certification that the recipient keeps on file that—

- (a) Except for procurements covered under paragraph (c) in this section, a resident inspector (other than an agent or employee of the manufacturer) was at the manufacturing site throughout the period of manufacture of the rolling stock to be purchased and monitored and completed a report on the manufacture of such rolling stock. Such a report, at a minimum, shall—
 - (1) Provide accurate records of all vehicle construction activities; and
 - (2) Address how the construction and operation of the vehicles fulfills the contract specifications.
- (b) After reviewing the report required under paragraph (a) of this section, and visually inspecting and road testing the delivered vehicles, the vehicles meet the contract specifications.
- (c) For procurements of:
 - (1) Ten or fewer buses; or
 - (2) Procurements of twenty vehicles or fewer serving rural (other than urbanized) areas, or urbanized areas of 200,000 people or fewer; or
 - (3) Any number of primary manufacturer standard production and unmodified vans, after visually inspecting and road testing the vehicles, the vehicles meet the contract specifications.

[56 FR 48395, Sept. 24, 1991, as amended at 71 FR 14118, Mar. 21, 2006]

§ 663.39 Post-delivery audit review.

(a) If a recipient cannot complete a post-delivery audit because the recipient or its agent cannot certify Buy America compliance or that the rolling stock meets the purchaser's requirements specified in the contract, the rolling stock may be rejected and final acceptance by the recipient will not be required. The recipient may exercise any legal rights it has under the contract or at law.

(b) This provision does not preclude the recipient and manufacturer from agreeing to a conditional acceptance of rolling stock pending manufacturer's correction of deviations within a reasonable period of time.

Subpart D—Certification of Compliance With or Inapplicability of Federal Motor Vehicle Safety Standards

§ 663.41 Certification of compliance with Federal motor vehicle safety standards.

If a vehicle purchased under this part is subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, a recipient shall keep on file its certification that it received, both at the pre-award and post-delivery stage, a copy of the manufacturer's self-certification information that the vehicle complies with relevant Federal Motor Vehicle Safety Standards.

§ 663.43 Certification that Federal motor vehicle standards do not apply.

(a) Except for rolling stock subject to paragraph (b) of this section, if a vehicle purchased under this part is not subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, the recipient shall keep on file its certification that it received a statement to that effect from the manufacturer.

(b) This subpart shall not apply to rolling stock that is not a motor vehicle.

PART 665—BUS TESTING

Subpart A—General

Sec.

665.1 Purpose.

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665.5 Definitions.

665.7 Certification of compliance.

Subpart B—Bus Testing Procedures

665.11 Testing requirements.

665.13 Test report and manufacturer certification.

Subpart C—Operations

665.21 Scheduling.

665.23 Fees.

665.25 Transportation of vehicle.

665.27 Procedures during testing.

APPENDIX A TO PART 665—BUS MODEL SCORING SYSTEM AND PASS/FAIL STANDARD

AUTHORITY: 49 U.S.C. 5318 and 49 CFR 1.91.

SOURCE: 81 FR 50387, Aug. 1, 2016, unless otherwise noted.

Subpart A—General

§ 665.1 Purpose.

An applicant for Federal financial assistance for the purchase or lease of buses with funds obligated by the FTA shall certify to the FTA that any new bus model acquired with such assistance has been tested and has received a passing test score in accordance with this part. This part contains the information necessary for a recipient to ensure compliance with this provision.

§ 665.3 Scope.

This part shall apply to an entity receiving Federal financial assistance under 49 U.S.C. Chapter 53.

§ 665.5 Definitions.

As used in this part—

Administrator means the Administrator of the Federal Transit Administration or the Administrator's designee.

Automotive means that the bus is not continuously dependent on external power or guidance for normal operation. Intermittent use of external power shall not automatically exclude a bus of its automotive character or the testing requirement.