

1999, to conform with the Federal Transit Administration Guidance on Buy America Requirements, dated March 18, 1997.

§ 5324. Public transportation emergency relief program

(a) **DEFINITION.**—In this section the following definitions shall apply:

(1) **ELIGIBLE OPERATING COSTS.**—The term “eligible operating costs” means costs relating to—

- (A) evacuation services;
- (B) rescue operations;
- (C) temporary public transportation service; or
- (D) reestablishing, expanding, or relocating public transportation route service before, during, or after an emergency.

(2) **EMERGENCY.**—The term “emergency” means a natural disaster affecting a wide area (such as a flood, hurricane, tidal wave, earthquake, severe storm, or landslide) or a catastrophic failure from any external cause, as a result of which—

- (A) the Governor of a State has declared an emergency and the Secretary has concurred; or
- (B) the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170).

(b) **GENERAL AUTHORITY.**—The Secretary may make grants and enter into contracts and other agreements (including agreements with departments, agencies, and instrumentalities of the Government) for—

(1) capital projects to protect, repair, reconstruct, or replace equipment and facilities of a public transportation system operating in the United States or on an Indian reservation that the Secretary determines is in danger of suffering serious damage, or has suffered serious damage, as a result of an emergency; and

(2) eligible operating costs of public transportation equipment and facilities in an area directly affected by an emergency during—

- (A) the 1-year period beginning on the date of a declaration described in subsection (a)(2); or
- (B) if the Secretary determines there is a compelling need, the 2-year period beginning on the date of a declaration described in subsection (a)(2).

(c) **COORDINATION OF EMERGENCY FUNDS.**—

(1) **USE OF FUNDS.**—Funds appropriated to carry out this section shall be in addition to any other funds available under this chapter.

(2) **NO EFFECT ON OTHER GOVERNMENT ACTIVITY.**—The provision of funds under this section shall not affect the ability of any other agency of the Government, including the Federal Emergency Management Agency, or a State agency, a local governmental entity, organization, or person, to provide any other funds otherwise authorized by law.

(3) **NOTIFICATION.**—The Secretary shall notify the Secretary of Homeland Security of the purpose and amount of any grant made or contract or other agreement entered into under this section.

(d) **GRANT REQUIREMENTS.**—A grant awarded under this section or under section 5307 or 5311 that is made to address an emergency defined under subsection (a)(2) shall be—

- (1) subject to the terms and conditions the Secretary determines are necessary; and
- (2) made only for expenses that are not reimbursed under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(e) **GOVERNMENT SHARE OF COSTS.**—

(1) **CAPITAL PROJECTS AND OPERATING ASSISTANCE.**—A grant, contract, or other agreement for a capital project or eligible operating costs under this section shall be, at the option of the recipient, for not more than 80 percent of the net project cost, as determined by the Secretary.

(2) **NON-FEDERAL SHARE.**—The remainder of the net project cost may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital.

(3) **WAIVER.**—The Secretary may waive, in whole or part, the non-Federal share required under—

- (A) paragraph (2); or
- (B) section 5307 or 5311, in the case of a grant made available under section 5307 or 5311, respectively, to address an emergency.

(f) **INSURANCE.**—Before receiving a grant under this section following an emergency, an applicant shall—

- (1) submit to the Secretary documentation demonstrating proof of insurance required under Federal law for all structures related to the grant application; and
- (2) certify to the Secretary that the applicant has insurance required under State law for all structures related to the grant application.

(Pub. L. 103–272, §1(d), July 5, 1994, 108 Stat. 824; Pub. L. 109–59, title III, §3024(a), Aug. 10, 2005, 119 Stat. 1619; Pub. L. 112–141, div. B, §20017(a), July 6, 2012, 126 Stat. 703; Pub. L. 117–58, div. C, §30011, Nov. 15, 2021, 135 Stat. 904.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5324(a)	49 App.:1606(a).	July 9, 1964, Pub. L. 88–365, §7(a), 78 Stat. 305; May 25, 1967, Pub. L. 90–19, §20(a), 81 Stat. 25.
5324(b)(1)	49 App.:1610(a) (last sentence).	July 9, 1964, Pub. L. 88–365, §14(a) (last sentence)–(c), 78 Stat. 308; Sept. 8, 1966, Pub. L. 89–562, §2(a)(1), 80 Stat. 715; May 25, 1967, Pub. L. 90–19, §20(a), 81 Stat. 25; restated Oct. 15, 1970, Pub. L. 91–453, §6, 84 Stat. 966.
5324(b)(2)	49 App.:1610(b).	July 9, 1964, Pub. L. 88–365, §12(d), 78 Stat. 307; Aug. 10, 1965, Pub. L. 89–117, §1109, 79 Stat. 507; Sept. 8, 1966, Pub. L. 89–562, §2(a)(1), 80 Stat. 715; May 25, 1967, Pub. L. 90–19, §20(a), 81 Stat. 25; Nov. 6, 1978, Pub. L. 95–599, §308(c), 92 Stat. 2747.
5324(b)(3)	49 App.:1610(c).	
5324(c)	49 App.:1608(d).	

In subsection (a), before clause (1), the word “provided” is substituted for “extended” for clarity. The

words “to any project” are omitted as surplus. In clause (2), the words “available . . . displaced” are omitted as surplus.

In subsection (b)(1), the words “Health and Human Services” are substituted for “Health, Education, and Welfare” in section 14(a) (last sentence) of the Urban Mass Transportation Act of 1964 (Public Law 88-365, 78 Stat. 308) [subsequently changed to the Federal Transit Act by section 3003(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240, 105 Stat. 2087)] because of 20:3508(b).

In subsection (b)(2), before clause (A), the words “In carrying out section 5306 of this title” are added for clarity and consistency with subsections (b)(3) and (c) of this section. The word “detailed” is omitted as surplus. In clause (B), the words “should the proposal be implemented” are omitted as surplus. In clause (D), the words “which may be involved in the proposed project should it be implemented” are omitted as surplus.

In subsection (b)(3)(A), before clause (i), the word “financial” is added for clarity. The words “full and complete” are omitted as surplus. In clause (ii), the word “fair” is omitted as surplus. In clause (iii), the word “either” is omitted as surplus.

In subsection (b)(3)(B), the words “before the State or local agency pursuant to section 1602(d) of this Appendix” and “before the State or local public agency . . . to permit him” are omitted as surplus.

In subsection (c), the words “The Secretary of Transportation may not” are substituted for “None of the provisions of this chapter shall be construed to authorize the Secretary to” to eliminate unnecessary words. The words “in any manner . . . mode of” and “rates, fares, tolls, rentals, or other . . . fixed or prescribed . . . by any local public or private transit agency” are omitted as surplus. The words “However, the Secretary may” are substituted for “but nothing in this subsection shall prevent the Secretary from taking such actions as may be necessary to” to eliminate unnecessary words. The words “local governmental authority, corporation, or association” are substituted for “agency or agencies” for consistency with sections 5309 and 5310 of the revised title.

Editorial Notes

REFERENCES IN TEXT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (d)(2), is Pub. L. 93-288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§5121 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of Title 42 and Tables.

AMENDMENTS

2021—Subsec. (f). Pub. L. 117-58 added subsec. (f).

2012—Pub. L. 112-141 amended section generally. Prior to amendment, section related to special provisions for capital projects.

2005—Pub. L. 109-59 amended section generally. Prior to amendment, section consisted of subsecs. (a) to (c) relating to requirements of a relocation program for families displaced by a project, consideration of economic, social, and environmental interests, and prohibition against regulating the operation of a mass transportation system for which a grant is made under section 5309 and regulating any charge for the system after a grant is made.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2012 AMENDMENT

Amendment by Pub. L. 112-141 effective Oct. 1, 2012, see section 3(a) of Pub. L. 112-141, set out as an Effective and Termination Dates of 2012 Amendment note under section 101 of Title 23, Highways.

MEMORANDUM OF AGREEMENT

Pub. L. 112-141, div. B, §20017(b), July 6, 2012, 126 Stat. 705, provided that:

“(1) PURPOSES.—The purposes of this subsection are—
“(A) to improve coordination between the Department of Transportation and the Department of Homeland Security; and

“(B) to expedite the provision of Federal assistance for public transportation systems for activities relating to a major disaster or emergency declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (referred to in this subsection as a ‘major disaster or emergency’).
“(2) AGREEMENT.—Not later than 180 days after the date of enactment of this Act [see section 3(a), (b) of Pub. L. 112-141, set out as Effective and Termination Dates of 2012 Amendment notes under section 101 of Title 23, Highways], the Secretary of Transportation and the Secretary of Homeland Security shall enter into a memorandum of agreement to coordinate the roles and responsibilities of the Department of Transportation and the Department of Homeland Security in providing assistance for public transportation, including the provision of public transportation services and the repair and restoration of public transportation systems in areas for which the President has declared a major disaster or emergency.

“(3) CONTENTS OF AGREEMENT.—The memorandum of agreement required under paragraph (2) shall—
“(A) provide for improved coordination and expeditious use of public transportation, as appropriate, in response to and recovery from a major disaster or emergency;
“(B) establish procedures to address—
“(i) issues that have contributed to delays in the reimbursement of eligible transportation-related expenses relating to a major disaster or emergency;
“(ii) any challenges identified in the review under paragraph (4); and
“(iii) the coordination of assistance for public transportation provided under the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.] and section 5324 of title 49, United States Code, as amended by this Act, as appropriate; and
“(C) provide for the development and distribution of clear guidelines for State, local, and tribal governments, including public transportation systems, relating to—
“(i) assistance available for public transportation systems for activities relating to a major disaster or emergency—
“(I) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act;
“(II) under section 5324 of title 49, United States Code, as amended by this Act; and
“(III) from other sources, including other Federal agencies; and
“(ii) reimbursement procedures that speed the process of—
“(I) applying for assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and section 5324 of title 49, United States Code, as amended by this Act; and
“(II) distributing assistance for public transportation systems under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and section 5324 of title 49, United States Code, as amended by this Act.

“(4) AFTER ACTION REVIEW.—Before entering into a memorandum of agreement under paragraph (2), the Secretary of Transportation and the Secretary of Homeland Security (acting through the Administrator of the Federal Emergency Management Agency), in consultation with State, local, and tribal governments (including public transportation systems) that have experienced a major disaster or emergency, shall review after action reports relating to major disasters, emergencies, and exercises, to identify areas where coordination between the Department of Transportation and the Department of Homeland Security and the provision of public transportation services should be improved.

“(5) FACTORS FOR DECLARATIONS OF MAJOR DISASTERS AND EMERGENCIES.—The Administrator of the Federal Emergency Management Agency shall make available to State, local, and tribal governments, including public transportation systems, a description of the factors that the President considers in declaring a major disaster or emergency, including any pre-disaster emergency declaration policies.

“(6) BRIEFINGS.—

“(A) INITIAL BRIEFING.—Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation and the Secretary of Homeland Security shall jointly brief the Committee on Banking, Housing, and Urban Affairs and the Committee on Homeland Security and Governmental Affairs of the Senate on the memorandum of agreement required under paragraph (2).

“(B) QUARTERLY BRIEFINGS.—Each quarter of the 1-year period beginning on the date on which the Secretary of Transportation and the Secretary of Homeland Security enter into the memorandum of agreement required under paragraph (2), the Secretary of Transportation and the Secretary of Homeland Security shall jointly brief the Committee on Banking, Housing, and Urban Affairs and the Committee on Homeland Security and Governmental Affairs of the Senate on the implementation of the memorandum of agreement.”

§ 5325. Contract requirements

(a) COMPETITION.—Recipients of assistance under this chapter shall conduct all procurement transactions in a manner that provides full and open competition as determined by the Secretary.

(b) ARCHITECTURAL, ENGINEERING, AND DESIGN CONTRACTS.—

(1) PROCEDURES FOR AWARDED CONTRACT.—A contract or requirement for program management, architectural engineering, construction management, a feasibility study, and preliminary engineering, design, architectural, engineering, surveying, mapping, or related services for a project for which Federal assistance is provided under this chapter shall be awarded in the same way as a contract for architectural and engineering services is negotiated under chapter 11 of title 40 or an equivalent qualifications-based requirement of a State adopted before August 10, 2005.

(2) ADDITIONAL REQUIREMENTS.—When awarding a contract described in paragraph (1), recipients of assistance under this chapter shall comply with the following requirements:

(A) PERFORMANCE OF AUDITS.—Any contract or subcontract awarded under this chapter shall be performed and audited in compliance with cost principles contained in part 31 of the Federal Acquisition Regulation, or any successor thereto.

(B) INDIRECT COST RATES.—A recipient of funds under a contract or subcontract awarded under this chapter shall accept indirect cost rates established in accordance with the Federal Acquisition Regulation for 1-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute.

(C) APPLICATION OF RATES.—After a firm's indirect cost rates are accepted under subparagraph (B), the recipient of the funds shall apply such rates for the purposes of contract estimation, negotiation, adminis-

tration, reporting, and contract payment, and shall not be limited by administrative or de facto ceilings.

(D) PRENOTIFICATION; CONFIDENTIALITY OF DATA.—A recipient requesting or using the cost and rate data described in subparagraph (C) shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided by the group of agencies sharing cost data under this subparagraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.

(c) EFFICIENT PROCUREMENT.—A recipient may award a procurement contract under this chapter to other than the lowest bidder if the award furthers an objective consistent with the purposes of this chapter, including improved long-term operating efficiency and lower long-term costs.

(d) DESIGN-BUILD PROJECTS.—

(1) TERM DEFINED.—In this subsection, the term “design-build project”—

(A) means a project under which a recipient enters into a contract with a seller, firm, or consortium of firms to design and build a public transportation system, or an operable segment of such system, that meets specific performance criteria; and

(B) may include an option to finance, or operate for a period of time, the system or segment or any combination of designing, building, operating, or maintaining such system or segment.

(2) FINANCIAL ASSISTANCE FOR CAPITAL COSTS.—Federal financial assistance under this chapter may be provided for the capital costs of a design-build project after the recipient complies with Government requirements.

(e) MULTIYEAR ROLLING STOCK.—

(1) CONTRACTS.—A recipient procuring rolling stock with Government financial assistance under this chapter may make a multiyear contract to buy the rolling stock and replacement parts under which the recipient has an option to buy additional rolling stock or replacement parts for—

(A) not more than 5 years after the date of the original contract for bus procurements; and

(B) not more than 7 years after the date of the original contract for rail procurements, provided that such option does not allow for significant changes or alterations to the rolling stock.

(2) COOPERATION AMONG RECIPIENTS.—The Secretary shall allow recipients to act on a cooperative basis to procure rolling stock in compliance with this subsection and other Government procurement requirements.

(f) ACQUIRING ROLLING STOCK.—A recipient of financial assistance under this chapter may enter into a contract to expend that assistance to acquire rolling stock—

(1) based on—

(A) initial capital costs; or

(B) performance, standardization, life cycle costs, and other factors; or