

# Long-awaited relief funds for motorcoach and other industries finally flowing



BY SAM MINTZ

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The injection of funds could come at a key time for school bus companies in particular, which are facing massive driver shortages just as the school year is set to begin.

The Treasury Department has started disbursing the \$2 billion allocated for motorcoach, school bus and passenger vessel operators enacted in a December 2020 Covid relief law intended to help the country weather the financial impacts of the pandemic, according to industry sources.

Companies which had applied for a piece of the relief program, called CERTS, received letters on

Thursday confirming their approval and delineating how much they can expect to receive.

Disbursements have been delayed for months as Treasury worked on [developing a complicated funding formula](#), a source of major frustration for its would-be beneficiaries. It's also a relatively small sum of money to help bolster industries which have faced huge losses during the pandemic, losing billions in revenue and hundreds of thousands of jobs.

**Small lifeline for struggling companies:** The program is a formula grant, meaning that every eligible applicant will get a piece. Companies were asked to provide the difference between their 2019 and 2020 revenues as the primary factor for Treasury to size the grants, but those in the intercity bus industry, the largest of the three sectors, are receiving only around 20 percent of that sum.

"We're obviously grateful for any amount of money at this point," said Peter Pantuso, president of the American Bus Association. "We're glad to see that the money is finally starting to come out from Treasury."

But his industry is still only operating at around 50 percent capacity and Pantuso said he's been getting calls for weeks from members worried about even more financial hits from the rapidly-spreading Delta variant.

"As compared to other parts of the travel and certainly the transportation segments, we're way behind and further affected by the Delta variant," Pantuso said. "The 20 percent clearly helps, but more is needed to help build these guys a bridge to get out."

Pantuso said they'll take another crack at getting more relief in the budget reconciliation process, despite how long it took for members of Congress to pay attention the first time around.

**The disbursement process:** The money is being paid in two tranches. The bulk of the grant awards will come first, then a separate "top off" payment that will be sent out after Treasury is done reviewing the totality of the program's awards, according to the agency.

"Paying the grant award in two tranches, rather than one lump sum amount, ensures that each approved grantee receives the bulk of its funds as soon as possible," it said [in guidelines for applicants](#), which were updated on Thursday.

Companies can use the funds for payroll, Covid measures, some operation and maintenance activities and debt interest payments.

The injection of funds could come at a key time for school bus companies in particular, which are facing massive driver shortages just as the school year is set to begin.

"Many school bus contractors around the country have found it difficult to garner new employees and with continued disincentives to return-to-work, it will become increasingly more difficult to get potential new bus drivers trained, certified, and licensed in time for a return-to-school," said Curt Macysyn, executive director of the National School Transportation Association, in a recent statement.