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105TH CONGRESS
1ST SESSION

S. 1173

[Report No. 105–95]

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 1997

Mr. WARNER (for himself, Mr. CHAFEE, Mr. BAUCUS, Mr. BOND, Mr. SMITH of New Hampshire, Mr. GRAHAM, Mr. REID, Mr. KEMPTHORNE, Mr. THOMAS, Mr. ALLARD, Mr. INHOFE, Mr. DORGAN, Mr. HARKIN, Mr. GRASSLEY, Mr. JOHNSON, Mr. CAMPBELL, Mr. BURNS, Mr. ROBB, Ms. MOSELEY-BRAUN, and Mr. CONRAD) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

OCTOBER 1, 1997

Reported by Mr. CHAFEE, with amendments

MARCH 12, 1998

Committee substitute, as modified and amended, agreed to; S. 1173 read a third time and returned to the Calendar

MARCH 16, 1998

Ordered to be printed as amended

A BILL

To authorize funds for construction of highways, for highway safety programs, and for mass transit programs, 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,*

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Intermodal Surface Transportation Efficiency Act of 1998".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition.

TITLE I—SURFACE TRANSPORTATION

Sec. 1001. Short title.

Subtitle A—General Provisions

Sec. 1101. Authorizations.
Sec. 1102. Apportionments.
Sec. 1103. Obligation ceiling.
Sec. 1104. Obligation authority under surface transportation program.
Sec. 1105. Emergency relief.
Sec. 1106. Federal lands highways program.
Sec. 1107. Recreational trails program.
Sec. 1108. Value pricing pilot program.
Sec. 1109. Highway use tax evasion projects.
Sec. 1110. Bicycle transportation and pedestrian walkways.
Sec. 1111. Disadvantaged business enterprises.
Sec. 1112. Federal share payable.
Sec. 1113. Studies and reports.
Sec. 1114. Definitions.
Sec. 1115. Cooperative Federal Lands Transportation Program.
Sec. 1116. Trade corridor and border crossing planning and border infrastructure.
Sec. 1117. Appalachian development highway system.
Sec. 1118. Interstate 4R and bridge discretionary program.
Sec. 1119. Magnetic levitation transportation technology deployment program.
Sec. 1120. Woodrow Wilson Memorial Bridge.
Sec. 1121. National Highway System components.
Sec. 1122. Highway bridge replacement and rehabilitation.
Sec. 1123. Congestion mitigation and air quality improvement program.
Sec. 1124. Safety belt use law requirements.
Sec. 1125. Sense of the Senate concerning reliance on private enterprise.
Sec. 1126. Study of use of uniformed police officers on Federal-aid highway construction projects.
Sec. 1127. Contracting for engineering and design services.
Sec. 1128. Additional funding.
Sec. 1129. Ambassador Bridge access, Detroit, Michigan.
Sec. 1130. Transportation assistance for Olympic cities.
Sec. 1131. National defense highways outside the United States.
Sec. 1132. National historic covered bridge preservation.

Subtitle B—Program Streamlining and Flexibility

Chapter 1—General Provisions

Sec. 1201. Administrative expenses.
Sec. 1202. Real property acquisition and corridor preservation.
Sec. 1203. Availability of funds.
Sec. 1204. Payments to States for construction.
Sec. 1205. Proceeds from the sale or lease of real property.
Sec. 1206. Metric conversion at State option.
Sec. 1207. Report on obligations.
Sec. 1208. Terminations.
Sec. 1209. Interstate maintenance.
Sec. 1210. Engineering cost reimbursement.

Chapter 2—Project Approval

Sec. 1221. Transfer of highway and transit funds.
Sec. 1222. Project approval and oversight.
Sec. 1223. Surface transportation program.
Sec. 1224. Design-build contracting.
Sec. 1225. Integrated decisionmaking process.

Chapter 3—Eligibility and Flexibility

Sec. 1231. Definition of operational improvement.
Sec. 1232. Eligibility of ferry boats and ferry terminal facilities.
Sec. 1233. Flexibility of safety programs.
Sec. 1234. Eligibility of projects on the National Highway System.
Sec. 1235. Eligibility of projects under the surface transportation program.
Sec. 1236. Design flexibility.

Subtitle C—Finance

Chapter 1—General Provisions

Sec. 1301. State infrastructure bank program.

Chapter 2—Transportation Infrastructure Finance and Innovation

Sec. 1311. Short title.
Sec. 1312. Findings.
Sec. 1313. Establishment of program.
Sec. 1314. Office of Infrastructure Finance.

Subtitle D—Safety

Sec. 1401. Operation lifesaver.
Sec. 1402. Railway-highway crossing hazard elimination in high speed rail corridors.
Sec. 1403. Railway-highway crossings.
Sec. 1404. Hazard elimination program.
Sec. 1405. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence.
Sec. 1406. Safety incentive grants for use of seat belts.
Sec. 1407. Automatic crash protection unbelted testing standard.
Sec. 1408. National standard to prohibit operation of motor vehicles by intoxicated individuals.

Sec. 1409. Open container laws.
Sec. 1410. Report on effects of allowing heavier weight vehicles on certain highways.

Subtitle E—Environment

Sec. 1501. National scenic byways program.
Sec. 1502. Public-private partnerships.
Sec. 1503. Wetland restoration pilot program.

Subtitle F—Planning

Sec. 1601. Metropolitan planning.
Sec. 1602. Statewide planning.
Sec. 1603. Advanced travel forecasting procedures program.
Sec. 1604. Transportation and community and system preservation pilot program.

Subtitle G—Technical Corrections

Sec. 1701. Federal-aid systems.
Sec. 1702. Miscellaneous technical corrections.
Sec. 1703. Nondiscrimination.
Sec. 1704. State transportation department.

Subtitle H—Miscellaneous Provisions

Sec. 1801. Designation of portion of State Route 17 in New York and Pennsylvania as Interstate Route 86.
Sec. 1802. Identification of high priority corridor routes in Louisiana.
Sec. 1803. Sense of Senate concerning the operation of longer combination vehicles.
Sec. 1804. International Bridge, Sault Ste. Marie, Michigan.
Sec. 1805. Amendment to National Trails System Act.
Sec. 1806. Amendments to title 23.
Sec. 1807. Limitations.
Sec. 1808. Additional qualified expenses available to nonamtrak States.
Sec. 1809. Continuance of commercial operations at certain service plazas in the State of Maryland.
Sec. 1810. Pennsylvania Station Redevelopment Corporation Board of Directors.
Sec. 1811. Union Station Redevelopment Corporation Board of Directors.
Sec. 1812. Additions to Appalachian region.
Sec. 1813. Southwest border transportation infrastructure assessment.
Sec. 1814. Modification of high priority coridor.
Sec. 1815. Designation of corridors in Mississippi and Alabama as routes on the interstate system.
Sec. 1816. Reauthorization of ferry and ferry terminal program.
Sec. 1817. Report on utilization potential.

TITLE II—RESEARCH AND TECHNOLOGY

Subtitle A—Research and Training

Sec. 2001. Strategic research plan.
Sec. 2002. Multimodal Transportation Research and Development Program.
Sec. 2003. National university transportation centers.
Sec. 2004. Bureau of Transportation Statistics.
Sec. 2005. Research and technology program.

Sec. 2006. Advanced research program.
Sec. 2007. Long-term pavement performance program.
Sec. 2008. State planning and research program.
Sec. 2009. Education and training.
Sec. 2010. International highway transportation outreach program.
Sec. 2011. National technology deployment initiatives and partnerships program.
Sec. 2012. Infrastructure investment needs report.
Sec. 2013. Innovative bridge research and construction program.
Sec. 2014. Use of Bureau of Indian Affairs administrative funds.
Sec. 2015. Study of future strategic highway research program.
Sec. 2016. Advanced vehicle technologies program.
Sec. 2017. Transportation and environment cooperative research program.
Sec. 2018. Recycled Materials Resource Center.
Sec. 2019. Conforming amendments.
Sec. 2020. Remote sensing and spatial information technologies.

Subtitle B—Intelligent Transportation Systems

Sec. 2101. Short title.
Sec. 2102. Findings.
Sec. 2103. Intelligent transportation systems.
Sec. 2104. Conforming amendment.

Subtitle C—Funding

Sec. 2201. Funding.

TITLE III—INTERMODAL TRANSPORTATION SAFETY AND RELATED MATTERS

Sec. 3001. Short title.
Sec. 3002. Amendment of title 49, United States Code.

Subtitle A—Highway Safety

Sec. 3101. Highway safety programs.
Sec. 3102. National driver register.
Sec. 3103. Authorizations of appropriations.
Sec. 3104. Motor vehicle pursuit program.
Sec. 3105. Enforcement of window glazing standards for light transmission.
Sec. 3106. Improving air bag safety.
Sec. 3107. Roadside safety technologies.

Subtitle B—Hazardous Materials Transportation Reauthorization

Sec. 3201. Findings and purposes; definitions.
Sec. 3202. Handling criteria repeal.
Sec. 3203. Hazmat employee training requirements.
Sec. 3204. Registration.
Sec. 3205. Shipping paper retention.
Sec. 3206. Public sector training curriculum.
Sec. 3207. Planning and training grants.
Sec. 3208. Special permits, pilot programs, and exclusions.
Sec. 3209. Administration.
Sec. 3210. Cooperative agreements.
Sec. 3211. Enforcement.
Sec. 3212. Penalties.

Sec. 3213. Preemption.
Sec. 3214. Judicial review.
Sec. 3215. Hazardous material transportation reauthorization.
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Subtitle C—Comprehensive One-Call Notification

Sec. 3301. Findings.
Sec. 3302. Establishment of one-call notification programs.

Subtitle D—Motor Carrier Safety

Sec. 3401. Statement of purposes.
Sec. 3402. Grants to States.
Sec. 3403. Federal share.
Sec. 3404. Authorization of appropriations.
Sec. 3405. Information systems and strategic safety initiatives.
Sec. 3406. Improved flow of driver history pilot program.
Sec. 3407. Motor carrier and driver safety research.
Sec. 3408. Authorization of appropriations.
Sec. 3409. Conforming amendments.
Sec. 3410. Automobile transporter defined.
Sec. 3411. Repeal of review panel; review procedure.
Sec. 3412. Commercial motor vehicle operators.
Sec. 3413. Penalties.
Sec. 3414. International registration plan and international fuel tax agreement.
Sec. 3415. Study of adequacy of parking facilities.
Sec. 3416. Application of regulations.
Sec. 3417. Authority over charter bus transportation.
Sec. 3418. Federal motor carrier safety investigations.
Sec. 3419. Foreign motor carrier safety fitness.
Sec. 3420. Commercial motor vehicle safety advisory committee.
Sec. 3421. Waivers; exemptions; pilot programs.
Sec. 3422. Commercial motor vehicle safety studies.
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Sec. 3424. Exemption from certain regulations for utility service commercial motor vehicle drivers.
Sec. 3425. School transportation safety.

Subtitle E—Rail and Mass Transportation Anti-Terrorism; Safety

Sec. 3501. Purpose.
Sec. 3502. Amendments to the "wrecking trains" statute.
Sec. 3503. Terrorist attacks against mass transportation.
Sec. 3504. Investigative jurisdiction.
Sec. 3505. Safety considerations in grants or loans to commuter railroads.
Sec. 3506. Railroad accident and incident reporting.
Sec. 3507. Mass transportation buses.

Subtitle F—Sportfishing and Boating Safety

Sec. 3601. Amendment of 1950 Act.
Sec. 3602. Outreach and communications programs.
Sec. 3603. Clean Vessel Act funding.
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Subtitle G—Miscellaneous

Sec. 3701. Light density rail line pilot projects.
Sec. 3702. Section 1407.
Sec. 3703. Designation of New Mexico commercial zone.

TITLE IV—OZONE AND PARTICULATE MATTER STANDARDS

Sec. 4101. Findings and purpose.
Sec. 4102. Particulate matter monitoring program.
Sec. 4103. Ozone designation requirements.
Sec. 4104. Additional provisions.

TITLE V—MASS TRANSIT

Sec. 5001. Short title.
Sec. 5002. Authorizations.
Sec. 5003. Capital projects and small area flexibility.
Sec. 5004. Metropolitan planning.
Sec. 5005. Metropolitan planning organizations.
Sec. 5006. Fare box revenues.
Sec. 5007. Clean fuels formula grant program.
Sec. 5008. Capital investment grants and loans.
Sec. 5009. Transit supportive land use.
Sec. 5010. New starts.
Sec. 5011. Joint partnership for deployment of innovation.
Sec. 5012. Workplace safety.
Sec. 5013. University transportation centers.
Sec. 5014. Job access and reverse commute grants.
Sec. 5015. Grant requirements.
Sec. 5016. HHS and public transit service.
Sec. 5017. Proceeds from the sale of transit assets.
Sec. 5018. Operating assistance for small transit authorities in large urbanized areas.
Sec. 5019. Apportionment of appropriations for fixed guideway modernization.
Sec. 5020. Urbanized area formula study.
Sec. 5021. Intercity rail infrastructure investment from mass transit account of highway trust fund.
Sec. 5022. New start rating and evaluation.

TITLE VI—REVENUE

Sec. 6001. Short title; amendment of 1986 Code.
Sec. 6002. Extension and modification of highway-related taxes and trust fund.
Sec. 6003. Mass Transit Account.
Sec. 6004. Tax-exempt financing of qualified highway infrastructure construction.
Sec. 6005. Repeal of 1.25 cent tax rate on rail diesel fuel.
Sec. 6006. Election to receive taxable cash compensation in lieu of nontaxable qualified transportation fringe benefits.
Sec. 6007. Tax treatment of certain Federal participation payments.
Sec. 6008. Delay in effective date of new requirement for approved diesel or kerosene terminals.
Sec. 6009. Repeal of certain limitation on expenditures.

SEC. 2. DEFINITION.

In this Act, the term "Secretary" means the Secretary of Transportation.

TITLE I—SURFACE TRANSPORTATION

SEC. 1001. SHORT TITLE.

This title may be cited as the "Surface Transportation Act of 1998".

Subtitle A—General Provisions

SEC. 1101. AUTHORIZATIONS.

(a) IN GENERAL.—For the purpose of carrying out title 23, United States Code, the following sums shall be available from the Highway Trust Fund (other than the Mass Transit Account):

(1) INTERSTATE AND NATIONAL HIGHWAY SYSTEM PROGRAM.—For the Interstate and National Highway System program under section 103 of that title $11,977,000,000 for fiscal year 1998, $11,949,000,000 for fiscal year 1999, $11,922,000,000 for fiscal year 2000, $11,950,000,000 for fiscal year 2001, $12,242,000,000 for fiscal year 2002, and $12,659,000,000 for fiscal year 2003, of which—

(A) $4,600,000,000 for fiscal year 1998, $4,609,000,000 for fiscal year 1999, $4,637,000,000 for fiscal year 2000, $4,674,000,000 for fiscal year 2001,

$4,773,000,000 for fiscal year 2002, and $4,918,000,000 for fiscal year 2003 shall be available for the Interstate maintenance component; and

(B) $1,400,000,000 for fiscal year 1998, $1,403,000,000 for fiscal year 1999, $1,411,000,000 for fiscal year 2000, $1,423,000,000 for fiscal year 2001, $1,453,000,000 for fiscal year 2002, and $1,497,000,000 for fiscal year 2003 shall be available for the Interstate bridge component.

(2) SURFACE TRANSPORTATION PROGRAM.—For the surface transportation program under section 133 of that title $7,000,000,000 for fiscal year 1998, $7,014,000,000 for fiscal year 1999, $7,056,000,000 for fiscal year 2000, $7,113,000,000 for fiscal year 2001, $7,263,000,000 for fiscal year 2002, and $7,484,000,000 for fiscal year 2003.

(3) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—For the congestion mitigation and air quality improvement program under section 149 of that title $1,150,000,000 for fiscal year 1998, $1,152,000,000 for fiscal year 1999, $1,159,000,000 for fiscal year 2000, $1,169,000,000

for fiscal year 2001, $1,193,000,000 for fiscal year 2002, and $1,230,000,000 for fiscal year 2003.

(4) FEDERAL LANDS HIGHWAYS PROGRAM.—

(A) INDIAN RESERVATION ROADS.—For Indian reservation roads under section 204 of that title $200,000,000 for each of fiscal years 1998 through 2003.

(B) PARKWAYS AND PARK ROADS.—For parkways and park roads under section 204 of that title $90,000,000 for each of fiscal years 1998 through 2003.

(C) PUBLIC LANDS HIGHWAYS.—For public lands highways under section 204 of that title $172,000,000 for each of fiscal years 1998 through 2003.

(b) REDUCTION FOR AMOUNTS MADE AVAILABLE FOR FISCAL YEAR 1998 UNDER SURFACE TRANSPORTATION EXTENSION ACT OF 1997.—Notwithstanding any other provision of this Act, the Secretary shall reduce the amounts made available under this section, other provisions of this Act, and the amendments made by this Act for fiscal year 1998 by the amounts made available under the Surface Transportation Extension Act of 1997 (Public Law 105–130) in the following manner:

(1) INTERSTATE MAINTENANCE.—

(A) REDUCTION.—The amount made available to each State under the Interstate maintenance component of the Interstate and National Highway System program under section 104(b)(1)(A) of title 23, United States Code, shall be reduced by the amount made available to the State under section 2 of the Surface Transportation Extension Act of 1997 (23 U.S.C. 104 note; 111 Stat. 2552) (and the amendments made by that Act) (collectively referred to in this subsection as "STEA") for the Interstate maintenance program.

(B) INSUFFICIENT INTERSTATE MAINTENANCE FUNDS.—If—

(i) the amount made available to the State under section 2 of STEA for the Interstate maintenance program; exceeds

(ii) the amount made available to the State under the Interstate maintenance component under section 104(b)(1)(A) of title 23, United States Code;

then, after the reduction required by subparagraph (A) is made, the amount made available to the State under the Interstate bridge and other National Highway System components of the

Interstate and National Highway System program under subparagraphs (B) and (C) of section 104(b)(1) of that title shall be reduced by the amount of the excess.

(2) BRIDGES.—The amount made available to each State under the Interstate bridge and other National Highway System components of the Interstate and National Highway System program under subparagraphs (B) and (C) of section 104(b)(1) of title 23, United States Code, shall be reduced by the amount made available to the State under section 2 of STEA for the bridge program.

(3) NATIONAL HIGHWAY SYSTEM.—The amount made available to each State under the Interstate bridge and other National Highway System components of the Interstate and National Highway System program under subparagraphs (B) and (C) of section 104(b)(1) of title 23, United States Code, shall be reduced by the amount made available to the State under section 2 of STEA for the National Highway System.

(4) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—The amount made available to each State for the congestion mitigation and air quality improvement program under section

104(b)(2) of title 23, United States Code, shall be reduced by the amount made available to the State under section 2 of STEA for the congestion mitigation and air quality improvement program.

(5) METROPOLITAN PLANNING.—The amount made available to each State for metropolitan planning under section 104(f) of title 23, United States Code, shall be reduced by the amount made available to the State under section 5 of STEA for metropolitan planning.

(6) SURFACE TRANSPORTATION PROGRAM.—

(A) SAFETY PROGRAMS.—

(i) REDUCTION.—The amount set aside for safety programs from the amount made available to each State for the surface transportation program under section 104(b)(3) of title 23, United States Code, shall be reduced by the amount set aside for safety programs from the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reimbursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments.

(ii) INSUFFICIENT SAFETY PROGRAM FUNDS.—If—

(I) the amount set aside for safety programs from the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reimbursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments; exceeds

(II) the amount set aside for safety programs from the amount made available to the State for the surface transportation program under section 104(b)(3) of title 23, United States Code;

then, after the reduction required by clause (i) is made, the amount made available to the State for the surface transportation program under section 104(b)(3), other than the amounts set aside or suballocated under section 133(d) or 505 of that title, shall be reduced by the amount of the excess.

(B) TRANSPORTATION ENHANCEMENT ACTIVITIES.—

(i) REDUCTION.—The amount set aside for transportation enhancement activities from the amount made available to each State for the surface transportation program under section 104(b)(3) of title 23, United States Code, shall be reduced by the amount set aside for transportation enhancement activities from the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reimbursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments.

(ii) INSUFFICIENT TRANSPORTATION ENHANCEMENT FUNDS.—If—

(I) the amount set aside for transportation enhancement activities from the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reimbursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments; exceeds

(II) the amount set aside for transportation enhancement activities from the amount made available to the State for the surface transportation program under section 104(b)(3) of title 23, United States Code;

then, after the reduction required by clause (i) is made, the amount made available to the State for the surface transportation program under section 104(b)(3), other than the amounts set aside or suballocated under section 133(d) or 505 of that title, shall be reduced by the amount of the excess.

(C) SUBALLOCATION BY POPULATION.—The total of—

(i) the amount suballocated by population from the amount made available to each State for the surface transportation program under section 104(b)(3) of title 23, United States Code;

(ii) the amount suballocated by population from the amount made available to the State for ISTEA transition under section 1102(c); and

(iii) the amount suballocated by population from the amount made available to the State for minimum guarantee under section 105 of that title;

shall be reduced by the amount suballocated by population from the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reimbursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments.

(D) SURFACE TRANSPORTATION PROGRAM FLEXIBLE FUNDS; INTERSTATE REIMBURSEMENT; EQUITY ADJUSTMENTS.—

(i) REDUCTION.—The total of—

(I) the amount made available to each State for the surface transportation program under section 104(b)(3) of title 23, United States Code, other than the amounts set aside or suballocated under section 133(d) or 505 of that title;

(II) the amount made available to the State for ISTEA transition under section 1102(c), other than the amounts

subject to section 133(d)(3) or 505 of that title; and

(III) the amount made available to the State for minimum guarantee under section 105 of that title, other than the amount subject to section 133(d)(3) of that title;

shall be reduced by the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reimbursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments, other than the amounts set aside or suballocated under section 133(d) or 307(c) (as in effect on the day before the date of enactment of this Act) of that title.

(ii) INSUFFICIENT SURFACE TRANSPORTATION PROGRAM FLEXIBLE, ISTEA TRANSITION, AND MINIMUM GUARANTEE FUNDS.—If—

(I) the amount made available to the State under section 2 of STEA for the surface transportation program, minimum allocation, Interstate reim-

bursement, the donor State bonus, hold harmless, and 90 percent of payments adjustments, other than the amounts set aside or suballocated under section 133(d) or 307(c) (as in effect on the day before the date of enactment of this Act) of that title; exceeds

(II) the sum of the amounts described in subclauses (I) through (III) of clause (i), after application of the preceding provisions of this subsection;

then, after the reduction required by clause (i) is made, the amount made available under the Interstate bridge and other National Highway System components of the Interstate and National Highway System program under subparagraphs (B) and (C) of section 104(b)(1) of that title shall be reduced by the amount of the excess.

(7) FUNDING RESTORATION; ISTEA SECTIONS 1103–1108 FUNDS; STATE PLANNING AND RESEARCH.—

(A) REDUCTION.—The amount made available to each State for the surface transportation program under section 104(b)(3) of title 23, United States Code, other than the amounts set

aside or suballocated under section 133(d) or 505 of that title, shall be reduced by the sum of—

(i) the amount made available to the State for funding restoration under section 2 of STEA;

(ii) the amount equal to the funds provided to the State under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027) under section 2 of STEA; and

(iii) the amount made available from the surface transportation program under section 104(b)(3) of that title for State planning and research under section 307(c) of that title (as in effect on the day before the date of enactment of this Act) for fiscal year 1998.

(B) INSUFFICIENT SURFACE TRANSPORTATION PROGRAM FLEXIBLE FUNDS.—If—

(i) the sum of the amounts described in clauses (i) through (iii) of subparagraph (A); exceeds

(ii) the amount made available to each State for the surface transportation program under section 104(b)(3) of title 23,

United States Code, other than the amounts set aside or suballocated under section 133(d) or 505 of that title, after application of the preceding provisions of this subsection;

then, after the reduction required by subparagraph (A) is made, the amount made available under the Interstate bridge and other National Highway System components of the Interstate and National Highway System program under subparagraphs (B) and (C) of section 104(b)(1) of that title shall be reduced by the amount of the excess.

(8) ADDITIONAL ALLOCATION.—The amount made available to each State for the surface transportation program under section 104(b)(3) of title 23, United States Code, that remains available after the set-asides required by section 133(d) of that title shall be reduced by the amount made available to the State under section 2 of STEA for section 1015(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1944).

(9) ADMINISTRATIVE EXPENSES.—

(A) FEDERAL HIGHWAY ADMINISTRATION.—The amount made available for administrative

expenses under section 104(a) of title 23, United States Code, shall be reduced by the amount made available under section 4(a)(2) of STEA.

(B) WOODROW WILSON MEMORIAL BRIDGE.—The amount made available under section 412 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 shall be reduced by the amount made available under section 4(a)(3) of STEA.

(C) BUREAU OF TRANSPORTATION STATISTICS.—The amount made available under section 111(m) of title 49, United States Code, shall be reduced by the amount made available under section 4(b) of STEA.

(10) FEDERAL LANDS HIGHWAYS PROGRAM.—

(A) INDIAN RESERVATION ROADS.—The amount made available for Indian reservation roads under section 204 of title 23, United States Code, shall be reduced by the amount made available under section 5(a)(1) of STEA.

(B) PUBLIC LANDS HIGHWAYS.—The amount made available for public lands highways under section 204 of title 23, United States Code, shall be reduced by the amount made available under section 5(a)(2) of STEA.

(C) PARKWAYS AND PARK ROADS.—The amount made available for parkways and park roads under section 204 of title 23, United States Code, shall be reduced by the amount made available under section 5(a)(3) of STEA.

(11) RECREATIONAL TRAILS PROGRAM.—The amount made available for the recreational trails program under section 206 of title 23, United States Code, shall be reduced by the amount made available under section 5(b) of STEA.

(12) HIGHWAY USE TAX EVASION PROJECTS.—The amount made available for highway use tax evasion projects under section 143 of title 23, United States Code, shall be reduced by the amount made available under section 5(c)(1) of STEA.

(13) NATIONAL SCENIC BYWAYS PROGRAM.—The amount made available for the national scenic byways program under section 165 of title 23, United States Code, shall be reduced by the amount made available under section 5(c)(2) of STEA.

(14) INTELLIGENT TRANSPORTATION SYSTEMS.—The amount made available for intelligent transportation systems under subchapter II of chapter 5 of title 23, United States Code, shall be reduced by the

amount made available under by section 5(d) of STEA.

(15) SURFACE TRANSPORTATION RESEARCH.—

(A) OPERATION LIFESAVER.—The amount made available for operation lifesaver under section 104(d)(1) of title 23, United States Code, shall be reduced by the amount made available under section 5(e)(1) of STEA.

(B) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—The amount made available for the Dwight David Eisenhower Transportation Fellowship Program under section 506(c) of title 23, United States Code, shall be reduced by the amount made available under section 5(e)(2) of STEA.

(C) NATIONAL HIGHWAY INSTITUTE.—The amount made available for the National Highway Institute under section 506(b) of title 23, United States Code, shall be reduced by the amount made available under section 5(e)(3) of STEA.

(16) EDUCATION AND TRAINING.—The amount made available for education and training under section 506(a) of title 23, United States Code, shall be

reduced by the amount made available under section 5(e)(4) of STEA.

(17) TERRITORIES.—The amount made available for the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under section 104(b)(1)(C)(i) of title 23, United States Code, shall be reduced by the amount made available under section 5(g) of STEA.

SEC. 1102. APPORTIONMENTS.

(a) IN GENERAL.—Section 104 of title 23, United States Code, is amended by striking subsection (b) and inserting the following:

"(b) APPORTIONMENTS.—On October 1 of each fiscal year, the Secretary, after making the deduction authorized by subsection (a) and the set-asides authorized by subsection (f) and section 207(f), shall apportion the remainder of the sums made available for expenditure on the Interstate and National Highway System program, the congestion mitigation and air quality improvement program, and the surface transportation program, for that fiscal year, among the States in the following manner:

"(1) INTERSTATE AND NATIONAL HIGHWAY SYSTEM PROGRAM.—

"(A) INTERSTATE MAINTENANCE COMPONENT.—For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System—

"(i) 50 percent in the ratio that—

"(I) the total lane miles on Interstate System routes designated under—

"(aa) section 103;

"(bb) section 139(a) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998) before March 9, 1984 (other than routes on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)); and

"(cc) section 139(c) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998);

in each State; bears to

"(II) the total of all such lane miles in all States; and

"(ii) 50 percent in the ratio that—

"(I) the total vehicle miles traveled on lanes on Interstate System routes designated under—

"(aa) section 103;

"(bb) section 139(a) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998) before March 9, 1984 (other than routes on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)); and

"(cc) section 139(c) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998);

in each State; bears to

"(II) the total of all such vehicle miles traveled in all States.

"(B) INTERSTATE BRIDGE COMPONENT.—For resurfacing, restoring, rehabilitating, and re-

constructing bridges on the Interstate System, and for the purposes specified in subparagraph (A), in the ratio that—

"(i) the total square footage of structurally deficient and functionally obsolete bridges on the Interstate System (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)) in each State; bears to

"(ii) the total square footage of structurally deficient and functionally obsolete bridges on the Interstate System (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)) in all States.

"(C) OTHER NATIONAL HIGHWAY SYSTEM COMPONENT.—

"(i) IN GENERAL.—For the National Highway System (excluding funds apportioned under subparagraph (A) or (B)), $36,400,000 for each fiscal year to the Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Is-

lands and the remainder apportioned as follows:

"(I) 20 percent of the apportionments in the ratio that—

"(aa) the total lane miles of principal arterial routes (excluding Interstate System routes) in each State; bears to

"(bb) the total lane miles of principal arterial routes (excluding Interstate System routes) in all States.

"(II) 29 percent of the apportionments in the ratio that—

"(aa) the total vehicle miles traveled on lanes on principal arterial routes (excluding Interstate System routes) in each State; bears to

"(bb) the total vehicle miles traveled on lanes on principal arterial routes (excluding Interstate System routes) in all States.

"(III) 18 percent of the apportionments in the ratio that—

"(aa) the total square footage of structurally deficient and functionally obsolete bridges on principal arterial routes (excluding bridges on Interstate System routes (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692))) in each State; bears to

"(bb) the total square footage of structurally deficient and functionally obsolete bridges on principal arterial routes (excluding bridges on Interstate System routes (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692))) in all States.

"(IV) 24 percent of the apportionments in the ratio that—

"(aa) the total diesel fuel used on highways in each State; bears to

"(bb) the total diesel fuel used on highways in all States.

"(V) 9 percent of the apportionments in the ratio that—

"(aa) the quotient obtained by dividing the total lane miles on principal arterial highways in each State by the total population of the State; bears to

"(bb) the quotient obtained by dividing the total lane miles on principal arterial highways in all States by the total population of all States.

"(ii) DATA.—Each calculation under clause (i) shall be based on the latest available data.

"(D) MINIMUM APPORTIONMENT.—Notwithstanding subparagraphs (A) through (C), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.

"(2) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—

"(A) IN GENERAL.—For the congestion mitigation and air quality improvement program, in the ratio that—

"(i) the total of all weighted nonattainment and maintenance area populations in each State; bears to

"(ii) the total of all weighted nonattainment and maintenance area populations in all States.

"(B) CALCULATION OF WEIGHTED NONATTAINMENT AND MAINTENANCE AREA POPULATION.—Subject to subparagraph (C), for the purpose of subparagraph (A), the weighted nonattainment and maintenance area population shall be calculated by multiplying the population of each area in a State that was a nonattainment area or maintenance area as described in section 149(b) for ozone or carbon monoxide by a factor of—

"(i) 0.8 if—

"(I) at the time of the apportionment, the area is a maintenance area; or

"(II) at the time of the apportionment, the area is classified as a submarginal ozone nonattainment area under the Clean Air Act (42 U.S.C. 7401 et seq.);

"(ii) 1.0 if, at the time of the apportionment, the area is classified as a marginal ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.);

"(iii) 1.1 if, at the time of the apportionment, the area is classified as a moderate ozone nonattainment area under that subpart;

"(iv) 1.2 if, at the time of the apportionment, the area is classified as a serious ozone nonattainment area under that subpart;

"(v) 1.3 if, at the time of the apportionment, the area is classified as a severe ozone nonattainment area under that subpart;

"(vi) 1.4 if, at the time of the apportionment, the area is classified as an ex-

treme ozone nonattainment area under that subpart; or

"(vii) 1.0 if, at the time of the apportionment, the area is not a nonattainment or maintenance area as described in section 149(b) for ozone, but is classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide.

"(C) ADDITIONAL ADJUSTMENT FOR CARBON MONOXIDE AREAS.—

"(i) CARBON MONOXIDE NONATTAINMENT AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone, the area was also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide, the weighted nonattainment or maintenance area population of the area, as determined under clauses (i) through (vi) of subparagraph (B), shall be further multiplied by a factor of 1.2.

"(ii) CARBON MONOXIDE MAINTENANCE AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone, the area was at one time also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide but has been redesignated as a maintenance area, the weighted nonattainment or maintenance area population of the area, as determined under clauses (i) through (vi) of subparagraph (B), shall be further multiplied by a factor of 1.1.

"(D) MINIMUM APPORTIONMENT.—Notwithstanding any other provision of this paragraph, each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.

"(E) DETERMINATIONS OF POPULATION.—In determining population figures for the purposes of this paragraph, the Secretary shall use the latest available annual estimates prepared by the Secretary of Commerce.

"(3) SURFACE TRANSPORTATION PROGRAM.—

"(A) IN GENERAL.—For the surface transportation program, in accordance with the following formula:

"(i) 20 percent of the apportionments in the ratio that—

"(I) the total lane miles of Federal-aid highways in each State; bears to

"(II) the total lane miles of Federal-aid highways in all States.

"(ii) 30 percent of the apportionments in the ratio that—

"(I) the total vehicle miles traveled on lanes on Federal-aid highways in each State; bears to

"(II) the total vehicle miles traveled on lanes on Federal-aid highways in all States.

"(iii) 25 percent of the apportionments in the ratio that—

"(I) the total square footage of structurally deficient and functionally obsolete bridges on Federal-aid highways (excluding bridges described in

subparagraphs (B) and (C)(i)(III) of paragraph (1)) in each State; bears to

"(II) the total square footage of structurally deficient and functionally obsolete bridges on Federal-aid highways (excluding bridges described in subparagraphs (B) and (C)(i)(III) of paragraph (1)) in all States.

"(iv) 25 percent of the apportionments in the ratio that—

"(I) the estimated tax payments attributable to highway users in each State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available; bears to

"(II) the estimated tax payments attributable to highway users in all States paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available.

"(B) DATA.—Each calculation under subparagraph (A) shall be based on the latest available data.

"(C) MINIMUM APPORTIONMENT.—Notwithstanding subparagraph (A), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.".

(b) EFFECT OF CERTAIN DELAY IN DEPOSITS INTO HIGHWAY TRUST FUND.—Section 104 of title 23, United States Code, is amended by striking subsection (h) and inserting the following:

"(h) EFFECT OF CERTAIN DELAY IN DEPOSITS INTO HIGHWAY TRUST FUND.—Notwithstanding any other provision of law, deposits into the Highway Trust Fund resulting from the application of section 901(e) of the Taxpayer Relief Act of 1997 (111 Stat. 872) shall not be taken into account in determining the apportionments and allocations that any State shall be entitled to receive under the Intermodal Surface Transportation Efficiency Act of 1998 and this title.".

(c) ISTEA TRANSITION.—

(1) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary shall determine, with respect to each State—

(A) the total apportionments for the fiscal year under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation pro-

gram, metropolitan planning, and the congestion mitigation and air quality improvement program;

(B) the annual average of the total apportionments during the period of fiscal years 1992 through 1997 for all Federal-aid highway programs (as defined in section 101 of title 23, United States Code), excluding apportionments for the Federal lands highways program under section 204 of that title;

(C) the annual average of the total apportionments during the period of fiscal years 1992 through 1997 for all Federal-aid highway programs (as defined in section 101 of title 23, United States Code), excluding—

(i) apportionments authorized under section 104 of that title for construction of the Interstate System;

(ii) apportionments for the Interstate substitute program under section 103(e)(4) of that title (as in effect on the day before the date of enactment of this Act);

(iii) apportionments for the Federal lands highways program under section 204 of that title; and

(iv) adjustments to sums apportioned under section 104 of that title due to the hold harmless adjustment under section 1015(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 104 note; 105 Stat. 1943);

(D) the product obtained by multiplying—

(i) the annual average of the total apportionments determined under subparagraph (B); by

(ii) the applicable percentage determined under paragraph (2); and

(E) the product obtained by multiplying—

(i) the annual average of the total apportionments determined under subparagraph (C); by

(ii) the applicable percentage determined under paragraph (2).

(2) APPLICABLE PERCENTAGES.—

(A) FISCAL YEAR 1998.—For fiscal year 1998—

(i) the applicable percentage referred to in paragraph (1)(D)(ii) shall be 145 percent; and

(ii) the applicable percentage referred to in paragraph (1)(E)(ii) shall be 107 percent.

(B) FISCAL YEARS THEREAFTER.—For each of fiscal years 1999 through 2003, the applicable percentage referred to in paragraph (1)(D)(ii) or (1)(E)(ii), respectively, shall be a percentage equal to the product obtained by multiplying—

(i) the percentage specified in clause (i) or (ii), respectively, of subparagraph (A); by

(ii) the percentage that—

(I) the total contract authority made available under this Act and title 23, United States Code, for Federal-aid highway programs for the fiscal year; bears to

(II) the total contract authority made available under this Act and title 23, United States Code, for Federal-aid highway programs for fiscal year 1998.

(3) MAXIMUM TRANSITION.—

(A) IN GENERAL.—For each of fiscal years 1998 through 2003, in the case of each State with respect to which the total apportionments

determined under paragraph (1)(A) is greater than the product determined under paragraph (1)(D), the Secretary shall reduce proportionately the apportionments to the State under section 104 of title 23, United States Code, for the National Highway System component of the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program so that the total of the apportionments is equal to the product determined under paragraph (1)(D).

(B) REDISTRIBUTION OF FUNDS.—

(i) IN GENERAL.—Subject to clause (ii), funds made available under subparagraph (A) shall be redistributed proportionately under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program, to States not subject to a reduction under subparagraph (A).

(ii) LIMITATION.—The ratio that—

(I) the total apportionments to a State under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program, after the application of clause (i); bears to

(II) the annual average of the total apportionments determined under paragraph (1)(B) with respect to the State;

may not exceed, in the case of fiscal year 1998, 145 percent, and, in the case of each of fiscal years 1999 through 2003, 145 percent as adjusted in the manner described in paragraph (2)(B).

(4) MINIMUM TRANSITION.—

(A) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary shall apportion to each State such additional amounts as are necessary to ensure that—

(i) the total apportionments to the State under section 104 of title 23, United

States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program, after the application of paragraph (3); is equal to

(ii) the greater of—

(I) the product determined with respect to the State under paragraph (1)(E); or

(II) the total apportionments to the State for fiscal year 1997 for all Federal-aid highway programs, excluding—

(aa) apportionments for the Federal lands highways program under section 204 of title 23, United States Code;

(bb) adjustments to sums apportioned under section 104 of that title due to the hold harmless adjustment under section 1015(a) of the Intermodal Surface Transportation Efficiency Act of 1991

(23 U.S.C. 104 note; 105 Stat. 1943); and

(cc) demonstration projects under the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240).

(B) OBLIGATION.—Amounts apportioned under subparagraph (A)—

(i) shall be considered to be sums made available for expenditure on the surface transportation program, except that—

(I) the amounts shall not be subject to paragraphs (1) and (2) of section 133(d) of title 23, United States Code; and

(II) 50 percent of the amounts shall be subject to section 133(d)(3) of that title;

(ii) shall be available for any purpose eligible for funding under section 133 of that title; and

(iii) shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the amounts are apportioned.

(C) AUTHORIZATION OF CONTRACT AUTHORITY.—

(i) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this paragraph.

(ii) CONTRACT AUTHORITY.—Funds authorized under this subparagraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(d) MINIMUM GUARANTEE.—

(1) IN GENERAL.—Section 105 of title 23, United States Code, is amended to read as follows:

"§ 105. Minimum guarantee

"(a) ADJUSTMENT.—

"(1) IN GENERAL.—In fiscal year 1998 and each fiscal year thereafter on October 1, or as soon as practicable thereafter, the Secretary shall allocate among the States amounts sufficient to ensure that—

"(A) the ratio that—

"(i) each State's percentage of the total apportionments for the fiscal year—

"(I) under section 104 for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program; and

"(II) under this section and section 1102(c) of the Intermodal Surface Transportation Efficiency Act of 1998 for ISTEA transition; bears to

"(ii) each State's percentage of estimated tax payments attributable to highway users in the State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available;

is not less than 0.90; and

"(B) in the case of a State specified in paragraph (2), the State's percentage of the total apportionments for the fiscal year described in subclauses (I) and (II) of subparagraph (A)(i) is—

"(i) not less than the percentage specified for the State in paragraph (2); but

"(ii) not greater than the product determined for the State under section 1102(c)(1)(D) of the Intermodal Surface Transportation Efficiency Act of 1998 for the fiscal year.

"(2) STATE PERCENTAGES.—The percentage referred to in paragraph (1)(B) for a specified State shall be determined in accordance with the following table:

"State	***Percentage***
Alaska	*1.24*
Arkansas	*1.33*
Delaware	*0.47*
Hawaii	*0.55*
Idaho	*0.82*
Montana	*1.06*
Nevada	*0.73*
New Hampshire	*0.52*
New Jersey	*2.41*
New Mexico	*1.05*
North Dakota	*0.73*
Rhode Island	*0.58*
South Dakota	*0.78*
Vermont	*0.47*
Wyoming	*0.76.*

"(b) TREATMENT OF ALLOCATIONS.—

"(1) OBLIGATION.—Amounts allocated under subsection (a)—

"(A) shall be available for obligation when allocated and shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the amounts are allocated; and

"(B) shall be available for any purpose eligible for funding under this title.

"(2) SET-ASIDE.—Fifty percent of the amounts allocated under subsection (a) shall be subject to section 133(d)(3).

"(c) TREATMENT OF WITHHELD APPORTIONMENTS.—For the purpose of subsection (a), any funds that, but for section 158(b) or any other provision of law under which Federal-aid highway funds are withheld from apportionment, would be apportioned to a State for a fiscal year under a section referred to in subsection (a) shall be treated as being apportioned in that fiscal year.

"(d) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this section.".

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 105 and inserting the following:

"105. Minimum guarantee.".

(e) AUDITS OF HIGHWAY TRUST FUND.—Section 104 of title 23, United States Code, is amended by striking subsection (i) and inserting the following:

"(i) AUDITS OF HIGHWAY TRUST FUND.—From available administrative funds deducted under subsection (a),

the Secretary may reimburse the Office of Inspector General of the Department of Transportation for the conduct of annual audits of financial statements in accordance with section 3521 of title 31.".

(f) TECHNICAL AMENDMENTS.—Section 104 of title 23, United States Code, is amended—

(1) in subsection (e)—

(A) by inserting "NOTIFICATION TO STATES.—" after "(e)";

(B) in the first sentence—

(i) by striking "(other than under subsection (b)(5) of this section)"; and

(ii) by striking "and research";

(C) by striking the second sentence; and

(D) in the last sentence, by striking ", except that" and all that follows through "such funds"; and

(2) in subsection (f)—

(A) by striking "(f)(1) On" and inserting the following:

"(f) METROPOLITAN PLANNING.—

"(1) SET-ASIDE.—On";

(B) by striking "(2) These" and inserting the following:

"(2) APPORTIONMENT TO STATES OF SET-ASIDE FUNDS.—These";

(C) by striking "(3) The" and inserting the following:

"(3) USE OF FUNDS.—The"; and

(D) by striking "(4) The" and inserting the following:

"(4) DISTRIBUTION OF FUNDS WITHIN STATES.—The".

(g) CONFORMING AMENDMENTS.—

(1) Section 146(a) of title 23, United States Code, is amended in the first sentence by striking ", 104(b)(2), and 104(b)(6)" and inserting "and 104(b)(3)".

(2)(A) Section 150 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 150.

(3) Section 158 of title 23, United States Code, is amended—

(A) in subsection (a)—

(i) by striking paragraph (1);

(ii) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(iii) in paragraph (1) (as so redesignated)—

(I) by striking "AFTER THE FIRST YEAR" and inserting "IN GENERAL"; and

(II) by striking ", 104(b)(2), 104(b)(5), and 104(b)(6)" and inserting "and 104(b)(3)"; and

(iv) in paragraph (2) (as redesignated by clause (ii)), by striking "paragraphs (1) and (2) of this subsection" and inserting "paragraph (1)"; and

(B) by striking subsection (b) and inserting the following:

"(b) EFFECT OF WITHHOLDING OF FUNDS.—No funds withheld under this section from apportionment to any State after September 30, 1988, shall be available for apportionment to that State.".

(4)(A) Section 157 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 157.

(5)(A) Section 115(b)(1) of title 23, United States Code, is amended by striking "or 104(b)(5), as the case may be,".

(B) Section 137(f)(1) of title 23, United States Code, is amended by striking "section 104(b)(5)(B) of this title" and inserting "section 104(b)(1)".

(C) Section 141(c) of title 23, United States Code, is amended by striking "section 104(b)(5) of this title" each place it appears and inserting "section 104(b)(1)(A)".

(D) Section 142(c) of title 23, United States Code, is amended by striking "(other than section 104(b)(5)(A))".

(E) Section 159 of title 23, United States Code, is amended—

(i) by striking "(5) of" each place it appears and inserting "(5) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998) of"; and

(ii) in subsection (b)—

(I) in paragraphs (1)(A)(i) and (3)(A), by striking "section 104(b)(5)(A)" each place it appears and inserting "section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998)";

(II) in paragraph (1)(A)(ii), by striking "section 104(b)(5)(B)" and inserting "section 104(b)(5)(B) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998)";

(III) in paragraph (3)(B), by striking "(5)(B)" and inserting "(5)(B) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998)"; and

(IV) in paragraphs (3) and (4), by striking "section 104(b)(5)" each place it appears and inserting "section 104(b)(5) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998)".

(F) Section 161(a) of title 23, United States Code, is amended by striking "paragraphs (1), (3), and (5)(B) of section 104(b)" each place it appears and inserting "paragraphs (1) and (3) of section 104(b)".

(6)(A) Section 104(g) of title 23, United States Code, is amended—

(i) in the first sentence, by striking "sections 130, 144, and 152 of this title" and inserting "subsection (b)(1)(B) and sections 130 and 152";

(ii) in the first and second sentences—

(I) by striking "section" and inserting "provision"; and

(II) by striking "such sections" and inserting "those provisions"; and

(iii) in the third sentence—

(I) by striking "section 144" and inserting "subsection (b)(1)(B)"; and

(II) by striking "subsection (b)(1)" and inserting "subsection (b)(1)(C)".

(B) Section 115 of title 23, United States Code, is amended—

(i) in subsection (a)(1)(A)(i), by striking "104(b)(2), 104(b)(3), 104(f), 144," and insert-

ing "104(b)(1)(B), 104(b)(2), 104(b)(3), 104(f),"; and

(ii) in subsection (c), by striking "144,,".

(C) Section 120(e) of title 23, United States Code, is amended in the last sentence by striking "and in section 144 of this title".

(D) Section 151(d) of title 23, United States Code, is amended by striking "section 104(a), section 307(a), and section 144 of this title" and inserting "subsections (a) and (b)(1)(B) of section 104 and section 307(a)".

(E) Section 204(c) of title 23, United States Code, is amended in the first sentence by striking "or section 144 of this title".

(F) Section 303(g) of title 23, United States Code, is amended by striking "section 144 of this title" and inserting "section 104(b)(1)(B)".

(7) Section 142(b) of title 23, United States Code, is amended by striking "paragraph (5) of subsection (b) of section 104 of this title" and inserting "section 104(b)(1)(A)".

(8) Section 152(e) of title 23, United States Code, is amended in the second sentence by striking "section 104(b)(1)" and inserting "section 104(b)".

SEC. 1103. OBLIGATION CEILING.

(a) GENERAL LIMITATIONS.—Subject to the other provisions of this section and notwithstanding any other provision of law, the total amount of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $21,500,000,000 for fiscal year 1998;

(2) $28,462,000,000 for fiscal year 1999;

(3) $28,894,000,000 for fiscal year 2000;

(4) $29,334,000,000 for fiscal year 2001;

(5) $29,800,000,000 for fiscal year 2002; and

(6) $30,319,000,000 for fiscal year 2003.

(b) EXCEPTIONS.—

(1) IN GENERAL.—The limitations under subsection (a) shall not apply to obligations of funds under—

(A) section 105(a) of title 23, United States Code (but, for each of fiscal years 1998 through 2007, only in an amount equal to the amount included for section 157 of title 23, United States Code, in the baseline determined by the Congressional Budget Office for the fiscal year 1998 budget (as specified in the letter from the Director of the Congressional Budget Office to the Chairman of the Senate Committee on Environment and Public Works, dated March 12, 1998)),

excluding amounts allocated under section 105(a)(1)(B) of that title;

(B) section 125 of that title;

(C) section 157 of that title (as in effect on the day before the date of enactment of this Act);

(D) section 147 of the Surface Transportation Assistance Act of 1978 (23 U.S.C. 144 note; 92 Stat. 2714);

(E) section 9 of the Federal-Aid Highway Act of 1981 (95 Stat. 1701);

(F) subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2119);

(G) subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 198); and

(H) sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027).

(2) EFFECT OF OTHER LAW.—A provision of law establishing a limitation on obligations for Federal-aid highways and highway safety construction programs may not amend or limit the applicability of this subsection, unless the provision specifically amends or limits that applicability.

(c) APPLICABILITY TO TRANSPORTATION RESEARCH PROGRAMS.—Obligation limitations for Federal-aid highways and highway safety construction programs established by subsection (a) shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code.

(d) OBLIGATION AUTHORITY.—Section 118 of title 23, United States Code, is amended by adding at the end the following:

"(g) OBLIGATION AUTHORITY.—

"(1) DISTRIBUTION.—For each fiscal year, the Secretary shall—

"(A) distribute the total amount of obligation authority for Federal-aid highways and highway safety construction programs made available for the fiscal year by allocation in the ratio that—

"(i) the total of the sums made available for Federal-aid highways and highway safety construction programs (excluding demonstration projects) that are apportioned or allocated to each State for the fiscal year; bears to

"(ii) the total of the sums made available for Federal-aid highways and highway

safety construction programs (excluding demonstration projects) that are apportioned or allocated to all States for the fiscal year;

"(B) provide all States with authority sufficient to prevent lapses of sums made available for Federal-aid highways that have been apportioned to a State; and

"(C) notwithstanding subparagraphs (A) and (B), not distribute—

"(i) amounts deducted under section 104(a) for administrative expenses;

"(ii) amounts set aside under section 104(k) for Interstate 4R and bridge projects;

"(iii) amounts made available under sections 143, 164, 165, 204, 206, 207, and 322;

"(iv) amounts made available under section 111 of title 49;

"(v) amounts made available under section 201 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.);

"(vi) amounts made available under section 1012(b) of the Intermodal Surface

Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938);

"(vii) amounts made available under sections 1503, 1603, and 1604 of the Intermodal Surface Transportation Efficiency Act of 1998;

"(viii) amounts made available under section 149(d) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 201);

"(ix) amounts made available under section 105(a)(1)(A) to the extent that the amounts are subject to any obligation limitation under section 1103(a) of the Intermodal Surface Transportation Efficiency Act of 1998;

"(x) amounts made available for implementation of programs under chapter 5 of this title and sections 5222, 5232, and 5241 of title 49;

"(xi) amounts set aside under section 104(d) for operation lifesaver and railway-highway crossing hazard elimination in high speed rail corridors; and

"(xii) amounts made available under section 412 of the Woodrow Wilson Memorial Bridge Authority Act of 1995.

"(xiii) amounts set aside under section 1133.

"(2) REDISTRIBUTION.—Notwithstanding paragraph (1), the Secretary shall, after August 1 of each of fiscal years 1998 through 2003—

"(A) revise a distribution of the funds made available under paragraph (1) for the fiscal year if a State will not obligate the amount distributed during the fiscal year; and

"(B) redistribute sufficient amounts to those States able to obligate amounts in addition to the amounts previously distributed during the fiscal year, giving priority to those States that have large unobligated balances of funds apportioned under section 104 and under section 144 (as in effect on the day before the date of enactment of this subparagraph).

"(3) DEMONSTRATION PROJECTS.—

"(A) APPLICABILITY OF OBLIGATION LIMITATIONS.—Notwithstanding any other provision of law, a demonstration project shall be subject to any limitation on obligations established by

law that applies to Federal-aid highways and highway safety construction programs.

"(B) MAXIMUM OBLIGATION LEVEL.—For each fiscal year, a State may obligate for demonstration projects an amount of the obligation authority for Federal-aid highways and highway safety construction programs made available to the State for the fiscal year that is not more than the product obtained by multiplying—

"(i) the total of the sums made available for demonstration projects in the State for the fiscal year; by

"(ii) the ratio that—

"(I) the total amount of the obligation authority for Federal-aid highways and highway safety construction programs (including demonstration projects) made available to the State for the fiscal year; bears to

"(II) the total of the sums made available for Federal-aid highways and highway safety construction programs (including demonstration projects) that are apportioned or allocated to the State for the fiscal year.

"(4) DEFINITION OF DEMONSTRATION PROJECT.—In this subsection, the term 'demonstration project' means a demonstration project or similar project (including any project similar to a project authorized under any of sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027)) that is funded from the Highway Trust Fund (other than the Mass Transit Account) and authorized under—

"(A) the Intermodal Surface Transportation Efficiency Act of 1998; or

"(B) any law enacted after the date of enactment of that Act.".

(e) LIMITATIONS ON OBLIGATIONS FOR ADMINISTRATIVE EXPENSES.—Notwithstanding any other provision of law, the total amount of all obligations under section 104(a) of title 23, United States Code, shall not exceed—

(1) $301,725,000 for fiscal year 1999;

(2) $302,055,000 for fiscal year 2000;

(3) $303,480,000 for fiscal year 2001;

(4) $310,470,000 for fiscal year 2002; and

(5) $320,595,000 for fiscal year 2003.

(f) APPLICABILITY OF OBLIGATION LIMITATIONS.—An obligation limitation established by a provision of any other

Act shall not apply to obligations under a program funded under this Act or title 23, United States Code, unless—

(1) the provision specifically amends or limits the applicability of this subsection; or

(2) an obligation limitation is specified in this Act with respect to the program.

SEC. 1104. OBLIGATION AUTHORITY UNDER SURFACE TRANSPORTATION PROGRAM.

Section 133 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

"(f) OBLIGATION AUTHORITY.—

"(1) IN GENERAL.—A State that is required to obligate in an urbanized area with an urbanized area population of over 200,000 individuals under subsection (d) funds apportioned to the State under section 104(b)(3) shall make available during the 3-fiscal year period of 1998 through 2000, and the 3-fiscal year period of 2001 through 2003, an amount of obligation authority distributed to the State for Federal-aid highways and highway safety construction programs for use in the area that is equal to the amount obtained by multiplying—

"(A) the aggregate amount of funds that the State is required to obligate in the area under subsection (d) during each such period; by

"(B) the ratio that—

"(i) the aggregate amount of obligation authority distributed to the State for Federal-aid highways and highway safety construction programs during the period; bears to

"(ii) the total of the sums apportioned to the State for Federal-aid highways and highway safety construction programs (excluding sums not subject to an obligation limitation) during the period.

"(2) JOINT RESPONSIBILITY.—Each State, each affected metropolitan planning organization, and the Secretary shall jointly ensure compliance with paragraph (1).".

SEC. 1105. EMERGENCY RELIEF.

(a) FEDERAL SHARE.—Section 120(e) of title 23, United States Code, is amended in the first sentence by striking "highway system" and inserting "highway".

(b) ELIGIBILITY AND FUNDING.—Section 125 of title 23, United States Code, is amended—

(1) by striking subsection (a);

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively;

(3) by inserting after the section heading the following:

"(a) GENERAL ELIGIBILITY.—Subject to this section and section 120, an emergency fund is authorized for expenditure by the Secretary for the repair or reconstruction of highways, roads, and trails, in any part of the United States, including Indian reservations, that the Secretary finds have suffered serious damage as a result of—

"(1) natural disaster over a wide area, such as by a flood, hurricane, tidal wave, earthquake, severe storm, or landslide; or

"(2) catastrophic failure from any external cause.

"(b) RESTRICTION ON ELIGIBILITY.—In no event shall funds be used pursuant to this section for the repair or reconstruction of bridges that have been permanently closed to all vehicular traffic by the State or responsible local official because of imminent danger of collapse due to a structural deficiency or physical deterioration.

"(c) FUNDING.—Subject to the following limitations, there are hereby made available from the Highway Trust Fund (other than the Mass Transit Account) such sums as may be necessary to establish the fund authorized by this section and to replenish it on an annual basis:

"(1) Not more than $100,000,000 is authorized to be obligated in any 1 fiscal year commencing after September 30, 1980, to carry out the provisions of this section, except that, if in any fiscal year the total of all obligations under this section is less than the amount authorized to be obligated in such fiscal year, the unobligated balance of such amount shall remain available until expended and shall be in addition to amounts otherwise available to carry out this section each year.

"(2) Pending such appropriation or replenishment, the Secretary may obligate from any funds heretofore or hereafter appropriated for obligation in accordance with this title, including existing Federal-aid appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, provided that such funds are reimbursed from the appropriations authorized in paragraph (1) of this subsection when such appropriations are made.";

(4) in subsection (d) (as so redesignated), by striking "subsection (c)" both places it appears and inserting "subsection (e)"; and

(5) in subsection (e) (as so redesignated), by striking "on any of the Federal-aid highway systems" and inserting "Federal-aid highways".

(c) SAN MATEO COUNTY, CALIFORNIA.—Notwithstanding any other provision of law, a project to repair or reconstruct any portion of a Federal-aid primary route in San Mateo County, California, that—

(1) was destroyed as a result of a combination of storms in the winter of 1982–1983 and a mountain slide; and

(2) until its destruction, served as the only reasonable access route between 2 cities and as the designated emergency evacuation route of 1 of the cities; shall be eligible for assistance under section 125(a) of title 23, United States Code, if the project complies with the local coastal plan.

SEC. 1106. FEDERAL LANDS HIGHWAYS PROGRAM.

(a) FEDERAL SHARE PAYABLE.—Section 120 of title 23, United States Code, is amended by adding at the end the following:

"(j) USE OF FEDERAL LAND MANAGEMENT AGENCY FUNDS.—Notwithstanding any other provision of law, the funds appropriated to any Federal land management agency may be used to pay the non-Federal share of the cost

of any Federal-aid highway project the Federal share of which is funded under section 104.

"(k) USE OF FEDERAL LANDS HIGHWAYS PROGRAM FUNDS.—Notwithstanding any other provision of law, the funds made available to carry out the Federal lands highways program under section 204 may be used to pay the non-Federal share of the cost of any project that is funded under section 104 and that provides access to or within Federal or Indian lands.".

(b) AVAILABILITY OF FUNDS.—Section 203 of title 23, United States Code, is amended by adding at the end the following: "Notwithstanding any other provision of law, the authorization by the Secretary of engineering and related work for a Federal lands highways program project, or the approval by the Secretary of plans, specifications, and estimates for construction of a Federal lands highways program project, shall be deemed to constitute a contractual obligation of the Federal Government to pay the Federal share of the cost of the project.".

(c) PLANNING AND AGENCY COORDINATION.—Section 204 of title 23, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—Recognizing the need for all Federal roads that are public roads to be treated under uniform policies similar to the policies that apply to Federal-aid highways, there is established a coordinated Federal lands highways program that shall apply to public lands highways, park roads and parkways, and Indian reservation roads and bridges.

"(2) TRANSPORTATION PLANNING PROCEDURES.—In consultation with the Secretary of each appropriate Federal land management agency, the Secretary shall develop, by rule, transportation planning procedures that are consistent with the metropolitan and statewide planning processes required under sections 134 and 135.

"(3) APPROVAL OF TRANSPORTATION IMPROVEMENT PROGRAM.—The transportation improvement program developed as a part of the transportation planning process under this section shall be approved by the Secretary.

"(4) INCLUSION IN OTHER PLANS.—All regionally significant Federal lands highways program projects—

"(A) shall be developed in cooperation with States and metropolitan planning organizations; and

"(B) shall be included in appropriate Federal lands highways program, State, and metropolitan plans and transportation improvement programs.

"(5) INCLUSION IN STATE PROGRAMS.—The approved Federal lands highways program transportation improvement program shall be included in appropriate State and metropolitan planning organization plans and programs without further action on the transportation improvement program.

"(6) DEVELOPMENT OF SYSTEMS.—The Secretary and the Secretary of each appropriate Federal land management agency shall, to the extent appropriate, develop by rule safety, bridge, pavement, and congestion management systems for roads funded under the Federal lands highways program.";

(2) in subsection (b), by striking the first 3 sentences and inserting the following: "Funds available for public lands highways, park roads and parkways, and Indian reservation roads shall be used by the Secretary and the Secretary of the appropriate Federal land management agency to pay for the cost of transportation planning, research, engineering, and construction of the highways, roads, and parkways, or of transit facilities within public lands, national

parks, and Indian reservations. In connection with activities under the preceding sentence, the Secretary and the Secretary of the appropriate Federal land management agency may enter into construction contracts and other appropriate contracts with a State or civil subdivision of a State or Indian tribe.";

(3) in the first sentence of subsection (e), by striking "Secretary of the Interior" and inserting "Secretary of the appropriate Federal land management agency";

(4) in subsection (h), by adding at the end the following:

"(8) A project to build a replacement of the federally owned bridge over the Hoover Dam in the Lake Mead National Recreation Area between Nevada and Arizona.";

(5) by striking subsection (i) and inserting the following:

"(i) TRANSFERS OF COSTS TO SECRETARIES OF FEDERAL LAND MANAGEMENT AGENCIES.—

"(1) ADMINISTRATIVE COSTS.—The Secretary shall transfer to the appropriate Federal land management agency from amounts made available for public lands highways such amounts as are necessary

to pay necessary administrative costs of the agency in connection with public lands highways.

"(2) TRANSPORTATION PLANNING COSTS.—The Secretary shall transfer to the appropriate Federal land management agency from amounts made available for public lands highways such amounts as are necessary to pay the cost to the agency to conduct necessary transportation planning for Federal lands, if funding for the planning is not otherwise provided under this section."; and

(6) in subsection (j), by striking the second sentence and inserting the following: "The Indian tribal government, in cooperation with the Secretary of the Interior, and as appropriate, with a State, local government, or metropolitan planning organization, shall carry out a transportation planning process in accordance with subsection (a).".

SEC. 1107. RECREATIONAL TRAILS PROGRAM.

(a) IN GENERAL.—Chapter 2 of title 23, United States Code, is amended by inserting after section 205 the following:

"§ 206. Recreational trails program

"(a) DEFINITIONS.—

"(1) MOTORIZED RECREATION.—The term 'motorized recreation' means off-road recreation using

any motor-powered vehicle, except for a motorized wheelchair.

"(2) RECREATIONAL TRAIL; TRAIL.—The term 'recreational trail' or 'trail' means a thoroughfare or track across land or snow, used for recreational purposes such as—

"(A) pedestrian activities, including wheelchair use;

"(B) skating or skateboarding;

"(C) equestrian activities, including carriage driving;

"(D) nonmotorized snow trail activities, including skiing;

"(E) bicycling or use of other human-powered vehicles;

"(F) aquatic or water activities; and

"(G) motorized vehicular activities, including all-terrain vehicle riding, motorcycling, snowmobiling, use of off-road light trucks, or use of other off-road motorized vehicles.

"(b) PROGRAM.—In accordance with this section, the Secretary, in consultation with the Secretary of the Interior and the Secretary of Agriculture, shall carry out a program to provide and maintain recreational trails (referred to in this section as the 'program').

"(c) STATE RESPONSIBILITIES.—To be eligible for apportionments under this section—

"(1) a State may use apportionments received under this section for construction of new trails crossing Federal lands only if the construction is—

"(A) permissible under other law;

"(B) necessary and required by a statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.);

"(C) approved by the administering agency of the State designated under paragraph (2); and

"(D) approved by each Federal agency charged with management of the affected lands, which approval shall be contingent on compliance by the Federal agency with all applicable laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.), and the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

"(2) the Governor of a State shall designate the State agency or agencies that will be responsible for

administering apportionments received under this section; and

"(3) the State shall establish within the State a State trail advisory committee that represents both motorized and nonmotorized trail users.

"(d) USE OF APPORTIONED FUNDS.—

"(1) IN GENERAL.—Funds made available under this section shall be obligated for trails and trail-related projects that—

"(A) have been planned and developed under the laws, policies, and administrative procedures of each State; and

"(B) are identified in, or further a specific goal of, a trail plan or trail plan element included or referenced in a metropolitan transportation plan required under section 134 or a statewide transportation plan required under section 135, consistent with the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.).

"(2) PERMISSIBLE USES.—Permissible uses of funds made available under this section include—

"(A) maintenance and restoration of existing trails;

"(B) development and rehabilitation of trailside and trailhead facilities and trail linkages;

"(C) purchase and lease of trail construction and maintenance equipment;

"(D) construction of new trails;

"(E) acquisition of easements and fee simple title to property for trails or trail corridors;

"(F) payment of costs to the State incurred in administering the program, but in an amount not to exceed 7 percent of the apportionment received by the State for a fiscal year; and

"(G) operation of educational programs to promote safety and environmental protection as these objectives relate to the use of trails.

"(3) USE OF APPORTIONMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B), (C), and (D), of the apportionments received for a fiscal year by a State under this section—

"(i) 40 percent shall be used for trail or trail-related projects that facilitate diverse recreational trail use within a trail corridor, trailside, or trailhead, regardless of whether the project is for diverse motor-

ized use, for diverse nonmotorized use, or to accommodate both motorized and nonmotorized recreational trail use;

"(ii) 30 percent shall be used for uses relating to motorized recreation; and

"(iii) 30 percent shall be used for uses relating to nonmotorized recreation.

"(B) SMALL STATE EXCLUSION.—Any State with a total land area of less than 3,500,000 acres, and in which nonhighway recreational fuel use accounts for less than 1 percent of all such fuel use in the United States, shall be exempted from the requirements of subparagraph (A) upon application to the Secretary by the State demonstrating that the State meets the conditions of this subparagraph.

"(C) WAIVER AUTHORITY.—Upon the request of a State trail advisory committee established under subsection (c)(3), the Secretary may waive, in whole or in part, the requirements of subparagraph (A) with respect to the State if the State certifies to the Secretary that the State does not have sufficient projects to meet the requirements of subparagraph (A).

"(D) STATE ADMINISTRATIVE COSTS.—State administrative costs eligible for funding under paragraph (2)(F) shall be exempt from the requirements of subparagraph (A).

"(e) ENVIRONMENTAL BENEFIT OR MITIGATION.—To the extent practicable and consistent with the other requirements of this section, a State should give consideration to project proposals that provide for the redesign, reconstruction, nonroutine maintenance, or relocation of trails to benefit the natural environment or to mitigate and minimize the impact to the natural environment.

"(f) FEDERAL SHARE.—

"(1) IN GENERAL.—Subject to the other provisions of this subsection, the Federal share of the cost of a project under this section shall not exceed 80 percent.

"(2) FEDERAL AGENCY PROJECT SPONSOR.—Notwithstanding any other provision of law, a Federal agency that sponsors a project under this section may contribute additional Federal funds toward the cost of a project, except that—

"(A) the share attributable to the Secretary of Transportation may not exceed 80 percent; and

"(B) the share attributable to the Secretary and the Federal agency jointly may not exceed 95 percent.

"(3) USE OF FUNDS FROM FEDERAL PROGRAMS TO PROVIDE NON-FEDERAL SHARE.—Notwithstanding any other provision of law, amounts made available by the Federal Government under any Federal program that are—

"(A) expended in accordance with the requirements of the Federal program relating to activities funded and populations served; and

"(B) expended on a project that is eligible for assistance under this section;

may be credited toward the non-Federal share of the cost of the project.

"(4) PROGRAMMATIC NON-FEDERAL SHARE.—A State may allow adjustments to the non-Federal share of an individual project under this section if the Federal share of the cost of all projects carried out by the State under the program (excluding projects funded under paragraph (2) or (3)) using funds apportioned to the State for a fiscal year does not exceed 80 percent.

"(5) STATE ADMINISTRATIVE COSTS.—The Federal share of the administrative costs of a State under

this subsection shall be determined in accordance with section 120(b).

"(g) USES NOT PERMITTED.—A State may not obligate funds apportioned under this section for—

"(1) condemnation of any kind of interest in property;

"(2) construction of any recreational trail on National Forest System land for any motorized use unless—

"(A) the land has been apportioned for uses other than wilderness by an approved forest land and resource management plan or has been released to uses other than wilderness by an Act of Congress; and

"(B) the construction is otherwise consistent with the management direction in the approved forest land and resource management plan;

"(3) construction of any recreational trail on Bureau of Land Management land for any motorized use unless the land—

"(A) has been apportioned for uses other than wilderness by an approved Bureau of Land Management resource management plan or has been released to uses other than wilderness by an Act of Congress; and

"(B) the construction is otherwise consistent with the management direction in the approved management plan; or

"(4) upgrading, expanding, or otherwise facilitating motorized use or access to trails predominantly used by nonmotorized trail users and on which, as of May 1, 1991, motorized use is prohibited or has not occurred.

"(h) PROJECT ADMINISTRATION.—

"(1) CREDIT FOR DONATIONS OF FUNDS, MATERIALS, SERVICES, OR NEW RIGHT-OF-WAY.—

"(A) IN GENERAL.—Nothing in this title or other law shall prevent a project sponsor from offering to donate funds, materials, services, or a new right-of-way for the purposes of a project eligible for assistance under this section. Any funds, or the fair market value of any materials, services, or new right-of-way, may be donated by any project sponsor and shall be credited to the non-Federal share in accordance with subsection (f).

"(B) FEDERAL PROJECT SPONSORS.—Any funds or the fair market value of any materials or services may be provided by a Federal project

sponsor and shall be credited to the Federal agency's share in accordance with subsection (f).

"(2) RECREATIONAL PURPOSE.—A project funded under this section is intended to enhance recreational opportunity and is not subject to section 138 of this title or section 303 of title 49.

"(3) CONTINUING RECREATIONAL USE.—At the option of each State, funds made available under this section may be treated as Land and Water Conservation Fund apportionments for the purposes of section 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8(f)(3)).

"(4) COOPERATION BY PRIVATE PERSONS.—

"(A) WRITTEN ASSURANCES.—As a condition of making available apportionments for work on recreational trails that would affect privately owned land, a State shall obtain written assurances that the owner of the land will cooperate with the State and participate as necessary in the activities to be conducted.

"(B) PUBLIC ACCESS.—Any use of the apportionments to a State under this section on privately owned land must be accompanied by an easement or other legally binding agreement that ensures public access to the recreational

trail improvements funded by the apportionments.

"(i) APPORTIONMENT.—

"(1) DEFINITION OF ELIGIBLE STATE.—In this subsection, the term 'eligible State' means a State that meets the requirements of subsection (c).

"(2) APPORTIONMENT.—Subject to subsection (j), for each fiscal year, the Secretary shall apportion—

"(A) 50 percent of the amounts made available to carry out this section equally among eligible States; and

"(B) 50 percent of the amounts made available to carry out this section among eligible States in proportion to the quantity of nonhighway recreational fuel used in each eligible State during the preceding year.

"(j) ADMINISTRATIVE COSTS.—

"(1) IN GENERAL.—Whenever an apportionment is made under subsection (i) of the amounts made available to carry out this section, the Secretary shall first deduct an amount, not to exceed 1 percent of the authorized amounts, to pay the costs to the Secretary for administration of, and research authorized under, the program.

"(2) USE OF CONTRACTS.—To carry out research funded under paragraph (1), the Secretary may—

"(A) enter into contracts with for-profit organizations; and

"(B) enter into contracts, partnerships, or cooperative agreements with other government agencies, institutions of higher learning, or nonprofit organizations.

"(k) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $17,000,000 for fiscal year 1998, $20,000,000 for fiscal year 1999, $22,000,000 for fiscal year 2000, $23,000,000 for fiscal year 2001, $24,000,000 for fiscal year 2002, and $25,000,000 for fiscal year 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.".

(b) CONFORMING AMENDMENTS.—

(1) The Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking part B of title I (16 U.S.C. 1261 et seq.).

(2) The analysis for chapter 2 of title 23, United States Code, is amended by striking the item relating to section 206 and inserting the following:

"206. Recreational trails program.".

SEC. 1108. VALUE PRICING PILOT PROGRAM.

(a) IN GENERAL.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended—

(1) in the subsection heading, by striking "CONGESTION" and inserting "VALUE"; and

(2) in paragraph (1), by striking "congestion" each place it appears and inserting "value".

(b) INCREASED NUMBER OF PROJECTS.—Section 1012(b)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended in the second sentence by striking "5" and inserting "15".

(c) ELIGIBILITY OF PREIMPLEMENTATION COSTS.—Section 1012(b)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended in the second sentence—

(1) by inserting after "Secretary shall fund" the following: "all preimplementation costs and project design, and"; and

(2) by inserting after "Secretary may not fund" the following: "the implementation costs of".

(d) TOLLING.—Section 1012(b)(4) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by striking "a pilot program under this section, but not on more than 3 of such programs" and inserting "any value pricing pilot program under this subsection".

(e) HOV PASSENGER REQUIREMENTS.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by striking paragraph (6) and inserting the following:

"(6) HOV PASSENGER REQUIREMENTS.—Notwithstanding section 146(c) of title 23, United States Code, a State may permit vehicles with fewer than 2 occupants to operate in high occupancy vehicle lanes if the vehicles are part of a value pricing pilot program under this subsection.".

(f) FUNDING.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149

note; 105 Stat. 1938) is amended by adding at the end the following:

"(7) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $8,000,000 for each of fiscal years 1998 through 2003.

"(B) AVAILABILITY.—

"(i) IN GENERAL.—Funds allocated by the Secretary to a State under this subsection shall remain available for obligation by the State for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

"(ii) USE OF UNALLOCATED FUNDS.—If the total amount of funds made available from the Highway Trust Fund under this subsection but not allocated exceeds $8,000,000 as of September 30 of any year, the excess amount—

"(I) shall be apportioned in the following fiscal year by the Secretary to all States in accordance with section

104(b)(3) of title 23, United States Code;

"(II) shall be considered to be a sum made available for expenditure on the surface transportation program, except that the amount shall not be subject to section 133(d) of that title; and

"(III) shall be available for any purpose eligible for funding under section 133 of that title.

"(C) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of any project under this subsection and the availability of funds authorized by this paragraph shall be determined in accordance with this subsection.".

(g) CONFORMING AMENDMENTS.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended—

(1) in paragraph (1), by striking "projects" each place it appears and inserting "programs"; and

(2) in paragraph (5)—

(A) by striking "projects" and inserting "programs"; and

(B) by striking "traffic, volume" and inserting "traffic volume".

SEC. 1109. HIGHWAY USE TAX EVASION PROJECTS.

(a) IN GENERAL.—Section 143 of title 23, United States Code, is amended to read as follows:

"§ 143. Highway use tax evasion projects

"(a) DEFINITION OF STATE.—In this section, the term 'State' means the 50 States and the District of Columbia.

"(b) PROJECTS.—

"(1) IN GENERAL.—The Secretary shall use funds made available under paragraph (7) to carry out highway use tax evasion projects in accordance with this subsection.

"(2) ALLOCATION OF FUNDS.—The funds may be allocated to the Internal Revenue Service and the States at the discretion of the Secretary.

"(3) CONDITIONS ON FUNDS ALLOCATED TO INTERNAL REVENUE SERVICE.—The Secretary shall not impose any condition on the use of funds allocated to the Internal Revenue Service under this subsection.

"(4) LIMITATION ON USE OF FUNDS.—Funds made available under paragraph (7) shall be used only—

"(A) to expand efforts to enhance motor fuel tax enforcement;

"(B) to fund additional Internal Revenue Service staff, but only to carry out functions described in this paragraph;

"(C) to supplement motor fuel tax examinations and criminal investigations;

"(D) to develop automated data processing tools to monitor motor fuel production and sales;

"(E) to evaluate and implement registration and reporting requirements for motor fuel taxpayers;

"(F) to reimburse State expenses that supplement existing fuel tax compliance efforts; and

"(G) to analyze and implement programs to reduce tax evasion associated with other highway use taxes.

"(5) MAINTENANCE OF EFFORT.—The Secretary may not make an allocation to a State under this subsection for a fiscal year unless the State certifies that the aggregate expenditure of funds of the State, exclusive of Federal funds, for motor fuel tax enforcement activities will be maintained at a level that does not fall below the average level of such expenditure for the preceding 2 fiscal years of the State.

"(6) FEDERAL SHARE.—The Federal share of the cost of a project carried out under this subsection shall be 100 percent.

"(7) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(A) IN GENERAL.—There shall be available to the Secretary from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $5,000,000 for each of fiscal years 1998 through 2003.

"(B) AVAILABILITY OF FUNDS.—Funds authorized under this paragraph shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

"(8) In addition to funds allocated under this section, a State may, at its discretion, expend up to one-fourth of one percent of its annual Federal-aid apportionments under 104(b)(3) on initiatives to halt the evasion of payment of motor fuel taxes.

"(c) EXCISE FUEL REPORTING SYSTEM.—

"(1) IN GENERAL.—Not later than April 1, 1998, the Secretary shall enter into a memorandum of understanding with the Commissioner of the Internal Revenue Service for the purposes of the development

and maintenance by the Internal Revenue Service of an excise fuel reporting system (referred to in this subsection as the 'system').

"(2) ELEMENTS OF MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding shall provide that—

"(A) the Internal Revenue Service shall develop and maintain the system through contracts;

"(B) the system shall be under the control of the Internal Revenue Service; and

"(C) the system shall be made available for use by appropriate State and Federal revenue, tax, or law enforcement authorities, subject to section 6103 of the Internal Revenue Code of 1986.

"(3) AUTHORIZATION OF APPROPRIATIONS FROM HIGHWAY TRUST FUND.—

"(A) IN GENERAL.—There are authorized to be appropriated to the Secretary from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection—

"(i) $8,000,000 for development of the system; and

"(ii) $2,000,000 for each of fiscal years 1998 through 2003 for operation and maintenance of the system.

"(B) AVAILABILITY.—Notwithstanding section 118(a), funds made available under subparagraph (A) shall not be available in advance of an annual appropriation.".

(b) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 143 and inserting the following:

"143. Highway use tax evasion projects.".

(2) Section 1040 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 1992) is repealed.

(3) Section 8002 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 2203) is amended—

(A) in the first sentence of subsection (g), by striking "section 1040 of this Act" and inserting "section 143 of title 23, United States Code,"; and

(B) by striking subsection (h).

SEC. 1110. BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS.

Section 217 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) by inserting "pedestrian walkways and" after "construction of"; and

(B) by striking "(other than the Interstate System)";

(2) in subsection (e), by striking ", other than a highway access to which is fully controlled,";

(3) by striking subsection (g) and inserting the following:

"(g) PLANNING AND DESIGN.—

"(1) IN GENERAL.—Bicyclists and pedestrians shall be given consideration in the comprehensive transportation plans developed by each metropolitan planning organization and State in accordance with sections 134 and 135, respectively.

"(2) CONSTRUCTION.—Bicycle transportation facilities and pedestrian walkways shall be considered, where appropriate, in conjunction with all new construction and reconstruction of transportation facilities, except where bicycle and pedestrian use are not permitted.

"(3) SAFETY AND CONTIGUOUS ROUTES.—Transportation plans and projects shall provide consideration for safety and contiguous routes for bicyclists and pedestrians.";

(4) in subsection (h)—

(A) by striking "No motorized vehicles shall" and inserting "Motorized vehicles may not"; and

(B) by striking paragraph (3) and inserting the following:

"(3) wheelchairs that are powered; and"; and

(5) by striking subsection (j) and inserting the following:

"(j) DEFINITIONS.—In this section:

"(1) BICYCLE TRANSPORTATION FACILITY.—The term 'bicycle transportation facility' means a new or improved lane, path, or shoulder for use by bicyclists or a traffic control device, shelter, or parking facility for bicycles.

"(2) PEDESTRIAN.—The term 'pedestrian' means any person traveling by foot or any mobility impaired person using a wheelchair.

"(3) WHEELCHAIR.—The term 'wheelchair' means a mobility aid, usable indoors, and designed

for and used by individuals with mobility impairments, whether operated manually or powered.''.

SEC. 1111. DISADVANTAGED BUSINESS ENTERPRISES.

(a) GENERAL RULE.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts made available for any program under titles I, II, and V of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) SMALL BUSINESS CONCERN.—The term ''small business concern'' has the meaning such term has under section 3 of the Small Business Act (15 U.S.C. 632); except that such term shall not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals which has average annual gross receipts over the preceding 3 fiscal years in excess of $16,600,000, as adjusted by the Secretary for inflation.

(2) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term ''socially and economically disadvantaged individuals'' has the meaning such term has under section 8(d) of the Small

Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto; except that women shall be presumed to be socially and economically disadvantaged individuals for purposes of this section.

(c) ANNUAL LISTING OF DISADVANTAGED BUSINESS ENTERPRISES.—Each State shall annually survey and compile a list of the small business concerns referred to in subsection (a) and the location of such concerns in the State and notify the Secretary, in writing, of the percentage of such concerns which are controlled by women, by socially and economically disadvantaged individuals (other than women), and by individuals who are women and are otherwise socially and economically disadvantaged individuals.

(d) UNIFORM CERTIFICATION.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a concern qualifies for purposes of this section. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, resume of principal owners, financial capacity, and type of work preferred.

(e) COMPLIANCE WITH COURT ORDERS.—Nothing in this section limits the eligibility of an entity or person to

receive funds made available under titles I, II, and V of this Act, if the entity or person is prevented, in whole or in part, from complying with subsection (a) because a Federal court issues a final order in which the court finds that the requirement of subsection (a), or the program established under subsection (a), is unconstitutional.

(f) REVIEW BY COMPTROLLER GENERAL.—Not later than 3 years after the date of enactment of this Act, the Comptroller General of the United States shall conduct a review of, and publish and report to Congress findings and conclusions on, the impact throughout the United States of administering the requirement of subsection (a), including an analysis of—

(1) in the case of small business concerns certified in each State under subsection (d) as owned and controlled by socially and economically disadvantaged individuals—

(A) the number of the small business concerns; and

(B) the participation rates of the small business concerns in prime contracts and subcontracts funded under titles I, II, and V of this Act;

(2) in the case of small business concerns described in paragraph (1) that receive prime contracts

and subcontracts funded under titles I, II, and V of this Act—

(A) the number of the small business concerns;

(B) the annual gross receipts of the small business concerns; and

(C) the net worth of socially and economically disadvantaged individuals that own and control the small business concerns;

(3) in the case of small business concerns described in paragraph (1) that do not receive prime contracts and subcontracts funded under titles I, II, and V of this Act—

(A) the annual gross receipts of the small business concerns; and

(B) the net worth of socially and economically disadvantaged individuals that own and control the small business concerns;

(4) in the case of business concerns that receive prime contracts and subcontracts funded under titles I, II, and V of this Act, other than small business concerns described in paragraph (2)—

(A) the annual gross receipts of the business concerns; and

(B) the net worth of individuals that own and control the business concerns;

(5) the rate of graduation from any programs carried out to comply with the requirement of subsection (a) for small business concerns owned and controlled by socially and economically disadvantaged individuals;

(6) the overall cost of administering the requirement of subsection (a), including administrative costs, certification costs, additional construction costs, and litigation costs;

(7) any discrimination, on the basis of race, color, national origin, or sex, against small business concerns owned and controlled by socially and economically disadvantaged individuals;

(8)(A) any other factors limiting the ability of small business concerns owned and controlled by socially and economically disadvantaged individuals to compete for prime contracts and subcontracts funded under titles I, II, and V of this Act; and

(B) the extent to which any of those factors are caused, in whole or in part, by discrimination based on race, color, national origin, or sex;

(9) any discrimination, on the basis of race, color, national origin, or sex, against construction

companies owned and controlled by socially and economically disadvantaged individuals in public and private transportation contracting and the financial, credit, insurance, and bond markets;

(10) the impact on small business concerns owned and controlled by socially and economically disadvantaged individuals of—

(A) the issuance of a final order described in subsection (e) by a Federal court that suspends a program established under subsection (a); or

(B) the repeal or suspension of State or local disadvantaged business enterprise programs; and

(11) the impact of the requirement of subsection (a), and any program carried out to comply with subsection (a), on competition and the creation of jobs, including the creation of jobs for socially and economically disadvantaged individuals.

SEC. 1112. FEDERAL SHARE PAYABLE.

(a) IN GENERAL.—Section 120 of title 23, United States Code (as amended by section 1106(a)), is amended—

(1) in each of subsections (a) and (b), by adding at the end the following: "In the case of any project subject to this subsection, a State may determine a

lower Federal share than the Federal share determined under the preceding sentences of this subsection.”; and

(2) by adding at the end the following:

“(l) CREDIT FOR NON-FEDERAL SHARE.—

“(1) ELIGIBILITY.—A State may use as a credit toward the non-Federal share requirement for any program under the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) or this title, other than the emergency relief program authorized by section 125, toll revenues that are generated and used by public, quasi-public, and private agencies to build, improve, or maintain, without the use of Federal funds, highways, bridges, or tunnels that serve the public purpose of interstate commerce.

“(2) MAINTENANCE OF EFFORT.—

“(A) IN GENERAL.—The credit toward any non-Federal share under paragraph (1) shall not reduce nor replace State funds required to match Federal funds for any program under this title.

“(B) CONDITIONS ON RECEIPT OF CREDIT.—

“(i) AGREEMENT WITH THE SECRETARY.—To receive a credit under paragraph (1) for a fiscal year, a State shall

enter into such agreements as the Secretary may require to ensure that the State will maintain its non-Federal transportation capital expenditures at or above the average level of such expenditures for the preceding 3 fiscal years.

"(ii) EXCEPTION.—Notwithstanding clause (i), a State may receive a credit under paragraph (1) for a fiscal year if, for any 1 of the preceding 3 fiscal years, the non-Federal transportation capital expenditures of the State were at a level that was greater than 30 percent of the average level of such expenditures for the other 2 of the preceding 3 fiscal years.

"(3) TREATMENT.—

"(A) IN GENERAL.—Use of the credit toward a non-Federal share under paragraph (1) shall not expose the agencies from which the credit is received to additional liability, additional regulation, or additional administrative oversight.

"(B) CHARTERED MULTISTATE AGENCIES.—When credit is applied from a chartered

multistate agency under paragraph (1), the credit shall be applied equally to all charter States.

"(C) NO ADDITIONAL STANDARDS.—A public, quasi-public, or private agency from which the credit for which the non-Federal share is calculated under paragraph (1) shall not be subject to any additional Federal design standards or laws (including regulations) as a result of providing the credit beyond the standards and laws to which the agency is already subject.".

(b) TECHNICAL AMENDMENTS.—

(1) Section 104(f)(3) of title 23, United States Code, is amended in the second sentence by striking "section 120(j) of this title" and inserting "section 120".

(2) Section 130(a) of title 23, United States Code, is amended—

(A) in the first sentence, by striking "Except as provided in subsection (d) of section 120 of this title" and inserting "Subject to section 120"; and

(B) in the second sentence, by striking "except as provided in subsection (d) of section 120 of this title" and inserting "subject to section 120".

SEC. 1113. STUDIES AND REPORTS.

(a) HIGHWAY ECONOMIC REQUIREMENT SYSTEM.—

(1) METHODOLOGY.—

(A) EVALUATION.—The Comptroller General of the United States shall conduct an evaluation of the methodology used by the Department of Transportation to determine highway needs using the highway economic requirement system (referred to in this subsection as the "model").

(B) REQUIRED ELEMENT.—The evaluation shall include an assessment of the extent to which the model estimates an optimal level of highway infrastructure investment, including an assessment as to when the model may be overestimating or underestimating investment requirements.

(C) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the evaluation.

(2) STATE INVESTMENT PLANS.—

(A) STUDY.—In consultation with State transportation departments and other appropriate State and local officials, the Comptroller General of the United States shall conduct a

study on the extent to which the highway economic requirement system of the Federal Highway Administration can be used to provide States with useful information for developing State transportation investment plans and State infrastructure investment projections.

(B) REQUIRED ELEMENTS.—The study shall—

(i) identify any additional data that may need to be collected beyond the data submitted, prior to the date of enactment of this Act, to the Federal Highway Administration through the highway performance monitoring system; and

(ii) identify what additional work, if any, would be required of the Federal Highway Administration and the States to make the model useful at the State level.

(C) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study.

(b) INTERNATIONAL ROUGHNESS INDEX.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the inter-

national roughness index that is used as an indicator of pavement quality on the Federal-aid highway system.

(2) REQUIRED ELEMENTS.—The study shall specify the extent of usage of the index and the extent to which the international roughness index measurement is reliable across different manufacturers and types of pavement.

(3) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study.

(c) REPORTING OF RATES OF OBLIGATION.—Section 104 of title 23, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (m); and

(2) by inserting after subsection (i) the following:

"(j) REPORTING OF RATES OF OBLIGATION.—On an annual basis, the Secretary shall publish or otherwise report rates of obligation of funds apportioned or set aside under this section and section 133 according to—

"(1) program;

"(2) funding category or subcategory;

"(3) type of improvement;

"(4) State; and

"(5) sub-State geographic area, including urbanized and rural areas, on the basis of the population of each such area.".

(d) EVALUATION OF PROCUREMENT PRACTICES AND PROJECT DELIVERY.—

(1) STUDY.—The Comptroller General shall conduct a study to assess—

(A) the impact that a utility company's failure to relocate its facilities in a timely manner has on the delivery and cost of Federal-aid highway and bridge projects;

(B) methods States use to mitigate delays described in subparagraph (A), including the use of the courts to compel utility cooperation;

(C) the prevalence and use of—

(i) incentives to utility companies for early completion of utility relocations on Federal-aid transportation project sites; and

(ii) penalties assessed on utility companies for utility relocation delays on such projects;

(D) the extent to which States have used available technologies, such as subsurface utility engineering, early in the design of Federal-aid highway and bridge projects so as to eliminate

or reduce the need for or delays due to utility relocations; and

(E)(i) whether individual States compensate transportation contractors for business costs incurred by the contractors when Federal-aid highway and bridge projects under contract to the contractors are delayed by delays caused by utility companies in utility relocations; and

(ii) methods used by States in making any such compensation.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the results of the study, including any recommendations that the Comptroller General determines to be appropriate as a result of the study.

SEC. 1114. DEFINITIONS.

(a) FEDERAL-AID HIGHWAY FUNDS AND PROGRAM.—

(1) IN GENERAL.—Section 101(a) of title 23, United States Code, is amended by inserting before the undesignated paragraph defining "Federal-aid highways" the following:

"The term 'Federal-aid highway funds' means funds made available to carry out the Federal-aid highway program.

"The term 'Federal-aid highway program' means all programs authorized under chapters 1, 3, and 5.".

(2) CONFORMING AMENDMENTS.—

(A) Section 101(d) of title 23, United States Code, is amended by striking "the construction of Federal-aid highways or highway planning, research, or development" and inserting "the Federal-aid highway program".

(B) Section 104(m)(1) of title 23, United States Code (as redesignated by section 1113(c)(1)), is amended by striking "Federal-aid highways and the highway safety construction programs" and inserting "the Federal-aid highway program".

(C) Section 107(b) of title 23, United States Code, is amended in the second sentence by striking "Federal-aid highways" and inserting "the Federal-aid highway program".

(b) ALPHABETIZATION OF DEFINITIONS.—Section 101(a) of title 23, United States Code, is amended by reordering the undesignated paragraphs so that they are in alphabetical order.

SEC. 1115. COOPERATIVE FEDERAL LANDS TRANSPORTATION PROGRAM.

(a) IN GENERAL.—Chapter 2 of title 23, United States Code (as amended by section 1107(a)), is amended by inserting after section 206 the following:

"§ 207. Cooperative Federal Lands Transportation Program

"(a) IN GENERAL.—There is established the Cooperative Federal Lands Transportation Program (referred to in this section as the 'program'). Funds available for the program under subsection (e) may be used for projects, or portions of projects, on highways that are owned or maintained by States or political subdivisions of States and that cross, are adjacent to, or lead to federally owned land or Indian reservations (including Army Corps of Engineers reservoirs), as determined by the State. Such projects shall be proposed by a State and selected by the Secretary. A project proposed by a State under this section shall be on a highway or bridge owned or maintained by the State, or 1 or more political subdivisions of the State, and may be a highway or bridge construction or maintenance project eligible under this title or any project of a type described in section 204(h).

"(b) DISTRIBUTION OF FUNDS FOR PROJECTS.—

"(1) IN GENERAL.—

"(A) IN GENERAL.—The Secretary—

"(i) after consultation with the Administrator of General Services, the Secretary of the Interior, and other agencies as appropriate (including the Army Corps of Engineers), shall determine the percentage of the total land in each State that is owned by the Federal Government or that is held by the Federal Government in trust;

"(ii) shall determine the sum of the percentages determined under clause (i) for States with respect to which the percentage is 4.5 or greater; and

"(iii) shall determine for each State included in the determination under clause (ii) the percentage obtained by dividing—

"(I) the percentage for the State determined under clause (i); by

"(II) the sum determined under clause (ii).

"(B) ADJUSTMENT.—The Secretary shall—

"(i) reduce any percentage determined under subparagraph (A)(iii) that is greater than 7.5 percent to 7.5 percent; and

"(ii) redistribute the percentage points equal to any reduction under clause (i)

among other States included in the determination under subparagraph (A)(ii) in proportion to the percentages for those States determined under subparagraph (A)(iii).

"(2) AVAILABILITY TO STATES.—Except as provided in paragraph (3), for each fiscal year, the Secretary shall make funds available to carry out eligible projects in a State in an amount equal to the amount obtained by multiplying—

"(A) the percentage for the State, if any, determined under paragraph (1); by

"(B) the funds made available for the program under subsection (e) for the fiscal year.

"(3) SELECTION OF PROJECTS.—The Secretary may establish deadlines for States to submit proposed projects for funding under this section, except that in the case of fiscal year 1998 the deadline may not be earlier than January 1, 1998. For each fiscal year, if a State does not have pending, by that deadline, applications for projects with an estimated cost equal to at least 3 times the amount for the State determined under paragraph (2), the Secretary may distribute, to 1 or more other States, at the Secretary's discretion, 1/3 of the amount by which the estimated

cost of the State's applications is less than 3 times the amount for the State determined under paragraph (2).

"(c) TRANSFERS.—

"(1) IN GENERAL.—Subject to subsection (f), notwithstanding any other provision of law, a State and the Secretary may agree to transfer amounts made available to a State under this section to the allocations of the State under section 202 for use in carrying out projects on any Federal lands highway that is located in the State.

"(2) SPECIAL RULE.—This paragraph applies to a State that contains a national park that was visited by more than 2,500,000 people in 1996 and comprises more than 3,000 square miles of land area, including surface water, that is located in the State. For such a State, 50 percent of the amount that would otherwise be made available to the State for each fiscal year under the program under subsection (e) shall be made available only for eligible highway uses in the national park and within the borders of the State. For the purpose of making allocations under section 202(c), the Secretary may not take into account the past or future availability, for use on park roads and parkways in a national park, of

funds made available for use in a national park by this paragraph.

"(d) RIGHTS-OF-WAY ACROSS FEDERAL LAND.—Nothing in this section affects any claim for a right-of-way across Federal land.

"(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section (other than subsection (f)) $74,000,000 for each of fiscal years 1998 through 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1.

"(f) ADDITIONAL AUTHORIZATION OF CONTRACT AUTHORITY FOR STATES WITH INDIAN RESERVATIONS.—

"(1) AVAILABILITY TO STATES.—Not later than October 1 of each fiscal year, funds made available under paragraph (5) for the fiscal year shall be made available by the Secretary, in equal amounts, to each State that has within the boundaries of the State all or part of an Indian reservation having a land area of 10,000,000 acres or more.

"(2) AVAILABILITY TO ELIGIBLE COUNTIES.—

"(A) IN GENERAL.—Each fiscal year, each county that is located in a State to which funds are made available under paragraph (1), and that has in the county a public road described in subparagraph (B), shall be eligible to apply to the State for all or a portion of the funds made available to the State under this subsection to be used by the county to maintain such roads.

"(B) ROADS.—A public road referred to in subparagraph (A) is a public road that—

"(i) is within, adjacent to, or provides access to an Indian reservation described in paragraph (1);

"(ii) is used by a school bus to transport children to or from a school or Head-start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.); and

"(iii) is maintained by the county in which the public road is located.

"(C) ALLOCATION AMONG ELIGIBLE COUNTIES.—

"(i) IN GENERAL.—Except as provided in clause (ii), each State that receives funds under paragraph (1) shall provide directly to each county that applies for funds the

amount that the county requests in the application.

"(ii) ALLOCATION AMONG ELIGIBLE COUNTIES.—If the total amount of funds applied for under this subsection by eligible counties in a State exceeds the amount of funds available to the State, the State shall equitably allocate the funds among the eligible counties that apply for funds.

"(3) SUPPLEMENTARY FUNDING.—For each fiscal year, the Secretary shall ensure that funding made available under this subsection supplements (and does not supplant)—

"(A) any obligation of funds by the Bureau of Indian Affairs for road maintenance programs on Indian reservations; and

"(B) any funding provided by a State to a county for road maintenance programs in the county.

"(4) USE OF UNALLOCATED FUNDS.—Any portion of the funds made available to a State under this subsection that is not made available to counties within 1 year after the funds are made available to the State shall be apportioned among the States in accordance with section 104(b).

"(5) SET-ASIDE.—For each of fiscal years 1998 through 2003, the Secretary shall set aside $1,500,000 from amounts made available under section 541(a) of title 23, United States Code.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 2 of title 23, United States Code, is amended by striking the item relating to section 207 and inserting the following:

"207. Cooperative Federal Lands Transportation Program.".

SEC. 1116. TRADE CORRIDOR AND BORDER CROSSING PLANNING AND BORDER INFRASTRUCTURE.

(a) DEFINITIONS.—In this section:

(1) AFFECTED PORT OF ENTRY.—The term "affected port of entry" means a seaport or airport in any State that demonstrates that the transportation of cargo by rail or motor carrier through the seaport or airport has increased significantly since the date of enactment of the North American Free Trade Agreement Implementation Act (Public Law 103–182).

(2) BORDER STATE.—The term "border State" means a State of the United States that—

(A) is located along the border with Mexico; or

(B) is located along the border with Canada.

(3) BORDER STATION.—The term "border station" means a controlled port of entry into the United States located in the United States at the border with Mexico or Canada, consisting of land occupied by the station and the buildings, roadways, and parking lots on the land.

(4) FEDERAL INSPECTION AGENCY.—The term "Federal inspection agency" means a Federal agency responsible for the enforcement of immigration laws (including regulations), customs laws (including regulations), and agriculture import restrictions, including the United States Customs Service, the Immigration and Naturalization Service, the Animal and Plant Health Inspection Service, the Food and Drug Administration, the United States Fish and Wildlife Service, and the Department of State.

(5) GATEWAY.—The term "gateway" means a grouping of border stations defined by proximity and similarity of trade.

(6) NON-FEDERAL GOVERNMENTAL JURISDICTION.—The term "non-Federal governmental jurisdiction" means a regional, State, or local authority involved in the planning, development, provision, or funding of transportation infrastructure needs.

(b) BORDER CROSSING PLANNING INCENTIVE GRANTS.—

(1) IN GENERAL.—The Secretary shall make incentive grants to States and to metropolitan planning organizations designated under section 134 of title 23, United States Code.

(2) USE OF GRANTS.—The grants shall be used to encourage joint transportation planning activities and to improve people and vehicle movement into and through international gateways as a supplement to statewide and metropolitan transportation planning funding made available under other provisions of this Act and under title 23, United States Code.

(3) CONDITION OF GRANTS.—As a condition of receiving a grant under paragraph (1), a State transportation department or a metropolitan planning organization shall certify to the Secretary that it commits to be engaged in joint planning with its counterpart agency in Mexico or Canada.

(4) LIMITATION ON AMOUNT.—Each State transportation department or metropolitan planning organization may receive not more than $100,000 under this subsection for any fiscal year.

(5) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $1,400,000 for each of fiscal years 1998 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project under this subsection shall be determined in accordance with subsection (f).

(c) TRADE CORRIDOR PLANNING INCENTIVE GRANTS.—

(1) GRANTS.—

(A) IN GENERAL.—The Secretary shall make grants to States to encourage, within the framework of the statewide transportation planning process of the State under section 135 of title 23, United States Code, cooperative multistate corridor analysis of, and planning for, the safe and efficient movement of goods along and within international or interstate trade corridors of national importance and through affected ports of entry.

(B) IDENTIFICATION OF CORRIDORS.—Each corridor and affected port of entry referred to in subparagraph (A) shall be cooperatively identified by the States along the corridor or by the State in which the affected port of entry is located.

(2) CORRIDOR PLANS.—

(A) IN GENERAL.—As a condition of receiving a grant under paragraph (1), a State shall enter into an agreement with the Secretary that specifies that, not later than 2 years after receipt of the grant—

(i) in cooperation with the other States along the corridor, the State will submit a plan for corridor improvements to the Secretary; or

(ii) the State will submit a plan for affected port of entry improvements to the Secretary.

(B) COORDINATION OF PLANNING.—Planning with respect to a corridor under this subsection shall be coordinated with transportation planning being carried out by the States and metropolitan planning organizations along the corridor and, to the extent appropriate, with

transportation planning being carried out by Federal land management agencies, by tribal governments, or by government agencies in Mexico or Canada.

(3) MULTISTATE AGREEMENTS FOR TRADE CORRIDOR PLANNING.—The consent of Congress is granted to any 2 or more States—

(A) to enter into multistate agreements, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of interstate trade corridor planning activities; and

(B) to establish such agencies, joint or otherwise, as the States may determine desirable to make the agreements effective.

(4) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $3,000,000 for each of fiscal years 1998 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds

were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project under this subsection shall be determined in accordance with subsection (f).

(d) FEDERAL ASSISTANCE FOR TRADE CORRIDORS AND BORDER INFRASTRUCTURE SAFETY AND CONGESTION RELIEF.—

(1) APPLICATIONS FOR GRANTS.—The Secretary shall make grants to States or metropolitan planning organizations that submit an application that—

(A) demonstrates need for assistance in carrying out transportation projects that are necessary to relieve traffic congestion or improve enforcement of motor carrier safety laws;

(B) includes strategies to involve both the public and private sectors in the proposed project;

(C) provides for the safe and efficient movement of goods along and within international or interstate trade corridors; and

(D) provides for the continued planning and development of trade corridors.

(2) SELECTION OF STATES, METROPOLITAN PLANNING ORGANIZATIONS, AND PROJECTS TO RECEIVE GRANTS.—Notwithstanding any other provision

of this Act, in selecting States, metropolitan planning organizations, and projects to receive grants under this subsection, the Secretary shall consider—

(A) the extent to which the annual volume of commercial vehicle traffic at the border stations or ports of entry of each State—

(i) has increased since the date of enactment of the North American Free Trade Agreement Implementation Act (Public Law 103–182); and

(ii) is projected to increase in the future;

(B) the extent to which commercial vehicle traffic in each State—

(i) has increased since the date of enactment of the North American Free Trade Agreement Implementation Act (Public Law 103–182); and

(ii) is projected to increase in the future;

(C) the extent of border and affected port of entry or ports of entry transportation improvements carried out by each State since the date of enactment of the North American Free Trade

Agreement Implementation Act (Public Law 103–182);

(D) the extent to which international truck-borne commodities move through each State;

(E) the reduction in commercial and other travel time through a major international gateway or affected port of entry expected as a result of the proposed project including the level of traffic delays at at-grade highway crossings of major rail lines in trade corridors;

(F) the extent of leveraging of Federal funds provided under this subsection, including—

(i) use of innovative financing;

(ii) combination with funding provided under other sections of this Act and title 23, United States Code; and

(iii) combination with other sources of Federal, State, local, or private funding including State, local, and private matching funds;

(G) improvements in vehicle and highway safety and cargo security in and through the gateway or affected port of entry concerned;

(H) the degree of demonstrated coordination with Federal inspection agencies;

(I) the extent to which the innovative and problem solving techniques of the proposed project would be applicable to other border stations or ports of entry;

(J) demonstrated local commitment to implement and sustain continuing comprehensive border or affected port of entry planning processes and improvement programs; and

(K) the value of the cargo carried by commercial vehicle traffic, to the extent that the value of the cargo and congestion impose economic costs on the Nation's economy.

(3) USE OF GRANTS.—

(A) IN GENERAL.—A grant under this subsection shall be used to develop project plans, and implement coordinated and comprehensive programs of projects, to improve efficiency and safety.

(B) TYPE OF PLANS AND PROGRAMS.—The plans and programs may include—

(i) improvements to transport and supporting infrastructure;

(ii) improvements in operational strategies, including electronic data interchange and use of telecommunications to expedite

vehicle and cargo movement including the deployment of technologies to detect and deter illegal narcotic smuggling;

(iii) modifications to regulatory procedures to expedite vehicle and cargo flow;

(iv) new infrastructure construction;

(v) purchase, installation, and maintenance of weigh-in-motion devices and associated electronic equipment in Mexico or Canada if real time data from the devices is provided to the nearest border station and to State commercial vehicle enforcement facilities that serve the border station; and

(vi) other institutional improvements, such as coordination of binational planning, programming, and border operation, with special emphasis on coordination with—

(I) Federal inspection agencies; and

(II) their counterpart agencies in Mexico and Canada.

(4) CONSTRUCTION OF TRANSPORTATION INFRASTRUCTURE FOR LAW ENFORCEMENT PURPOSES.—At the request of the Administrator of General Services,

in consultation with the Attorney General, the Secretary may transfer, during the period of fiscal years 1998 through 2001, not more than $10,000,000 of the amounts made available under paragraph (5) to the Administrator of General Services for the construction of transportation infrastructure necessary for law enforcement in border States.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $125,000,000 for each of fiscal years 1998 through 2003.

(e) COORDINATION OF PLANNING.—

(1) PLANNING AND DEVELOPMENT OF BORDER STATIONS.—The General Services Administration shall be the coordinating Federal agency in the planning and development of new or expanded border stations.

(2) COOPERATIVE ACTIVITIES.—In carrying out paragraph (1), the Administrator of General Services shall cooperate with Federal inspection agencies and non-Federal governmental jurisdictions to ensure that—

(A) improvements to border station facilities take into account regional and local condi-

tions, including the alignment of highway systems and connecting roadways; and

(B) all facility requirements, associated costs, and economic impacts are identified.

(f) COST SHARING.—A grant under this section shall be used to pay the Federal share of the cost of a project. The Federal share shall not exceed 80 percent.

(g) USE OF UNALLOCATED FUNDS.—If the total amount of funds made available from the Highway Trust Fund under this section but not allocated exceeds $4,000,000 as of September 30 of any year, the excess amount—

(1) shall be apportioned in the following fiscal year by the Secretary to all States in accordance with section 104(b)(3) of title 23, United States Code;

(2) shall be considered to be a sum made available for expenditure on the surface transportation program, except that the amount shall not be subject to section 133(d) of that title; and

(3) shall be available for any purpose eligible for funding under section 133 of that title.

SEC. 1117. APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM.

(a) AVAILABILITY, RELEASE, AND REALLOCATION OF FUNDS.—Section 201(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the second sentence, by inserting before the period at the end the following: ", except that each allocation to a State shall remain available for expenditure in the State for the fiscal year in which the allocation is allocated and for the 3 following fiscal years"; and

(2) by inserting after the second sentence the following: "Funds authorized under this section for fiscal year 1998 or a fiscal year thereafter, and not expended by a State during the 4 fiscal years referred to in the preceding sentence, shall be released to the Commission for reallocation and shall remain available until expended.".

(b) SUBSTITUTE CORRIDOR.—Section 201(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(2) by striking "(b) The Commission" and inserting the following:

"(b) DESIGNATIONS.—

"(1) IN GENERAL.—The Commission"; and

(3) by adding at the end the following:

"(2) SUBSTITUTE CORRIDOR.—In lieu of Corridor H in Virginia, the Appalachian development

highway system shall include the Virginia portion of the segment identified in section 1105(c)(29) of the Intermodal Surface Transportation Efficiency Act of 1991 (109 Stat. 597).".

(c) FEDERAL SHARE FOR PREFINANCED PROJECTS.—Section 201(h)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "70 per centum" and inserting "80 percent".

(d) AUTHORIZATION OF CONTRACT AUTHORITY.—Section 201 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking subsection (g) and inserting the following:

"(g) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—

"(A) FISCAL YEARS 1998 THROUGH 2003.—For the continued construction of the Appalachian development highway system approved as of September 30, 1996, in accordance with this section, there shall be available from the Highway Trust Fund (other than the Mass Transit Account) $40,000,000 for each of fiscal years 1998 through 2000, $50,000,000 for fiscal year 2001, $60,000,000 for fiscal year 2002, and $70,000,000 for fiscal year 2003.

"(B) OBLIGATION AUTHORITY.—The Secretary shall provide equivalent amounts of obligation authority for the funds authorized under subparagraph (A).

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share shall be determined in accordance with this section and the funds shall remain available in accordance with subsection (a).".

SEC. 1118. INTERSTATE 4R AND BRIDGE DISCRETIONARY PROGRAM.

(a) IN GENERAL.—Section 104 of title 23, United States Code (as amended by section 1113(c)(1)), is amended by inserting after subsection (j) the following:

"(k) SET-ASIDE FOR INTERSTATE 4R AND BRIDGE PROJECTS.—

"(1) IN GENERAL.—For each of fiscal years 1998 through 2003, before any apportionment is made under subsection (b)(1), the Secretary shall set aside $70,000,000 from amounts to be apportioned under subsection (b)(1)(A), and $70,000,000 from amounts to be apportioned under subsection (b)(1)(B), for allocation by the Secretary—

"(A) for projects for resurfacing, restoring, rehabilitating, or reconstructing any route or portion of a route on the Interstate System (other than any highway designated as a part of the Interstate System under section 103(c)(4) and any toll road on the Interstate System that is not subject to an agreement under section 119(e) (as in effect on December 17, 1991) or an agreement under section 129(a));

"(B) for projects for a highway bridge the replacement, rehabilitation, or seismic retrofit cost of which is more than $10,000,000; and

"(C) for projects for a highway bridge the replacement, rehabilitation, or seismic retrofit cost of which is less than $10,000,000 if the cost is at least twice the amount reserved under section 144(c) by the State in which the bridge is located for the fiscal year in which application is made for an allocation for the bridge under this subsection.

"(2) REQUIRED ALLOCATION.—

"(A) IN GENERAL.—Subject to subparagraph (B), for each of fiscal years 1998 through 2003, the Secretary shall allocate on October 1, for use for highway bridge projects—

"(i) at least $20,000,000 of the amounts set aside under paragraph (1) to any State that—

"(I) is apportioned for fiscal year 1998 under paragraphs (1)(B), (1)(C)(i)(III), and (3)(A)(iii) of subsection (b) an amount that is less than the amount apportioned to the State for the highway bridge replacement and rehabilitation program under section 144 for fiscal year 1997; and

"(II) was apportioned for that program for fiscal year 1997 an amount greater than $125,000,000; and

"(ii) at least $15,000,000 of the amounts set aside under paragraph (1) to any State with respect to which the average service life of the bridges in the State exceeds 46 years as of the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998.

"(B) EXCEPTION.—A State that transferred funds from the highway bridge replacement and rehabilitation program during any of fiscal

years 1995 through 1997 in an amount greater than 10 percent of the apportionments for that program for the fiscal year shall not be eligible for an allocation under subparagraph (A)(i).

"(C) ADDITIONAL ALLOCATION.—An allocation to a State under subparagraph (A) shall be in addition to any allocation to the State under paragraph (1).

"(3) AVAILABILITY TO STATES OF INTERSTATE 4R FUNDS.—The Secretary may grant the application of a State for funds made available for a fiscal year for a project described in paragraph (1)(A) if the Secretary determines that—

"(A) the State has obligated or demonstrates that it will obligate for the fiscal year all of the apportionments to the State under subparagraphs (A) and (B) of subsection (b)(1) other than an amount that, by itself, is insufficient to pay the Federal share of the cost of a project described in paragraph (1)(A) that has been submitted by the State to the Secretary for approval; and

"(B) the State is willing and able to—

"(i) obligate the funds within 1 year after the date on which the funds are made available;

"(ii) apply the funds to a project that is ready to be commenced; and

"(iii) in the case of construction work, begin work within 90 days after the date of obligation of the funds.

"(4) ELIGIBILITY OF CERTAIN BRIDGES.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, any bridge that is owned and operated by an agency that does not have taxing powers and whose functions include operating a federally assisted public transit system subsidized by toll revenues shall be eligible for assistance under this subsection.

"(B) LIMITATION.—The amount of assistance under subparagraph (A) shall not exceed the cumulative amount that the agency has expended for capital and operating costs to subsidize the transit system.

"(C) DETERMINATION BY THE SECRETARY.—Before authorizing an expenditure of funds under this paragraph, the Secretary shall make a determination that the applicant agency

has insufficient reserves, surpluses, and projected revenues (over and above those required for bridge and transit capital and operating costs) to fund the necessary bridge replacement, seismic retrofitting, or rehabilitation project.

"(D) CREDITING OF NON-FEDERAL FUNDS.—Any non-Federal funds expended for the seismic retrofit of the bridge may be credited toward the non-Federal share required as a condition of receipt of any Federal funds for seismic retrofit of the bridge made available after the date of expenditure.

"(5) REQUIRED ALLOCATION FOR CERTAIN STATES.—

"(A) ALLOCATION.—For each of fiscal years 1998 through 2003, the Secretary shall allocate on October 1, to States eligible under subparagraph (B), for use for projects described in paragraph (1), $10,000,000 of the amounts set aside under paragraph (1) from amounts to be apportioned under subsection (b)(1)(A).

"(B) ELIGIBLE STATES.—A State shall be eligible for an allocation under subparagraph (A) for a fiscal year if—

"(i) the State ranks among the lowest 10 percent of States in a ranking of States by per capita personal income;

"(ii) for the State, the ratio that—

"(I) the State's estimated percentage of total Federal-aid highway program apportionments for the period of fiscal years 1998 through 2003 under this title; bears to

"(II) the percentage of estimated total tax receipts attributable to highway users in the State paid into the Highway Trust Fund (other than the Mass Transit Account) for the period of fiscal years 1998 through 2003;

is less than 1.00, as of the date of enactment of this subsection; and

"(iii)(I) the State's estimated percentage of total Federal-aid highway program apportionments for the period of fiscal years 1998 through 2003 under this title, as of the date of enactment of this subsection; is less than

"(II) the State's percentage of total Federal-aid highway program apportion-

ments and Federal lands highways program allocations under the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1914), and allocations under sections 1103 through 1108 of that Act, for the period of fiscal years 1992 through 1997.

"(C) ADDITIONAL ALLOCATION.—An allocation to a State under subparagraph (A) shall be in addition to any allocation to the State under paragraph (1).

"(6) PERIOD OF AVAILABILITY OF DISCRETIONARY FUNDS.—Amounts made available under this subsection shall remain available until expended.".

(b) CONFORMING AMENDMENT.—Section 118 of title 23, United States Code, is amended by striking subsection (c).

SEC. 1119. MAGNETIC LEVITATION TRANSPORTATION TECHNOLOGY DEPLOYMENT PROGRAM.

(a) IN GENERAL.—Chapter 3 of title 23, United States Code, is amended by inserting after section 321 the following:

"§ 322. Magnetic levitation transportation technology deployment program

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE PROJECT COSTS.—The term 'eligible project costs' means the capital cost of the fixed guideway infrastructure of a MAGLEV project, including land, piers, guideways, propulsion equipment and other components attached to guideways, power distribution facilities (including substations), control and communications facilities, access roads, and storage, repair, and maintenance facilities, but not including costs incurred for a new station.

"(2) FULL PROJECT COSTS.—The term 'full project costs' means the total capital costs of a MAGLEV project, including eligible project costs and the costs of stations, vehicles, and equipment.

"(3) MAGLEV.—The term 'MAGLEV' means transportation systems employing magnetic levitation that would be capable of safe use by the public at a speed in excess of 240 miles per hour.

"(4) PARTNERSHIP POTENTIAL.—The term 'partnership potential' has the meaning given the term in the commercial feasibility study of high-speed ground transportation conducted under section 1036 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 1978).

"(b) ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall make available financial assistance to provide the Federal share of full project costs of eligible projects selected under this section.

"(2) FEDERAL SHARE.—The Federal share of full project costs under paragraph (1) shall be not more than ⅔.

"(3) USE OF ASSISTANCE.—Financial assistance provided under paragraph (1) shall be used only to pay eligible project costs of projects selected under this section.

"(c) SOLICITATION OF APPLICATIONS FOR ASSISTANCE.—Not later than 180 days after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998, the Secretary shall solicit applications from States, or authorities designated by 1 or more States, for financial assistance authorized by subsection (b) for planning, design, and construction of eligible MAGLEV projects.

"(d) PROJECT ELIGIBILITY.—To be eligible to receive financial assistance under subsection (b), a project shall—

"(1) involve a segment or segments of a high-speed ground transportation corridor that exhibit partnership potential;

"(2) require an amount of Federal funds for project financing that will not exceed the sum of—

"(A) the amounts made available under subsection (h)(1)(A); and

"(B) the amounts made available by States under subsection (h)(4);

"(3) result in an operating transportation facility that provides a revenue producing service;

"(4) be undertaken through a public and private partnership, with at least ⅓ of full project costs paid using non-Federal funds;

"(5) satisfy applicable statewide and metropolitan planning requirements;

"(6) be approved by the Secretary based on an application submitted to the Secretary by a State or authority designated by 1 or more States;

"(7) to the extent that non-United States MAGLEV technology is used within the United States, be carried out as a technology transfer project; and

"(8) be carried out using materials at least 70 percent of which are manufactured in the United States.

"(e) PROJECT SELECTION CRITERIA.—Prior to soliciting applications, the Secretary shall establish criteria for selecting which eligible projects under subsection (d) will

receive financial assistance under subsection (b). The criteria shall include the extent to which—

"(1) a project is nationally significant, including the extent to which the project will demonstrate the feasibility of deployment of MAGLEV technology throughout the United States;

"(2) timely implementation of the project will reduce congestion in other modes of transportation and reduce the need for additional highway or airport construction;

"(3) States, regions, and localities financially contribute to the project;

"(4) implementation of the project will create new jobs in traditional and emerging industries;

"(5) the project will augment MAGLEV networks identified as having partnership potential;

"(6) financial assistance would foster public and private partnerships for infrastructure development and attract private debt or equity investment;

"(7) financial assistance would foster the timely implementation of a project; and

"(8) life-cycle costs in design and engineering are considered and enhanced.

"(f) PROJECT SELECTION.—

"(1) PRE-CONSTRUCTION PLANNING ACTIVITIES.—

"(A) Not later than 90 days after a deadline established by the Secretary for the receipt of applications, the Secretary shall evaluate the eligible projects in accordance with the selection criteria and select one or more eligible projects to receive financial assistance for pre-construction planning activities, including—

"(i) preparation of feasibility studies, major investment studies, and environmental impact statements and assessments as are required under State law;

"(ii) pricing of the final design, engineering, and construction activities proposed to be assisted under paragraph (2); and

"(iii) such other activities as are necessary to provide the Secretary with sufficient information to evaluate whether a project should receive financial assistance for final design, engineering, and construction activities under paragraph (2).

"(B) Notwithstanding subsection (a)(1) of this section, eligible project costs shall include the cost of pre-construction planning activities.

"(2) FINAL DESIGN, ENGINEERING, AND CONSTRUCTION ACTIVITIES.—After completion of pre-construction planning activities for all projects assisted under paragraph (1), the Secretary shall select one of the projects to receive financial assistance for final design, engineering, and construction activities.

"(g) JOINT VENTURES.—A project undertaken by a joint venture of United States and non-United States persons (including a project involving the deployment of non-United States MAGLEV technology in the United States) shall be eligible for financial assistance under this section if the project is eligible under subsection (d) and selected under subsection (f).

"(h) FUNDING.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(i) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for fiscal

year 1999 and $20,000,000 for fiscal year 2000.

"(ii) CONTRACT AUTHORITY.—Funds authorized under this subparagraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(I) the Federal share of the cost of a project carried out under this section shall be determined in accordance with subsection (b); and

"(II) the availability of the funds shall be determined in accordance with paragraph (2).

"(B) AUTHORIZATION OF APPROPRIATIONS.—

"(i) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $200,000,000 for each of fiscal years 2000 and 2001, $250,000,000 for fiscal year 2002, and $300,000,000 for fiscal year 2003.

"(ii) AVAILABILITY.—Notwithstanding section 118(a), funds made available under clause (i) shall not be available in advance of an annual appropriation.

"(2) AVAILABILITY OF FUNDS.—Funds made available under paragraph (1) shall remain available until expended.

"(3) OTHER FEDERAL FUNDS.—Notwithstanding any other provision of law, funds made available to a State to carry out the surface transportation program under section 133 and the congestion mitigation and air quality improvement program under section 149 may be used by the State to pay a portion of the full project costs of an eligible project selected under this section, without requirement for non-Federal funds.

"(4) OTHER ASSISTANCE.—Notwithstanding any other provision of law, an eligible project selected under this section shall be eligible for other forms of financial assistance provided under this title and the Transportation Infrastructure Finance and Innovation Act of 1998, including loans, loan guarantees, and lines of credit.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 3 of title 23, United States Code, is amended by inserting after the item relating to section 321 the following:

"322. Magnetic levitation transportation technology deployment program.".

SEC. 1120. WOODROW WILSON MEMORIAL BRIDGE.

(a) DEFINITIONS.—Section 404 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 628) is amended—

(1) in paragraph (3), by striking ", including approaches thereto"; and

(2) in paragraph (5), by striking "to be determined under section 407. Such" and all that follows and inserting the following: "as described in the record of decision executed by the Secretary in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The term includes ongoing short-term rehabilitation and repairs to the Bridge.".

(b) OWNERSHIP OF BRIDGE.—

(1) CONVEYANCE BY THE SECRETARY.—Section 407(a)(1) of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 630) is amended by inserting "or any Capital Region jurisdiction" after "Authority" each place it appears.

(2) AGREEMENT.—Section 407 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109

Stat. 630) is amended by striking subsection (c) and inserting the following:

"(c) AGREEMENT.—

"(1) IN GENERAL.—The agreement referred to in subsection (a) is an agreement concerning the Project that is executed by the Secretary and the Authority or any Capital Region jurisdiction that accepts ownership of the Bridge.

"(2) TERMS OF THE AGREEMENT.—The agreement shall—

"(A) identify whether the Authority or a Capital Region jurisdiction will accept ownership of the Bridge;

"(B) contain a financial plan satisfactory to the Secretary, which shall be prepared before the execution of the agreement, that specifies—

"(i) the total cost of the Project, including any cost-saving measures;

"(ii) a schedule for implementation of the Project, including whether any expedited design and construction techniques will be used; and

"(iii) the sources of funding that will be used to cover any costs of the Project not

funded from funds made available under section 412;

"(C) require that—

"(i)(I) the Project include not more than 12 traffic lanes, of which 2 lanes shall be exclusively for use by high occupancy vehicles, express buses, or rail transit; and

"(II) the design, construction, and operation of the Project reflect the requirements of subclause (I);

"(ii) all provisions described in the environmental impact statement for the Project or the record of decision for the Project (including in the attachments to the statement and record) for mitigation of environmental and other impacts of the Project be implemented; and

"(iii) the Authority and the Capital Region jurisdictions develop a process to fully integrate affected local governments, on an ongoing basis, in the process of carrying out the engineering, design, and construction phases of the project, including planning for implementing the provisions described in clause (ii); and

"(D) contain such other terms and conditions as the Secretary determines to be appropriate.".

(c) FEDERAL CONTRIBUTION.—The Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 627) is amended by adding at the end the following:

"SEC. 412. FEDERAL CONTRIBUTION.

"(a) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) $100,000,000 for fiscal year 1998, $100,000,000 for fiscal year 1999, $125,000,000 for fiscal year 2000, $175,000,000 for fiscal year 2001, $200,000,000 for fiscal year 2002, and $200,000,000 for fiscal year 2003, to pay the costs of planning, preliminary engineering and design, final engineering, acquisition of rights-of-way, and construction of the Project, except that the costs associated with the Bridge shall be given priority over other eligible costs, other than design costs, of the Project.

"(2) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that—

"(A) the funds shall remain available until expended;

"(B) the Federal share of the cost of the Bridge component of the Project shall not exceed 100 percent; and

"(C) the Federal share of the cost of any other component of the Project shall not exceed 80 percent.

"(b) USE OF APPORTIONED FUNDS.—Nothing in this title limits the authority of any Capital Region jurisdiction to use funds apportioned to the jurisdiction under paragraph (1) or (3) of section 104(b) of title 23, United States Code, in accordance with the requirements for such funds, to pay any costs of the Project.

"(c) AVAILABILITY OF APPORTIONED FUNDS.—None of the funds made available under this section shall be available before the execution of the agreement described in section 407(c), except that the Secretary may fund the maintenance and rehabilitation of the Bridge and the design of the Project.".

(d) CONFORMING AMENDMENT.—Section 405(b)(1) of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 629) is amended by striking "the Signatories as to the Federal share of the cost of the Project and

the terms and conditions related to the timing of the transfer of the Bridge to".

SEC. 1121. NATIONAL HIGHWAY SYSTEM COMPONENTS.

The National Highway System consists of the routes and transportation facilities depicted on the map submitted by the Secretary to Congress with the report entitled "Pulling Together: The National Highway System and its Connections to Major Intermodal Terminals" and dated May 24, 1996.

SEC. 1122. HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION.

(a) IN GENERAL.—Section 144 of title 23, United States Code, is amended—

*(1) in the section heading, by striking "**program**";*

(2) by striking subsections (a) through (n), (p), and (q);

(3) by inserting after the section heading the following:

"(a) DEFINITION OF REHABILITATE.—In this section, the term 'rehabilitate' (in any of its forms), with respect to a bridge, means to carry out major work necessary—

"(1) to address the structural deficiencies, functional obsolescence, or physical deterioration of the bridge; or

"(2) to correct a major safety defect of the bridge, including seismic retrofitting.

"(b) BRIDGE INVENTORY.—

"(1) IN GENERAL.—In consultation with the States, the Secretary shall—

"(A) annually inventory all highway bridges on public roads that cross waterways, other topographical barriers, other highways, and railroads;

"(B) classify each such bridge according to serviceability, safety, and essentiality for public use; and

"(C) assign each such bridge a priority for replacement or rehabilitation based on the classification under subparagraph (B).

"(2) CONSULTATION.—In preparing an inventory of highway bridges on Indian reservation roads and park roads under paragraph (1), the Secretary shall consult with the Secretary of the Interior and the States.

"(3) INVENTORY OF HISTORICAL BRIDGES.—At the request of a State, the Secretary may inventory highway bridges on public roads for historical significance.

"(c) CERTIFICATION BY THE STATE.—Not later than 180 days after the end of each fiscal year beginning with fiscal year 1998, each State shall certify to the Secretary, either that—

"(1) the State has reserved, from funds apportioned to the State for the preceding fiscal year, to carry out bridge projects eligible under sections 103(b)(5), 119, and 133(b), an amount that is not less than the amount apportioned to the State under this section for fiscal year 1997; or

"(2) the amount that the State will reserve, from funds apportioned to the State for the period consisting of fiscal years 1998 through 2001, to carry out bridge projects eligible under sections 103(b)(5), 119, and 133(b), will be not less than 4 times the amount apportioned to the State under this section for fiscal year 1997.

"(d) USE OF RESERVED FUNDS.—A State may use funds reserved under subsection (c) to replace, rehabilitate, reconstruct, seismically retrofit, paint, apply calcium magnesium acetate to, apply sodium acetate/formate deicer to, or install scour countermeasures on a highway bridge on a public road that crosses a waterway, other topographical barrier, other highway, or railroad.

"(e) OFF-SYSTEM BRIDGES.—

"(1) REQUIRED EXPENDITURE.—For each fiscal year, an amount equal to not less than 15 percent of the amount apportioned to a State under this section for fiscal year 1997 shall be expended by the State for projects to replace, rehabilitate, reconstruct, seismically retrofit, paint, apply calcium magnesium acetate to, apply sodium acetate/formate deicer to, or install scour countermeasures on highway bridges located on public roads that are functionally classified as local roads or rural minor collectors.

"(2) USE OF FUNDS TO MEET REQUIRED EXPENDITURE.—Funds reserved under subsection (c) and funds made available under section 104(b)(1) for the National Highway System or under section 104(b)(3) for the surface transportation program may be used to meet the requirement for expenditure under paragraph (1).

"(3) REDUCTION OF REQUIRED EXPENDITURE.—After consultation with local and State officials in a State, the Secretary may, with respect to the State, reduce the requirement for expenditure under paragraph (1) if the Secretary determines that the State has inadequate needs to justify the expenditure.

"(f) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be as determined under section 120(b).

"(g) BRIDGE PERMIT EXEMPTION.—

"(1) IN GENERAL.—Subject to paragraph (2), notwithstanding any other provision of law, the General Bridge Act of 1946 (33 U.S.C. 525 et seq.) shall apply to each bridge authorized to be replaced, in whole or in part, under this section.

"(2) EXCEPTION.—Section 502(b) of the General Bridge Act of 1946 (33 U.S.C. 525(b)) and section 9 of the Act of March 3, 1899 (30 Stat. 1151, chapter 425; 33 U.S.C. 401), shall not apply to any bridge constructed, reconstructed, rehabilitated, or replaced with assistance under this title if the bridge is over waters that are—

"(A) not used and not susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate or foreign commerce; and

"(B)(i) not tidal; or

"(ii) tidal but used only by recreational boating, fishing, and other small vessels that are less than 21 feet in length.

"(h) INDIAN RESERVATION ROAD BRIDGES.—

"(1) NATIONWIDE PRIORITY PROGRAM.—The Secretary shall establish a nationwide priority program for improving deficient Indian reservation road bridges.

"(2) RESERVATION OF FUNDS.—

"(A) IN GENERAL.—Of the amounts authorized for Indian reservation roads for each fiscal year, the Secretary, in cooperation with the Secretary of the Interior, shall reserve not less than $9,000,000 for projects to replace, rehabilitate, seismically retrofit, paint, apply calcium magnesium acetate to, apply sodium acetate/formate deicer to, or install scour countermeasures for deficient Indian reservation road bridges, including multiple-pipe culverts.

"(B) ELIGIBLE BRIDGES.—To be eligible to receive funding under this subsection, a bridge described in subparagraph (A) must—

"(i) have an opening of 20 feet or more;

"(ii) be on an Indian reservation road;

"(iii) be unsafe because of structural deficiencies, physical deterioration, or functional obsolescence; and

"(iv) be recorded in the national bridge inventory administered by the Secretary under subsection (b).

"(3) APPROVAL REQUIREMENT.—Funds to carry out Indian reservation road bridge projects under this subsection shall be made available only on approval of plans, specifications, and estimates by the Secretary.";

(4) by redesignating subsection (o) as subsection (i); and

(5) in subsection (i) (as so redesignated)—

(A) in paragraph (1), by inserting "for alternative transportation purposes (including bikeway and walkway projects eligible for funding under this title)" after "adaptive reuse";

(B) in paragraph (3)—

(i) by inserting "(regardless of whether the intended use is for motorized vehicular traffic or for alternative public transportation purposes)" after "intended use"; and

(ii) by inserting "or for alternative public transportation purposes" after "no longer used for motorized vehicular traffic"; and

(C) in the second sentence of paragraph (4)—

(i) by inserting "for motorized vehicles, alternative vehicular traffic, or alternative public transportation" after "historic bridge"; and

(ii) by striking "up to an amount not to exceed the cost of demolition".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 144 and inserting the following:

"144. Highway bridge replacement and rehabilitation.".

SEC. 1123. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) ESTABLISHED PROGRAM.—Section 149(a) of title 23, United States Code, is amended by striking "ESTABLISHMENT.—The Secretary shall establish" and inserting "IN GENERAL.—The Secretary shall carry out".

(b) ELIGIBLE PROJECTS.—Section 149(b) of title 23, United States Code, is amended in the first sentence—

(1) by striking "that was designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) during any part of fiscal year 1994" and inserting "that is designated as a nonattainment area under section 107(d) of the Clean

Air Act (42 U.S.C. 7407(d)) and classified under section 181(a) or 186(a) of the Clean Air Act (42 U.S.C. 7511(a), 7512(a)) or classified as a submarginal ozone nonattainment area under that Act, or if the project or program is for a maintenance area,";

(2) in paragraph (1)—

(A) in subparagraph (A), by striking "clauses (xii) and" and inserting "clause"; and

(B) in subparagraph (B), by striking "such section" and inserting "section 108(f)(1)(A) (other than clause (xvi)) of the Clean Air Act (42 U.S.C. 7408(f)(1)(A))";

(3) in paragraph (2), by inserting "or maintenance" after "State implementation";

(4) in paragraph (3), by inserting "or maintenance of the standard" after "standard"; and

(5) in paragraph (4), by inserting "or maintenance" after "attainment".

(c) STATES RECEIVING MINIMUM APPORTIONMENT.—Section 149 of title 23, United States Code, is amended by striking subsection (c) and inserting the following:

"(c) STATES RECEIVING MINIMUM APPORTIONMENT.—

"(1) STATES WITHOUT A NONATTAINMENT AREA.—If a State does not have, and never has had,

a nonattainment area designated under the Clean Air Act (42 U.S.C. 7401 et seq.), the State may use funds apportioned to the State under section 104(b)(2) for any project eligible under the surface transportation program under section 133.

"(2) STATES WITH A NONATTAINMENT AREA.—If a State has a nonattainment area or maintenance area and receives funds under section 104(b)(2)(D) above the amount of funds that the State would have received based on its nonattainment and maintenance area population under subparagraphs (B) and (C) of section 104(b)(2), the State may use that portion of the funds not based on its nonattainment and maintenance area population under subparagraphs (B) and (C) of section 104(b)(2) for any project in the State eligible under section 133.".

(d) FEDERAL SHARE.—Section 120(c) of title 23, United States Code, is amended in the first sentence by striking "The" and inserting "Except in the case of a project funded from sums apportioned under section 104(b)(2), the".

(e) CONFORMING AMENDMENTS.—

(1) Section 101(a) of title 23, United States Code, is amended by inserting after the undesignated paragraph defining "maintenance" the following:

"The term 'maintenance area' means an area that was designated as a nonattainment area, but was later redesignated by the Administrator of the Environmental Protection Agency as an attainment area, under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)).".

(2) Section 149(b)(1)(A)(ii) of title 23, United States Code, is amended by striking "an area" and all that follows and inserting "a maintenance area; or".

SEC. 1124. SAFETY BELT USE LAW REQUIREMENTS.

Section 355 of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended—

*(1) in the section heading, by striking "**AND MAINE**";*

(2) in subsection (a)—

(A) by striking "States of New Hampshire and Maine shall each" and inserting "State of New Hampshire shall"; and

(B) in paragraph (1), by striking "and 1996" and inserting "through 2000"; and

(3) by striking "or Maine" each place it appears.

SEC. 1125. SENSE OF THE SENATE CONCERNING RELIANCE ON PRIVATE ENTERPRISE.

(a) IN GENERAL.—It is the sense of the Senate that each agency authorized to expend funds made available

under this Act, or an amendment made by this Act, or a recipient of any form of a grant or other Federal assistance under this Act, or an amendment made by this Act—

(1) should, in expending the funds or assistance, rely on entities in the private enterprise system to provide such goods and services as are reasonably and expeditiously available through ordinary business channels; and

(2) shall not duplicate or compete with entities in the private enterprise system.

(b) PROCEDURES.—The Secretary should provide procedures to inform each agency that administers this Act and each recipient of a grant or other Federal assistance of the sense of the Senate expressed in subsection (a).

SEC. 1126. STUDY OF USE OF UNIFORMED POLICE OFFICERS ON FEDERAL-AID HIGHWAY CONSTRUCTION PROJECTS.

(a) IN GENERAL.—In consultation with the States and State transportation departments, the Secretary shall conduct a study on the extent and effectiveness of use by States of uniformed police officers on Federal-aid highway construction projects.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under

subsection (a), including any legislative and administrative recommendations of the Secretary.

SEC. 1127. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

Section 112(b)(2) of title 23, United States Code, is amended—

(1) in subparagraph (B)(i), by striking ", except to" and all that follows through "services";

(2) by striking subparagraph (C) and inserting the following:

"(C) SELECTION, PERFORMANCE, AND AUDITS.—

"(i) IN GENERAL.—All requirements for architectural, engineering, and related services at any phase of a highway project funded in whole or in part with Federal-aid highway funds, or reasonably expected or intended to be part of 1 or more such projects, shall be performed under a contract awarded in accordance with subparagraph (A) unless the simplified acquisition procedures of the Federal Acquisition Regulations apply.

"(ii) PROHIBITION ON STATE RESTRICTION.—A State shall not impose any over-

head restriction, or salary limitation inconsistent with the Federal Acquisition Regulations, that would preclude any qualified firm from being eligible to compete for contracts awarded in accordance with subparagraph (A).

"(iii) COMPLIANCE WITH FEDERAL ACQUISITION REGULATIONS.—The process for selection, award, performance, administration, and audit of the resulting contracts shall comply with the procedures, cost principles, and cost accounting principles of the Federal Acquisition Regulations, including parts 30, 31, and 36 of the Regulations."; and

(3) by adding at the end the following:

"(H) COMPLIANCE.—

"(i) IN GENERAL.—A State shall comply with the qualifications-based selection procedures of the Federal Acquisition Regulations, and the single audit procedures required under this paragraph, or with an existing State law or a statute enacted in accordance with the legislative session exemption under subparagraph (G), with respect

to any architecture, engineering, or related service contract for any phase of a Federal-aid highway project.

"(ii) STATES WITH ALTERNATIVE PROCESS.—Any State that, after November 28, 1995, enacted legislation to establish an alternative State procedure as a substitute for the contract administration and audit procedures required under this paragraph or was granted a waiver under subparagraph (G) shall submit the legislation to the Secretary, not later than 60 days after the date of enactment of this subparagraph, for certification that the State legislation is in compliance with the statutory timetable and substantive criteria specified in subparagraph (G).".

SEC. 1128. ADDITIONAL FUNDING.

(a) IN GENERAL.—

(1) APPORTIONMENT.—On October 1, or as soon as practicable thereafter, of each fiscal year, after making apportionments and allocations under sections 104 and 105(a) of title 23, United States Code, and section 1102(c) of this Act, the Secretary shall apportion, in accordance with paragraph (2), the

funds made available by paragraph (3) among the States in the ratio that—

(A) the total of the apportionments to each State under section 104 of title 23, United States Code, and section 1102(c) of this Act and the allocations to each State under section 105(a) of that title (excluding amounts made available under this section); bears to

(B) the total of all apportionments to all States under section 104 of that title and section 1102(c) of this Act and all allocations to all States under section 105(a) of that title (excluding amounts made available under this section).

(2) DISTRIBUTION AMONG CATEGORIES.—

(A) LIMITED FLEXIBLE FUNDING FOR CERTAIN STATES.—For each fiscal year, in the case of each State that does not receive funding under subsection (c) or an allocation under subsection (d), an amount equal to 22 percent of the funds apportioned to the State under paragraph (1) shall be set aside for use by the State for any purpose eligible for funding under title 23, United States Code, or this Act.

(B) DISTRIBUTION OF REMAINING FUNDS.—

(i) IN GENERAL.—For each fiscal year, after application of subparagraph (A), the remaining funds apportioned to each State under paragraph (1) shall be apportioned in accordance with clause (ii) among the following categories:

(I) The Interstate maintenance component of the Interstate and National Highway System program under section 104(b)(1)(A) of title 23, United States Code.

(II) The Interstate bridge component of the Interstate and National Highway System program under section 104(b)(1)(B) of that title.

(III) The National Highway System component of the Interstate and National Highway System program under section 104(b)(1)(C) of that title.

(IV) The congestion mitigation and air quality improvement program under section 104(b)(2) of that title.

(V) The surface transportation program under section 104(b)(3) of that title.

(VI) Metropolitan planning under section 104(f) of that title.

(VII) Minimum guarantee under section 105 of that title.

(VIII) ISTEA transition under section 1102(c) of this Act.

(ii) DISTRIBUTION FORMULA.—For each State and each fiscal year, the amount of funds apportioned for each category under clause (i) shall be equal to the product obtained by multiplying—

(I) the amount of funds apportioned to the State for the fiscal year under paragraph (1); by

(II) the ratio that—

(aa) the amount of funds apportioned to the State for the category for the fiscal year under the other sections of this Act and the amendments made by this Act; bears to

(bb) the total amount of funds apportioned to the State for all of the categories for the fiscal year under the other sections of

this Act and the amendments made by this Act.

(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $640,000,000 for fiscal year 1998, $3,346,000,000 for fiscal year 1999, $3,634,000,000 for fiscal year 2000, $3,881,000,000 for fiscal year 2001, $3,831,000,000 for fiscal year 2002, and $3,603,000,000 for fiscal year 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(b) OTHER ADJUSTMENTS.—

(1) IN GENERAL.—Notwithstanding sections 1116, 1117, and 1118, and the amendments made by those sections—

(A) in addition to the amounts authorized to be appropriated under section 1116(d)(5), there shall be available from the Highway Trust

Fund (other than the Mass Transit Account) to carry out section 1116(d) $90,000,000 for each of fiscal years 1999 through 2003; and

(B) in addition to the funds made available under the amendment made by section 1117(d), there shall be available from the Highway Trust Fund (other than the Mass Transit Account) in the manner described in, and to carry out the purposes specified in, that amendment $378,000,000 for each of fiscal years 1999 through 2003, except that the funds made available under this subparagraph, notwithstanding section 118(e)(1)(C)(v) of title 23, United States Code, and section 201(g)(1)(B) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.), shall be subject to subparagraphs (A) and (B) of section 118(e)(1) of that title.

(2) CONTRACT AUTHORITY.—Funds authorized under subparagraphs (A) and (B) of paragraph (1) shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(3) LIMITATION.—No obligation authority shall be made available for any amounts authorized under this subsection for any fiscal year for which any obli-

gation limitation established for Federal-aid highways is less than the obligation limitation established for fiscal year 1998.

(c) HIGH DENSITY TRANSPORTATION PROGRAM.—

(1) IN GENERAL.—There is established the high density transportation program (referred to in this subsection as the "program") to provide funding to States that have higher-than-average population density.

(2) DETERMINATIONS.—

(A) IN GENERAL.—On October 1, or as soon as practicable thereafter, of each of fiscal years 1999 through 2003, the Secretary shall determine for each State and the fiscal year—

(i) the population density of the State;

(ii) the total vehicle miles traveled on lanes on Federal-aid highways in the State during the latest year for which data are available;

(iii) the ratio that—

(I) the total lane miles on Federal-aid highways in urban areas in the State; bears to

(II) the total lane miles on all Federal-aid highways in the State; and

(iv) the quotient obtained by dividing—

(I) the sum of—

(aa) the amounts apportioned to the State under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program;

(bb) the amounts allocated to the State under the minimum guarantee program under section 105 of that title; and

(cc) the amounts apportioned to the State under section 1102(c) of this Act for ISTEA transition; by

(II) the population of the State (as determined based on the latest available annual estimates prepared by the Secretary of Commerce).

(B) NATIONAL AVERAGE.—Using the data determined under subparagraph (A), the Secretary shall determine the national average with respect to each of the factors described in clauses (i) through (iv) of subparagraph (A).

(3) ELIGIBILITY CRITERIA.—A State shall be eligible to receive funding under the program if—

(A) the amount determined for the State under paragraph (2)(A) with respect to each factor described in clauses (i) through (iii) of paragraph (2)(A) is greater than the national average with respect to the factor determined under paragraph (2)(B); and

(B) the amount determined for the State with respect to the factor described in paragraph (2)(A)(iv) is less than 85 percent of the national average with respect to the factor determined under paragraph (2)(B).

(4) DISTRIBUTION OF FUNDS.—

(A) AVAILABILITY TO STATES.—For each fiscal year, except as provided in subparagraph (D), each State that meets the eligibility criteria under paragraph (3) shall receive a portion of the funds made available to carry out the program that is—

(i) not less than $36,000,000; but

(ii) not more than 15 percent of the funds.

(B) STATE NOTIFICATION.—On October 1, or as soon as practicable thereafter, of each fiscal year, the Secretary shall notify each State that meets the eligibility criteria under paragraph (3) that the State is eligible to apply for funding under the program.

(C) PROJECT PROPOSALS.—

(i) SUBMISSION.—

(I) IN GENERAL.—After receipt of a notification of eligibility under subparagraph (B), to receive funds under the program, a State, in consultation with the appropriate metropolitan planning organizations, shall submit to the Secretary proposals for projects aimed at improving mobility in densely populated areas where traffic loads and highway maintenance costs are high.

(II) TOTAL COST OF PROJECTS.—The estimated total cost of the projects proposed by each State shall be equal

to at least 3 times the amount that the State is eligible to receive under subparagraph (A).

(ii) SELECTION.—The Secretary shall select projects for funding under the program based on factors determined by the Secretary to reflect the degree to which a project will improve mobility in densely populated areas where traffic loads and highway maintenance costs are high.

(iii) DEADLINES.—The Secretary may establish deadlines for States to submit project proposals, except that in the case of fiscal year 1998 the deadline may not be earlier than July 1, 1998.

(D) REDISTRIBUTION OF FUNDS.—For each fiscal year, if a State does not have pending, by the deadline established under subparagraph (C)(iii), applications for projects with an estimated total cost equal to at least 3 times the amount that the State is eligible to receive under subparagraph (A), the Secretary may redistribute, to 1 or more other States, at the Secretary's discretion, ⅓ of the amount by which the estimated cost of the State's applications is less than

3 times the amount that the State is eligible to receive.

(5) OTHER ELIGIBLE STATES.—In addition to States that meet the eligibility criteria under paragraph (3), a State with respect to which the following conditions are met shall also be eligible for the funds made available to carry out the program that remain after each State that meets the eligibility criteria under paragraph (3) has received the minimum amount of funds specified in paragraph (4)(A)(i):

(A) POPULATION DENSITY.—The population density of the State is at least 50 percent greater than the population density of the United States (as determined on the basis of the 1990 Federal census).

(B) THROUGH TRUCK TRAFFIC.—The quotient obtained by dividing—

(i) the annual quantity of through truck ton-miles in the State (as determined based on the latest available estimates published by the Secretary); by

(ii) the annual quantity of total truck ton-miles in the State (as determined based on the latest available estimates published by the Secretary);

is greater than 0.60.

(6) ADDITIONAL ELIGIBLE STATES.—In addition to States that meet the eligibility criteria under paragraph (3), a State with respect to which the following conditions are met shall also be eligible for the funds made available to carry out the program that remain after each State that meets the eligibility criteria under paragraph (3) has received the minimum amount of funds specified in paragraph (4)(A)(i):

(A) POPULATION DENSITY.—The population density of the State is greater than 161 individuals per square mile.

(B) VEHICLE MILES TRAVELED.—The amount determined for the State under paragraph (2)(A) with respect to the factor described in paragraph (2)(A)(ii) is greater than the national average with respect to the factor determined under paragraph (2)(B).

(C) URBAN FEDERAL-AID LANE MILES.—The ratio that—

(i) the total lane miles on Federal-aid highways in urban areas in the State; bears to

(ii) the total lane miles on all Federal-aid highways in the State;

is greater than or equal to 0.26.

(D) APPORTIONMENTS PER CAPITA.—The amount determined for the State with respect to the factor described in paragraph (2)(A)(iv) is less than 85 percent of the national average with respect to the factor determined under paragraph (2)(B).

(7) ELIGIBLE PROJECTS.—Funds made available to carry out the program may be used for any project eligible for funding under title 23, United States Code, or this Act.

(8) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $360,000,000 for each of fiscal years 1999 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(9) LIMITATIONS.—

(A) APPLICABILITY OF OBLIGATION LIMITATIONS.—Funds made available under this subsection shall be subject to subparagraphs (A) and (B) of section 118(e)(1) of that title.

(B) LIMITATION ON AVAILABILITY.—No obligation authority shall be made available for any amounts authorized under this subsection for any fiscal year for which any obligation limitation established for Federal-aid highways is less than the obligation limitation established for fiscal year 1998.

(d) BONUS PROGRAM.—

(1) IN GENERAL.—For each of fiscal years 1998 through 2003, after making apportionments and allocations under section 1102 and the amendments made by that section, the Secretary shall allocate to each of the States listed in the following table the amount specified for the State in the following table:

State	Fiscal Year (amounts in thousands of dollars)					
	1998	1999	2000	2001	2002	2003
Alabama	$4,969	$11,021	$11,093	$11,169	$11,253	$11,352
Arizona	$3,864	$14,418	$14,474	$14,533	$14,598	$14,676
California	$10,353	$47,050	$48,691	$48,094	$39,345	$35,119
Florida	$11,457	$30,175	$30,342	$30,518	$30,710	$30,940
Georgia	$8,723	$19,347	$19,474	$19,608	$19,754	$19,930
Illinois	$8,277	$21,800	$21,921	$22,048	$22,187	$22,353
Indiana	$6,052	$22,580	$22,668	$22,761	$22,862	$22,984
Kentucky	$4,316	$9,573	$9,636	$9,703	$9,775	$9,862

State	Fiscal Year (amounts in thousands of dollars)					
	1998	1999	2000	2001	2002	2003
Maryland	$3,749	$4,202	$4,257	$4,314	$4,377	$4,452
Michigan	$7,849	$29,286	$29,400	$29,521	$29,652	$29,810
North Carolina	$7,032	$15,597	$15,700	$15,808	$15,925	$16,067
Ohio	$8,567	$9,601	$9,726	$9,858	$10,001	$10,173
Pennsylvania	$5,409	$4,174	$60	$0	$0	$0
South Carolina	$3,953	$12,966	$13,023	$13,084	$13,150	$13,230
Tennessee	$5,631	$12,490	$12,572	$12,658	$12,752	$12,866
Texas	$17,129	$63,908	$64,157	$64,421	$64,707	$65,052
Virginia	$6,368	$14,124	$14,217	$14,315	$14,421	$14,549
Wisconsin	$4,520	$16,864	$16,929	$16,999	$17,075	$17,165

(2) ELIGIBLE PURPOSES.—Amounts allocated under paragraph (1) shall be available for any purpose eligible for funding under title 23, United States Code, or this Act.

(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this subsection.

(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(4) LIMITATIONS.—

(A) APPLICABILITY OF OBLIGATION LIMITATIONS.—Funds made available under this subsection shall be subject to subparagraphs (A) and (B) of section 118(e)(1) of that title.

(B) LIMITATION ON AVAILABILITY.—No obligation authority shall be made available for any amounts authorized under this subsection for any fiscal year for which any obligation limitation established for Federal-aid highways is less than the obligation limitation established for fiscal year 1998.

(e) FEDERAL LANDS HIGHWAYS PROGRAM.—

(1) IN GENERAL.—In addition to the amounts made available under section 1101(4), there shall be available from the Highway Trust Fund (other than the Mass Transit Account)—

(A) for Indian reservation roads under section 204 of title 23, United States Code, $50,000,000 for each of fiscal years 1999 through 2003;

(B) for parkways and park roads under section 204 of title 23, United States Code, $70,000,000 for each of fiscal years 1999 through 2003, of which $20,000,000 for each fiscal year shall be available to maintain and improve pub-

lic roads that provide access to or within units of the National Wildlife Refuge System; and

(C) for public lands highways under section 204 of title 23, United States Code, $50,000,000 for each of fiscal years 1999 through 2003.

(2) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this subsection.

(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(3) LIMITATIONS.—

(A) APPLICABILITY OF OBLIGATION LIMITATIONS.—Funds made available under this subsection shall be subject to subparagraphs (A) and (B) of section 118(e)(1) of that title.

(B) LIMITATION ON AVAILABILITY.—No obligation authority shall be made available for any amounts authorized under this subsection for any fiscal year for which any obligation lim-

itation established for Federal-aid highways is less than the obligation limitation established for fiscal year 1998.

(f) PREFERENCE IN INTERSTATE 4R AND BRIDGE DISCRETIONARY PROGRAM ALLOCATIONS.—In allocating funds under section 104(k) of title 23, United States Code, the Secretary shall give preference to States—

(1)(A) with respect to which at least 40 percent of the bridges in the State are functionally obsolete and structurally deficient; and

(B) that do not receive assistance made available under subsection (b)(1)(B) or funding under subsection (c); or

(2) that are bordered by 2 navigable rivers listed under section 1804 of title 33, United States Code, that each comprise at least 10 percent of the boundary of the State.

(g) ADDITIONAL ALLOCATIONS.—

(1) IN GENERAL.—For each of fiscal years 1999 through 2003, after making apportionments and allocations under sections 104 and 105(a) of title 23, United States Code, and section 1102(c) of this Act, the Secretary shall allocate to each of the following States the following amount specified for the State:

(A) Arizona: $7,016,000.

(B) Indiana: $9,290,000.

(C) Michigan: $11,158,000.

(D) Oklahoma: $6,924,000.

(E) South Carolina: $7,109,000.

(F) Texas: $20,804,000.

(G) Wisconsin: $7,699,000.

(2) ELIGIBLE PURPOSES.—Amounts allocated under paragraph (1) shall be available for any purpose eligible for funding under title 23, United States Code, or this Act.

(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this subsection.

(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(4) LIMITATIONS.—

(A) APPLICABILITY OF OBLIGATION LIMITATIONS.—Funds made available under this sub-

section shall be subject to subparagraphs (A) and (B) of section 118(e)(1) of that title.

(B) LIMITATION ON AVAILABILITY.—No obligation authority shall be made available for any amounts authorized under this subsection for any fiscal year for which any obligation limitation established for Federal-aid highways is less than the obligation limitation established for fiscal year 1998.

SEC. 1129. AMBASSADOR BRIDGE ACCESS, DETROIT, MICHIGAN.

(a) IN GENERAL.—Notwithstanding section 129 of title 23, United States Code, or any other provision of law, improvements to access roads and construction of access roads, approaches, and related facilities (such as signs, lights, and signals) necessary to connect the Ambassador Bridge in Detroit, Michigan, to the Interstate System shall be eligible for funds apportioned under paragraphs (1)(C) and (3) of section 104(b) of that title.

(b) USE OF FUNDS.—Funds described in subsection (a) shall not be used for any improvement to, or construction of, the bridge itself.

SEC. 1130. TRANSPORTATION ASSISTANCE FOR OLYMPIC CITIES.

(a) PURPOSE.—The purpose of this section is to authorize the provision of assistance for, and support of, State and local efforts concerning surface transportation issues necessary to obtain the national recognition and economic benefits of participation in the International Olympic movement and the International Paralympic movement by hosting international quadrennial Olympic and Paralympic events in the United States.

(b) PRIORITY FOR TRANSPORTATION PROJECTS RELATING TO OLYMPIC AND PARALYMPIC EVENTS.—Notwithstanding any other provision of law, from funds available to carry out section 104(k) of title 23, United States Code, the Secretary may give priority to funding for a transportation project relating to an international quadrennial Olympic or Paralympic event if—

(1) the project meets the extraordinary needs associated with an international quadrennial Olympic or Paralympic event; and

(2) the project is otherwise eligible for assistance under section 104(k) of that title.

(c) TRANSPORTATION PLANNING ACTIVITIES.—The Secretary may participate in—

(1) planning activities of States and metropolitan planning organizations and transportation

projects relating to an international quadrennial Olympic or Paralympic event under sections 134 and 135 of title 23, United States Code; and

(2) developing intermodal transportation plans necessary for the projects in coordination with State and local transportation agencies.

(d) FUNDING.—Notwithstanding section 541(a) of title 23, United States Code, from funds made available under that section, the Secretary may provide assistance for the development of an Olympic and a Paralympic transportation management plan in cooperation with an Olympic Organizing Committee responsible for hosting, and State and local communities affected by, an international quadrennial Olympic or Paralympic event.

(e) TRANSPORTATION PROJECTS RELATING TO OLYMPIC AND PARALYMPIC EVENTS.—

(1) IN GENERAL.—The Secretary may provide assistance, including planning, capital, and operating assistance, to States and local governments in carrying out transportation projects relating to an international quadrennial Olympic or Paralympic event.

(2) FEDERAL SHARE.—The Federal share of the cost of a project assisted under this subsection shall not exceed 80 percent.

(f) ELIGIBLE GOVERNMENTS.—A State or local government shall be eligible to receive assistance under this section only if the government is hosting a venue that is part of an international quadrennial Olympics that is officially selected by the International Olympic Committee.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section such sums as are necessary for each of fiscal years 1998 through 2003.

SEC. 1131. NATIONAL DEFENSE HIGHWAYS OUTSIDE THE UNITED STATES.

(a) RECONSTRUCTION PROJECTS.—If the Secretary determines, after consultation with the Secretary of Defense, that a highway, or a portion of a highway, located outside the United States is important to the national defense, the Secretary may carry out a project for reconstruction of the highway or portion of highway.

(b) FUNDING.—

(1) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary may set aside not to exceed $16,000,000 from amounts to be apportioned under section 104(b)(1)(A) of title 23, United States Code, to carry out this section.

(2) AVAILABILITY.—Funds made available under paragraph (1) shall remain available until expended.

SEC. 1132. NATIONAL HISTORIC COVERED BRIDGE PRESERVATION.

(a) DEFINITIONS.—In this section:

(1) COVERED BRIDGE.—The term "covered bridge"—

(A) means a roofed bridge that is made primarily of wood; and

(B) includes the roof, flooring, trusses, joints, walls, piers, footings, walkways, support structures, arch systems, and underlying land.

(2) HISTORIC COVERED BRIDGE.—The term "historic covered bridge" means a covered bridge that—

(A) is at least 50 years old; or

(B) is listed on the National Register of Historic Places.

(b) HISTORIC COVERED BRIDGE PRESERVATION.—The Secretary shall—

(1) develop and maintain a list of historic covered bridges;

(2) collect and disseminate information concerning historic covered bridges;

(3) foster educational programs relating to the history, construction techniques, and contribution to society of historic covered bridges;

(4) sponsor or conduct research on the history of covered bridges; and

(5) sponsor or conduct research, and study techniques, on protecting covered bridges from rot, fire, natural disasters, or weight-related damage.

(c) DIRECT FEDERAL ASSISTANCE.—

(1) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall make a grant to a State that submits an application to the Secretary that demonstrates a need for assistance in carrying out 1 or more historic covered bridge projects described in paragraph (2).

(2) TYPES OF PROJECT.—A grant under paragraph (1) may be made for a project—

(A) to rehabilitate or repair a historic covered bridge;

(B) to preserve a historic covered bridge, including through—

(i) installation of a fire protection system, including a fireproofing or fire detection system and sprinklers;

(ii) installation of a system to prevent vandalism and arson; or

(iii) relocation of a bridge to a preservation site; and

(C) to conduct a field test on a historic covered bridge or evaluate a component of a historic covered bridge, including through destructive testing of the component.

(3) AUTHENTICITY.—A grant under paragraph (1) may be made for a project only if—

(A) to the maximum extent practicable, the project—

(i) is carried out in the most historically appropriate manner; and

(ii) preserves the existing structure of the historic covered bridge; and

(B) the project provides for the replacement of wooden components with wooden components, unless the use of wood is impracticable for safety reasons.

(d) FUNDING.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 1999 through 2003, to remain available until expended.

Subtitle B—Program Streamlining and Flexibility

CHAPTER 1—GENERAL PROVISIONS

SEC. 1201. ADMINISTRATIVE EXPENSES.

Section 104 of title 23, United States Code, is amended by striking subsection (a) and inserting the following:

"(a) ADMINISTRATIVE EXPENSES.—

"(1) IN GENERAL.—Whenever an apportionment is made of the sums made available for expenditure on the surface transportation program under section 133, the congestion mitigation and air quality improvement program under section 149, or the Interstate and National Highway System program under section 103, the Secretary shall deduct a sum, in an amount not to exceed 1½ percent of all sums so made available, as the Secretary determines necessary to administer the provisions of law to be financed from appropriations for the Federal-aid highway program and programs authorized under chapter 2.

"(2) CONSIDERATION OF UNOBLIGATED BALANCES.—In making the determination described in paragraph (1), the Secretary shall take into account the unobligated balance of any sums deducted under this subsection in prior fiscal years.

"(3) AVAILABILITY.—The sum deducted under paragraph (1) shall remain available until expended.".

SEC. 1202. REAL PROPERTY ACQUISITION AND CORRIDOR PRESERVATION.

(a) ADVANCE ACQUISITION OF REAL PROPERTY.—Section 108 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

"§ 108. Advance acquisition of real property"*;*

and

(2) by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—

"(1) AVAILABILITY OF FUNDS.—For the purpose of facilitating the timely and economical acquisition of real property for a transportation improvement eligible for funding under this title, the Secretary, upon the request of a State, may make available, for the acquisition of real property, such funds apportioned to the State as may be expended on the transportation improvement, under such rules and regulations as the Secretary may issue.

"(2) CONSTRUCTION.—The agreement between the Secretary and the State for the reimbursement of

the cost of the real property shall provide for the actual construction of the transportation improvement within a period not to exceed 20 years following the fiscal year for which the request is made, unless the Secretary determines that a longer period is reasonable.".

(b) CREDIT FOR ACQUIRED LANDS.—Section 323(b) of title 23, United States Code, is amended—

(1) in the subsection heading, by striking "DONATED" and inserting "ACQUIRED";

(2) by striking paragraphs (1) and (2) and inserting the following:

"(1) IN GENERAL.—Notwithstanding any other provision of this title, the State share of the cost of a project with respect to which Federal assistance is provided from the Highway Trust Fund (other than the Mass Transit Account) may be credited in an amount equal to the fair market value of any land that—

"(A) is obtained by the State or a unit of local government in the State, without violation of Federal law;

"(B) is incorporated into the project;

"(C) is not land described in section 138; and

"(D) does not influence the environmental assessment of the project, including—

"(i) the decision as to the need to construct the project;

"(ii) the consideration of alternatives; and

"(iii) the selection of a specific location.

"(2) ESTABLISHMENT OF FAIR MARKET VALUE.—The fair market value of land incorporated into a project and credited under paragraph (1) shall be established in the manner determined by the Secretary, except that—

"(A) the fair market value shall not include any increase or decrease in the value of donated property caused by the project; and

"(B) the fair market value of donated land shall be established as of the earlier of—

"(i) the date on which the donation becomes effective; or

"(ii) the date on which equitable title to the land vests in the State.";

(3) in paragraph (3), by striking "agency of a Federal, State, or local government" and inserting "agency of the Federal Government";

(4) in paragraph (4), by striking "to which the donation is applied"; and

(5) by redesignating paragraph (4) as paragraph (3).

(c) CREDITING OF CONTRIBUTIONS BY UNITS OF LOCAL GOVERNMENT TOWARD THE STATE SHARE.—Section 323 of title 23, United States Code, is amended by adding at the end the following:

"(e) CREDITING OF CONTRIBUTIONS BY UNITS OF LOCAL GOVERNMENT TOWARD THE STATE SHARE.—A contribution by a unit of local government of real property, funds, material, or a service in connection with a project eligible for assistance under this title shall be credited against the State share of the project at the fair market value of the real property, funds, material, or service.".

(d) CONFORMING AMENDMENTS.—

(1) Section 323 of title 23, United States Code, is amended by striking the section heading and inserting the following:

"§ 323. Donations and credits".

(2) The analysis for chapter 1 of title 23, United States Code, is amended—

(A) by striking the item relating to section 108 and inserting the following:

"108. Advance acquisition of real property.";

and

(B) by striking the item relating to section 323 and inserting the following:

"323. Donations and credits.".

SEC. 1203. AVAILABILITY OF FUNDS.

Section 118 of title 23, United States Code, is amended by striking subsection (e) and inserting the following:

"(e) AVAILABILITY OF FUNDS.—

"(1) IN GENERAL.—Any Federal-aid highway funds released by the final payment on a project, or by the modification of a project agreement, shall be credited to the same program funding category for which the funds were previously apportioned and shall be immediately available for obligation.

"(2) TRANSFER OF INTERSTATE CONSTRUCTION FUNDS.—Any Federal-aid highway funds apportioned to a State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of this paragraph) and credited under paragraph (1) may be transferred by the Secretary in accordance with section 103(d).".

SEC. 1204. PAYMENTS TO STATES FOR CONSTRUCTION.

Section 121 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second and third sentences and inserting the following: "The pay-

ments may also be made for the value of such materials as—

"(1) have been stockpiled in the vicinity of the construction in conformity to plans and specifications for the projects; and

"(2) are not in the vicinity of the construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in the vicinity.";

(2) by striking subsection (b) and inserting the following:

"(b) PROJECT AGREEMENTS.—

"(1) PAYMENTS.—A payment under this chapter may be made only for a project covered by a project agreement.

"(2) SOURCE OF PAYMENTS.—After completion of a project in accordance with the project agreement, a State shall be entitled to payment, out of the appropriate sums apportioned or allocated to the State, of the unpaid balance of the Federal share of the cost of the project.";

(3) by striking subsections (c) and (d); and

(4) by redesignating subsection (e) as subsection (c).

SEC. 1205. PROCEEDS FROM THE SALE OR LEASE OF REAL PROPERTY.

(a) IN GENERAL.—Section 156 of title 23, United States Code, is amended to read as follows:

"§ 156. Proceeds from the sale or lease of real property

"(a) MINIMUM CHARGE.—Subject to section 142(f), a State shall charge, at a minimum, fair market value for the sale, use, lease, or lease renewal (other than for utility use and occupancy or for a transportation project eligible for assistance under this title) of real property acquired with Federal assistance made available from the Highway Trust Fund (other than the Mass Transit Account).

"(b) EXCEPTIONS.—The Secretary may grant an exception to the requirement of subsection (a) for a social, environmental, or economic purpose.

"(c) USE OF FEDERAL SHARE OF INCOME.—The Federal share of net income from the revenues obtained by a State under subsection (a) shall be used by the State for projects eligible under this title.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 156 and inserting the following:

"156. Proceeds from the sale or lease of real property.".

SEC. 1206. METRIC CONVERSION AT STATE OPTION.

Section 205(c)(2) of the National Highway System Designation Act of 1995 (23 U.S.C. 109 note; 109 Stat. 577) is amended by striking "Before September 30, 2000, the" and inserting "The".

SEC. 1207. REPORT ON OBLIGATIONS.

Section 104(m) of title 23, United States Code (as redesignated by section 1113(c)(1)), is amended—

(1) by inserting "REPORT TO CONGRESS.—" before "The Secretary";

(2) by striking "not later than" and all that follows through "a report" and inserting "a report for each fiscal year";

(3) in paragraph (1), by striking "preceding calendar month" and inserting "preceding fiscal year";

(4) by striking paragraph (2);

(5) in paragraph (3), by striking "such preceding month" and inserting "that preceding fiscal year"; and

(6) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

SEC. 1208. TERMINATIONS.

(a) RIGHT-OF-WAY REVOLVING FUND.—Section 108 of title 23, United States Code, is amended by striking subsection (c) and inserting the following:

"(c) TERMINATION OF RIGHT-OF-WAY REVOLVING FUND.—

"(1) IN GENERAL.—Funds apportioned and advanced to a State by the Secretary from the right-of-way revolving fund established by this section prior to the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998 shall remain available to the State for use on the projects for which the funds were advanced for a period of 20 years from the date on which the funds were advanced.

"(2) CREDIT TO HIGHWAY TRUST FUND.—With respect to a project for which funds have been advanced from the right-of-way revolving fund, upon the termination of the 20-year period referred to in paragraph (1), when actual construction is commenced, or upon approval by the Secretary of the plans, specifications, and estimates for the actual construction of the project on the right-of-way, whichever occurs first—

"(A) the Highway Trust Fund shall be credited with an amount equal to the Federal share of the funds advanced, as provided in section 120, out of any Federal-aid highway funds apportioned to the State in which the project is lo-

cated and available for obligation for projects of the type funded; and

"(B) the State shall reimburse the Secretary in an amount equal to the non-Federal share of the funds advanced for deposit in, and credit to, the Highway Trust Fund.".

(b) PILOT TOLL COLLECTION PROGRAM.—Section 129 of title 23, United States Code, is amended by striking subsection (d).

(c) NATIONAL RECREATIONAL TRAILS ADVISORY COMMITTEE.—As soon as practicable after the date of enactment of this Act, the Secretary shall take such action as is necessary for the termination of the National Recreational Trails Advisory Committee established by section 1303 of the Intermodal Surface Transportation Efficiency Act of 1991 (16 U.S.C. 1262) (as in effect on the day before the date of enactment of this Act).

(d) CONGRESSIONAL BRIDGE COMMISSIONS.—Public Law 87–441 (76 Stat. 59) is repealed.

SEC. 1209. INTERSTATE MAINTENANCE.

(a) INTERSTATE FUNDS.—Section 119 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second sentence;

(2) by striking subsection (d); and

(3) by striking subsection (f) and inserting the following:

"(f) TRANSFERABILITY OF FUNDS.—

"(1) UNCONDITIONAL.—A State may transfer an amount not to exceed 30 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) to the apportionment of the State under paragraphs (1)(C) and (3) of section 104(b).

"(2) UPON ACCEPTANCE OF CERTIFICATION.—If a State certifies to the Secretary that any part of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) is in excess of the needs of the State for resurfacing, restoring, rehabilitating, or reconstructing routes and bridges on the Interstate System in the State and that the State is adequately maintaining the routes and bridges, and the Secretary accepts the certification, the State may transfer, in addition to the amount authorized to be transferred under paragraph (1), an amount not to exceed 20 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) to the apportionment of the State under paragraphs (1)(C) and (3) of section 104(b).".

(b) ELIGIBILITY.—Section 119 of title 23, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking "and rehabilitating" and inserting ", rehabilitating, and reconstructing";

(2) by striking subsections (b), (c), (e), and (g);

(3) by inserting after subsection (a) the following:

"(b) ELIGIBLE ACTIVITIES.—

"(1) IN GENERAL.—A State—

"(A) may use funds apportioned under subparagraph (A) or (B) of section 104(b)(1) for resurfacing, restoring, rehabilitating, and reconstructing routes on the Interstate System, including—

"(i) resurfacing, restoring, rehabilitating, and reconstructing bridges, interchanges, and overcrossings;

"(ii) acquiring rights-of-way; and

"(iii) intelligent transportation system capital improvements that are infrastructure-based to the extent that they improve the performance of the Interstate System; but

"(B) may not use the funds for construction of new travel lanes other than high-occupancy vehicle lanes or auxiliary lanes.

"(2) EXPANSION OF CAPACITY.—

"(A) USING TRANSFERRED FUNDS.—Notwithstanding paragraph (1), funds transferred under subsection (c)(1) may be used for construction to provide for expansion of the capacity of an Interstate System highway (including a bridge).

"(B) USING FUNDS NOT TRANSFERRED.—

"(i) IN GENERAL.—In lieu of transferring funds under subsection (c)(1) and using the transferred funds for the purpose described in subparagraph (A), a State may use an amount of the sums apportioned to the State under subparagraph (A) or (B) of section 104(b)(1) for the purpose described in subparagraph (A).

"(ii) LIMITATION.—The sum of the amount used under clause (i) and any amount transferred under subsection (c)(1) by a State may not exceed 30 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1)."; and

(4) by redesignating subsection (f) as subsection (c).

(c) CONFORMING AMENDMENTS.—

(1) Section 119(a) of title 23, United States Code, is amended in the first sentence by striking "; except that the Secretary may only approve a project pursuant to this subsection on a toll road if such road is subject to a Secretarial agreement provided for in subsection (e)".

(2) Section 1009(c)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 119 note; 105 Stat. 1934) is amended by striking "section 119(f)(1)" and inserting "section 119(c)(1)".

SEC. 1210. ENGINEERING COST REIMBURSEMENT.

Section 102(b) of title 23, United States Code, is amended in the first sentence by inserting before the period at the end the following: "unless, before the end of the 10-year period, the State requests a longer period for commencement of the construction or acquisition and the Secretary determines that the request is reasonable".

CHAPTER 2—PROJECT APPROVAL

SEC. 1221. TRANSFER OF HIGHWAY AND TRANSIT FUNDS.

Section 104 of title 23, United States Code (as amended by section 1118), is amended by inserting after subsection (k) the following:

"(l) TRANSFER OF HIGHWAY AND TRANSIT FUNDS.—

"(1) TRANSFER OF HIGHWAY FUNDS.—Funds made available under this title and transferred for transit projects shall be administered by the Secretary in accordance with chapter 53 of title 49, except that the provisions of this title relating to the non-Federal share shall apply to the transferred funds.

"(2) TRANSFER OF TRANSIT FUNDS.—Funds made available under chapter 53 of title 49 and transferred for highway projects shall be administered by the Secretary in accordance with this title, except that the provisions of that chapter relating to the non-Federal share shall apply to the transferred funds.

"(3) TRANSFER TO AMTRAK AND PUBLICLY-OWNED PASSENGER RAIL LINES.—Funds made available under this title or chapter 53 of title 49 and transferred to the National Railroad Passenger Corporation or to any publicly-owned intercity or intracity passenger rail line shall be administered by the Secretary in accordance with subtitle V of title 49, except that the provisions of this title or chapter 53 of title 49, as applicable, relating to the non-Federal share shall apply to the transferred funds.

"(4) TRANSFER OF OBLIGATION AUTHORITY.—Obligation authority provided for projects described in paragraphs (1) through (3) shall be transferred in

the same manner and amount as the funds for the projects are transferred.".

SEC. 1222. PROJECT APPROVAL AND OVERSIGHT.

(a) IN GENERAL.—Section 106 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

"§ 106. Project approval and oversight"*;*

(2) by redesignating subsections (e) and (f) as subsections (g) and (h), respectively;

(3) by striking subsections (a) through (d) and inserting the following:

"(a) IN GENERAL.—Except as otherwise provided in this section, the State transportation department shall submit to the Secretary for approval such plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such plans, specifications, and estimates as soon as practicable after they have been submitted, and shall enter into a formal project agreement with the State transportation department formalizing the conditions of the project approval. The execution of such project agreement shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto. In taking such action,

the Secretary shall be guided by the provisions of section 109 of this title.

"(b) PROJECT AGREEMENT.—The project agreement shall make provision for State funds required for the State's pro rata share of the cost of construction of the project and for the maintenance of the project after completion of construction. The Secretary may rely upon representations made by the State transportation department with respect to the arrangements or agreements made by the State transportation department and appropriate local officials where a part of the project is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

"(c) SPECIAL RULES FOR PROJECT OVERSIGHT.—

"(1) NHS PROJECTS.—Except as otherwise provided in subsection (d) of this section, the Secretary may discharge to the State any of the Secretary's responsibilities for the design, plans, specifications, estimates, contract awards, and inspection of projects under this title on the National Highway System. Before discharging responsibilities to the State, the Secretary shall reach agreement with the State as to the extent to which the State may assume the responsibilities of the Secretary under this subsection. The Secretary may not assume any greater responsibility than the Secretary is permitted under this title as of

September 30, 1997, except upon agreement by the Secretary and the State.

"(2) NON-NHS PROJECTS.—For all projects under this title that are off the National Highway System, the State may request that the Secretary no longer review and approve the design, plans, specifications, estimates, contract awards, and inspection of projects under this title. After receiving any such request, the Secretary shall undertake project review only as requested by the State.

"(d) RESPONSIBILITIES OF THE SECRETARY.—

"(1) IN GENERAL.—Subject to paragraph (2), nothing in this section, section 133, or section 149 shall affect or discharge any responsibility or obligation of the Secretary under any Federal law other than this title.

"(2) LIMITATION.—Any responsibility or obligation of the Secretary under sections 113 and 114 of this title shall not be affected and may not be discharged under this section, section 133, or section 149.

"(e) VALUE ENGINEERING ANALYSIS.—In such cases as the Secretary determines advisable, plans, specifications, and estimates for proposed projects on any Federal-aid

highway shall be accompanied by a value engineering or other cost reduction analysis.

"(f) FINANCIAL PLAN.—The Secretary shall require a financial plan to be prepared for any project with an estimated total cost of $1,000,000,000 or more.".

(b) STANDARDS.—

(1) ELIMINATION OF GUIDELINES AND ANNUAL CERTIFICATION REQUIREMENTS.—Section 109 of title 23, United States Code, is amended—

(A) by striking subsection (m); and

(B) by redesignating subsections (n) through (q) as subsections (m) through (p), respectively.

(2) SAFETY STANDARDS.—Section 109 of title 23, United States Code (as amended by paragraph (1)), is amended by adding at the end the following:

"(q) PHASE CONSTRUCTION.—Safety considerations for a project under this title may be met by phase construction.".

(c) PROGRAMS; PROJECT AGREEMENTS; CERTIFICATION ACCEPTANCE.—Sections 110 and 117 of title 23, United States Code, are repealed.

(d) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23 is amended—

(A) by striking the item relating to section 106 and inserting the following:

"106. Project approval and oversight.";

and

(B) by striking the items relating to sections 110 and 117.

(2) Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining "project agreement" by striking "the provisions of subsection (a) of section 110 of this title" and inserting "section 106".

(3) Section 114(a) of title 23, United States Code, is amended in the second sentence by striking "section 117 of this title" and inserting "section 106".

SEC. 1223. SURFACE TRANSPORTATION PROGRAM.

(a) TRANSPORTATION ENHANCEMENT ACTIVITIES.—Section 133 of title 23, United States Code, is amended—

(1) in subsection (d)—

(A) in paragraph (2), by striking "10" and inserting "8"; and

(B) in the first sentence of paragraph (3)(A), by striking "80" and inserting "82"; and

(2) in subsection (e)—

(A) in paragraph (3)(B)(i), by striking "if the Secretary" and all that follows through "activities"; and

(B) in paragraph (5), by adding at the end the following:

"(C) INNOVATIVE FINANCING.—

"(i) IN GENERAL.—For each fiscal year, the average annual non-Federal share of the total cost of all projects to carry out transportation enhancement activities in a State shall be not less than the non-Federal share authorized for the State under section 120(b).

"(ii) EXCEPTION.—Subject to clause (i), notwithstanding section 120, in the case of projects to carry out transportation enhancement activities—

"(I) funds from other Federal agencies, and other contributions that the Secretary determines are of value, may be credited toward the non-Federal share of project costs;

"(II) the non-Federal share may be calculated on a project, multiple-project, or program basis; and

"(III) the Federal share of the cost of an individual project subject to sub-

clause (I) or (II) may be equal to 100 percent.".

(b) PROGRAM APPROVAL.—Section 133(e) of title 23, United States Code, is amended by striking paragraph (2) and inserting the following:

"(2) PROGRAM APPROVAL.—

"(A) SUBMISSION OF PROJECT AGREEMENT.—For each fiscal year, each State shall submit a project agreement that—

"(i) certifies that the State will meet all the requirements of this section; and

"(ii) notifies the Secretary of the amount of obligations needed to carry out the program under this section.

"(B) REQUEST FOR ADJUSTMENTS OF AMOUNTS.—As necessary, each State shall request from the Secretary adjustments to the amount of obligations referred to in subparagraph (A)(ii).

"(C) EFFECT OF APPROVAL BY THE SECRETARY.—Approval by the Secretary of a project agreement under subparagraph (A) shall be deemed a contractual obligation of the United States to pay surface transportation program funds made available under this title.".

(c) PAYMENTS.—Section 133(e)(3)(A) of title 23, United States Code, is amended by striking the second sentence.

(d) DEFINITION OF TRANSPORTATION ENHANCEMENT ACTIVITIES.—Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining "transportation enhancement activities" by striking "scenic or historic highway programs," and inserting "scenic or historic highway programs (including the provision of tourist and welcome center facilities),".

SEC. 1224. DESIGN-BUILD CONTRACTING.

(a) AUTHORITY.—Section 112(b) of title 23, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking "paragraph (2)" and inserting "paragraphs (2) and (3)";

(2) in paragraph (2)(A), by striking "Each" and inserting "Subject to paragraph (3), each"; and

(3) by adding at the end the following:

"(3) DESIGN-BUILD CONTRACTING.—

"(A) IN GENERAL.—A State transportation department may award a contract for the design and construction of a qualified project described in subparagraph (B) using competitive bidding

procedures approved by the Secretary in accordance with subparagraph (C).

"(B) QUALIFIED PROJECTS.—A qualified project referred to in subparagraph (A) is a project under this chapter that involves installation of an intelligent transportation system or that consists of a usable project segment and for which—

"(i) the Secretary has approved the use of design-build contracting described in subparagraph (A) under criteria specified in regulations promulgated by the Secretary; and

"(ii) the total costs are estimated to exceed—

"(I) in the case of a project that involves installation of an intelligent transportation system, $5,000,000; and

"(II) in the case of a usable project segment, $50,000,000.

"(C) PROCEDURES THAT MAY BE APPROVED.—Under subparagraph (A), the Secretary may approve, for use by a State, only procedures that consist of—

"(i) formal design-build contracting procedures specified in a State statute; or

"(ii) in the case of a State that does not have a statute described in clause (i), the design-build selection procedures authorized under section 303M of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253m).".

(b) COMPETITIVE BIDDING DEFINED.—Section 112 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

"(f) COMPETITIVE BIDDING DEFINED.—In this section, the term 'competitive bidding' means the procedures used to award contracts for engineering and design services under subsection (b)(2) and design-build contracts under subsection (b)(3).".

(c) REGULATIONS.—

(1) IN GENERAL.—Not later than the effective date specified in subsection (e), the Secretary shall promulgate regulations to carry out the amendments made by this section.

(2) CONTENTS.—The regulations shall—

(A) identify the criteria to be used by the Secretary in approving the use by a State trans-

portation department of design-build contracting; and

(B) establish the procedures to be followed by a State transportation department for obtaining the Secretary's approval of the use of design-build contracting by the department and the competitive bidding procedures used by the department.

(d) EFFECT ON EXPERIMENTAL PROGRAM.—Nothing in this section or the amendments made by this section affects the authority to carry out, or any project carried out under, any experimental program concerning design-build contracting that is being carried out by the Secretary as of the date of enactment of this Act.

(e) EFFECTIVE DATE FOR AMENDMENTS.—The amendments made by this section take effect 2 years after the date of enactment of this Act.

SEC. 1225. INTEGRATED DECISIONMAKING PROCESS.

(a) IN GENERAL.—Subchapter III of chapter 3 of title 49, United States Code, is amended by adding at the end the following:

"§ 354. Integrated decisionmaking process

"(a) DEFINITIONS.—In this section:

"(1) INTEGRATED DECISIONMAKING PROCESS.—The term 'integrated decisionmaking process' means

the integrated decisionmaking process established with respect to a surface transportation project under subsection (b).

"(2) NEPA PROCESS.—The term 'NEPA process' means the process of complying with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to a surface transportation project.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(4) SURFACE TRANSPORTATION PROJECT.—The term 'surface transportation project' means—

"(A) a highway construction project that is subject to the approval of the Secretary under title 23; and

"(B) a capital project (as defined in section 5302(a)(1)).

"(5) CONCURRENT PROCESSING.—The term 'concurrent processing' means to the fullest extent practicable, and to the extent otherwise required, agencies shall prepare environmental impact statements and environmental assessments concurrently with and integrated with environmental analyses and related surveys and studies required by the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.), the Na-

tional Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) and other environmental review laws and executive orders.

"(b) ESTABLISHMENT OF INTEGRATED DECISIONMAKING PROCESSES FOR SURFACE TRANSPORTATION PROJECTS.—The Secretary shall—

"(1) establish an integrated decisionmaking process for surface transportation projects that designates major decision points likely to have significant environmental effects and conflicts; and

"(2) integrate the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for surface transportation projects at the earliest possible time, including, to the extent appropriate, at the planning stage with the agreement of the State transportation agencies and the cooperating agencies.

"(c) INTEGRATED DECISIONMAKING GOALS.—The integrated decisionmaking process for surface transportation projects should, to the maximum extent practicable, accomplish the following major goals:

"(1) Integrate the NEPA process for surface transportation projects at the earliest possible time.

"(2) Integrate all applicable Federal, State, tribal, and local permitting requirements.

"(3) Integrate national transportation, social, safety, economic, and environmental goals with State, tribal, and local land use and growth management initiatives, economic development and transportation initiatives.

"(4) Consolidate Federal, State, tribal, and local decisionmaking to achieve the best overall public interest according to an agreed schedule.

"(d) STREAMLINING.—

"(1) AVOIDANCE OF DELAYS, PREVENTION OF CONFLICTS, AND ELIMINATION OF UNNECESSARY DUPLICATION.—The Secretary shall design the integrated decisionmaking process to avoid delays in decisionmaking, prevent conflicts between cooperating agencies and members of the public, and eliminate unnecessary duplication of review and decisionmaking relating to surface transportation projects.

"(2) INTEGRATION; COMPREHENSIVE PROCESS.—The NEPA process—

"(A) shall be integrated for surface transportation projects by Federal, State, tribal, and local transportation agencies; and

"(B) serve as a comprehensive decisionmaking process.

"(3) OTHER REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall—

"(i) establish a concurrent transportation and environmental coordination process to reduce paperwork, combine review documents, and eliminate duplicative reviews;

"(ii) develop interagency agreements to streamline and improve interagency coordination and processing time;

"(iii) apply strategic and programmatic approaches to better integrate and expedite the NEPA process and transportation decisionmaking; and

"(iv) ensure, in appropriate cases, by conducting concurrent reviews whenever possible, that any analyses and reviews conducted by the Secretary consider the needs of other reviewing agencies.

"(B) TIME SCHEDULES.—To comply with subparagraph (A)(ii), time schedules shall be consistent with sections 1501.8 and 1506.10 of title 40, Code of Federal Regulations (or any successor regulations).

"(4) CONCURRENT PROCESSING.—

"(A) IN GENERAL.—The integrated decisionmaking process shall, to the extent practicable, include a procedure to provide for concurrent processing of all Federal, State, tribal, and local reviews and decisions emanating from those reviews.

"(B) INCONSISTENCY WITH OTHER REQUIREMENTS.—Subparagraph (A) does not require concurrent review if concurrent review would be inconsistent with other statutory or regulatory requirements.

"(e) INTERAGENCY COOPERATION.—

"(1) LEAD AND COOPERATING AGENCY CONCEPTS.—The lead and cooperating agency concepts of section 1501 of title 40, Code of Federal Regulations (or any successor regulation), shall be considered essential elements to ensure integration of transportation decisionmaking.

"(2) RESPONSIBILITIES.—The Secretary shall—

"(A) not later than 60 days after the date on which a surface transportation project is selected for study by a State, identify each Federal agency that may be required to participate in the integrated decisionmaking process relating to

the surface transportation project and notify the agency of the surface transportation project;

"(B) afford State, regional, tribal, and local governments with decisionmaking authority on surface transportation projects the opportunity to serve as cooperating agencies;

"(C) provide cooperating agencies and the public on request the results of any analysis or other information related to a surface transportation project;

"(D) host an early scoping meeting for Federal agencies and, when appropriate, conduct field reviews, as soon as practicable in the environmental review process;

"(E) solicit from each cooperating agency as early as practicable the data and analyses necessary to facilitate execution of the duties of each cooperating agency;

"(F) use, to the maximum extent possible, scientific, technical, and environmental data and analyses previously prepared by or for other Federal, State, tribal, or local agencies, after an independent evaluation by the Secretary of the data and analyses;

"(G) jointly, with the cooperating agencies, host public meetings and other community participation processes; and

"(H) ensure that the NEPA process and documentation provide all necessary information for the cooperating agency to—

"(i) discharge the responsibilities of the cooperating agency under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other law; and

"(ii) take action on approvals, permits, licenses, and clearances.

"(f) ENHANCED SCOPING PROCESS.—During the scoping process for a surface transportation project, in addition to other statutory and regulatory requirements, the Secretary shall, to the extent practicable—

"(1) provide the public with clearly understandable milestones that occur during an integrated decisionmaking process;

"(2) ensure that all agencies with jurisdiction by law or with special expertise have sufficient information and data to discharge their responsibilities;

"(3) ensure that all agencies with jurisdiction by law or with special expertise, and the public, are invited to participate in the initial scoping process;

"(4) coordinate with other agencies to ensure that the agencies provide to the Secretary, not later than 30 days after the first interagency scoping meeting, any preliminary concerns about how the proposed project may affect matters within their jurisdiction or special expertise based on information available at the time of the scoping meeting; and

"(5) in cooperation with all cooperating agencies, develop a schedule for conducting all necessary environmental and other review processes and assure early consideration of alternatives to a proposed project, including alternatives that address transportation demand consistent with section 134(i)(3) of title 23, United States Code.

"(g) USE OF TITLE 23 FUNDS.—

"(1) USE BY STATES.—A State may use funds made available under section 104(b) or 105 of title 23 or section 1102(c) of the Intermodal Surface Transportation Efficiency Act of 1998 to provide resources to Federal or State agencies involved in the review or permitting process for a surface transportation project in order to meet a time schedule established under this section.

"(2) AMOUNT.—Funds may be provided under paragraph (1) in the amount by which the cost to

complete a environmental review in accordance with a time schedule established under this section exceeds the cost that would be incurred if there were no such time schedule.

"(3) NOT FINAL AGENCY ACTION.—The provision of funds under paragraph (1) does not constitute a final agency action.

"(h) STATE ROLE.—

"(1) IN GENERAL.—For any project eligible for assistance under chapter 1 of title 23, a State may require, by law or agreement that has been developed with public involvement coordinating with all related State agencies, that all State agencies that—

"(A) have jurisdiction by Federal or State law over environmental, growth management, or land-use related issues that may be affected by a surface transportation project; or

"(B) have responsibility for issuing any environment related reviews, analyses, opinions, or determinations;

be subject to the coordinated environmental review process provided under this section in issuing any analyses or approvals or taking any other action relating to the project.

"(2) ALL AGENCIES.—If a State requires that any State agency participate in a coordinated environmental review process, the State shall require all affected State agencies to participate.

"(i) EARLY ACTION REGARDING POTENTIALLY INSURMOUNTABLE OBSTACLES.—If, at any time during the integrated decisionmaking process for a proposed surface transportation project, a cooperating agency determines that there is any potentially insurmountable obstacle associated with any of the alternative transportation projects that might be undertaken to address the obstacle, the Secretary shall—

"(1) convene a meeting among the cooperating agencies to address the obstacle;

"(2) initiate conflict resolution efforts under subsection (j); or

"(3) eliminate from consideration the alternative transportation project with which the obstacle is associated.

"(j) CONFLICT RESOLUTION.—

"(1) FORUM.—The NEPA process shall be used as a forum to coordinate the actions of Federal, State, regional, tribal, and local agencies, the private sector, and the public to develop and shape surface transportation projects.

"(2) APPROACHES.—In addition to existing formal public participation opportunities, collaborative, problem solving, and consensus building approaches shall be used, to the extent appropriate (and, when appropriate, mediation may be used) to implement the integrated decisionmaking process with a goal of appropriately considering factors relating to transportation development, economic prosperity, protection of public health and the environment, community and neighborhood preservation, and quality of life for present and future generations.

"(3) UNRESOLVED ISSUES.—

"(A) NOTIFICATION.—If, before the final transportation NEPA document is approved—

"(i) an issue remains unresolved between the lead Federal agency and the cooperating agency; and

"(ii) efforts have been exhausted to resolve the issue at the field levels of each agency—

"(I) within the applicable timeframe of the interagency schedule established under subsection (f)(5); or

"(II) if no timeframe is established, within 90 days;

the field level officer of the lead agency shall notify the field level officer of the cooperating agency that the field level officer of the lead agency intends to bring the issue to the personal attention of the heads of the agencies.

"(B) EFFORTS BY THE AGENCY HEADS.—The head of the lead agency shall contact the head of the cooperating agency and attempt to resolve the issue within 30 days after notification by the field level officer of the unresolved issue.

"(C) CONSULTATION WITH CEQ.—The heads of the agencies are encouraged to consult with the Chair of the Council on Environmental Quality during the 30-day period under subparagraph (B).

"(D) FAILURE TO RESOLVE.—If the heads of the agencies do not resolve the issue within the time specified in subparagraph (B), the referral process under part 1504 of title 40, Code of Federal Regulations (or any successor regulation), shall be initiated with respect to the issue.

"(k) JUDICIAL REVIEW.—Nothing in this section affects the reviewability of any final agency action in a district court of the United States or any State court.

"(l) STATUTORY CONSTRUCTION.—Nothing in this section affects—

"(1) the applicability of the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or any other statute; or

"(2) the responsibility of any Federal, State, tribal, or local officer to comply with or enforce any statute or regulation.".

(b) TIMETABLE; REPORT TO CONGRESS.—The Secretary, in consultation with the Chair of the Council on Environmental Quality and after notice and opportunity for public comment—

(1) not later than 180 days after the date of enactment of this Act, shall design the integrated decisionmaking process required by the amendment made by subsection (a) consistent with part 1501, et seq., of title 40 of the Code of Federal Regulations;

(2) not later than 1 year after the date of enactment of this Act, shall promulgate a regulation governing implementation of an integrated decisionmaking process in accordance with the amendment made by subsection (a); and

(3) not later than 2 years after the date of enactment of this Act, shall submit to Congress a report identifying any additional legislative or other solu-

tions that would further enhance the integrated decisionmaking process.

(c) Section 112 of title 23, United States Code, is amended by adding at the end the following new subsection:

"(g) SELECTION PROCESS.—It shall not be considered to be a conflict of interest, as defined under section 1.33 of title 23, Code of Federal Regulations, for a State to procure, under a single contract, the services of a consultant to prepare any environmental assessments or analyses required, including environmental impact statements, as well as subsequent engineering and design work on the same project: Provided, That the State has conducted an independent multi-disciplined review that assesses the objectivity of any analysis, environmental assessment or environmental impact statement prior to its submission to the agency that approves the project.

(d) CONFORMING AMENDMENT.—The analysis for subchapter III of chapter 3 of title 49, United States Code, is amended by adding at the end the following:

"354. Integrated decisionmaking process.".

CHAPTER 3—ELIGIBILITY AND FLEXIBILITY

SEC. 1231. DEFINITION OF OPERATIONAL IMPROVEMENT.

Section 101(a) of title 23, United States Code, is amended by striking the undesignated paragraph defining "operational improvement" and inserting the following:

"The term 'operational improvement' means the installation, operation, or maintenance, in accordance with subchapter II of chapter 5, of public infrastructure to support intelligent transportation systems and includes the installation or operation of any traffic management activity, communication system, or roadway weather information and prediction system, and any other improvement that the Secretary may designate that enhances roadway safety and mobility during adverse weather.".

SEC. 1232. ELIGIBILITY OF FERRY BOATS AND FERRY TERMINAL FACILITIES.

(a) IN GENERAL.—Section 129(c) of title 23, United States Code, is amended by inserting "in accordance with sections 103, 133, and 149," after "toll or free,".

(b) NATIONAL HIGHWAY SYSTEM.—Section 103(b)(5) of title 23, United States Code (as amended by section 1234), is amended by adding at the end the following:

"(R) Construction of ferry boats and ferry terminal facilities, if the conditions described in section 129(c) are met.".

(c) SURFACE TRANSPORTATION PROGRAM.—Section 133(b) of title 23, United States Code, is amended by adding at the end the following:

"(12) Construction of ferry boats and ferry terminal facilities, if the conditions described in section 129(c) are met.".

(d) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—Section 149(b) of title 23, United States Code, is amended—

(1) in paragraph (3), by striking "or" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; or"; and

(3) by inserting after paragraph (4) the following:

"(5) if the project or program is to construct a ferry boat or ferry terminal facility and if the conditions described in section 129(c) are met.".

SEC. 1233. FLEXIBILITY OF SAFETY PROGRAMS.

Section 133(d) of title 23, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) SAFETY PROGRAMS.—

"(A) IN GENERAL.—With respect to funds apportioned for each of fiscal years 1998 through 2003—

"(i) an amount equal to 2 percent of the amount apportioned to a State under

section 104(b)(3) shall be available only to carry out activities eligible under section 130;

"(ii) an amount equal to 2 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 152; and

"(iii) an amount equal to 6 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 130 or 152.

"(B) TRANSFER OF FUNDS.—If a State certifies to the Secretary that any part of the amount set aside by the State under subparagraph (A)(i) is in excess of the needs of the State for activities under section 130 and the Secretary accepts the certification, the State may transfer that excess part to the set-aside of the State under subparagraph (A)(ii).

"(C) TRANSFERS TO OTHER SAFETY PROGRAMS.—A State may transfer funds set aside under subparagraph (A)(iii) to the apportionment of the State under section 402 or the allo-

cation of the State under section 31104 of title 49.".

SEC. 1234. ELIGIBILITY OF PROJECTS ON THE NATIONAL HIGHWAY SYSTEM.

Section 103(b) of title 23, United States Code (as amended by section 1701(a)), is amended by adding at the end the following:

"(5) ELIGIBLE PROJECTS FOR NHS.—Subject to approval by the Secretary, funds apportioned to a State under section 104(b)(1)(C) for the National Highway System may be obligated for any of the following:

"(A) Construction, reconstruction, resurfacing, restoration, and rehabilitation of segments of the National Highway System.

"(B) Operational improvements for segments of the National Highway System.

"(C) Construction of, and operational improvements for, a Federal-aid highway not on the National Highway System, construction of a transit project eligible for assistance under chapter 53 of title 49, and capital improvements to any National Railroad Passenger Corporation passenger rail line or any publicly-owned intercity passenger rail line, if—

"(i) the highway, transit, or rail project is in the same corridor as, and in proximity to, a fully access-controlled highway designated as a part of the National Highway System;

"(ii) the construction or improvements will improve the level of service on the fully access-controlled highway described in clause (i) and improve regional traffic flow; and

"(iii) the construction or improvements are more cost-effective than an improvement to the fully access-controlled highway described in clause (i).

"(D) Highway safety improvements for segments of the National Highway System.

"(E) Transportation planning in accordance with sections 134 and 135.

"(F) Highway research and planning in accordance with chapter 5.

"(G) Highway-related technology transfer activities.

"(H) Capital and operating costs for traffic monitoring, management, and control facilities and programs.

"(I) Fringe and corridor parking facilities.

"(J) Carpool and vanpool projects.

"(K) Bicycle transportation and pedestrian walkways in accordance with section 217.

"(L) Development, establishment, and implementation of management systems under section 303.

"(M) In accordance with all applicable Federal law (including regulations), participation in natural habitat and wetland mitigation efforts related to projects funded under this title, which may include participation in natural habitat and wetland mitigation banks, contributions to statewide and regional efforts to conserve, restore, enhance, and create natural habitats and wetland, and development of statewide and regional natural habitat and wetland conservation and mitigation plans, including any such banks, efforts, and plans authorized under the Water Resources Development Act of 1990 (Public Law 101–640) (including crediting provisions). Contributions to the mitigation efforts described in the preceding sentence may take place concurrent with or in advance of project construction, except that contributions in ad-

vance of project construction may occur only if the efforts are consistent with all applicable requirements of Federal law (including regulations) and State transportation planning processes. With respect to participation in a natural habitat or wetland mitigation effort related to a project funded under this title that has an impact that occurs within the service area of a mitigation bank, preference shall be given, to the maximum extent practicable, to the use of the mitigation bank if the bank contains sufficient available credits to offset the impact and the bank is approved in accordance with the Federal Guidance for the Establishment, Use and Operation of Mitigation Banks (60 Fed. Reg. 58605 (November 28, 1995)) or other applicable Federal law (including regulations).

"(N) Publicly-owned intracity or intercity passenger rail or bus terminals, including terminals of the National Railroad Passenger Corporation and publicly-owned intermodal surface freight transfer facilities, other than seaports and airports, if the terminals and facilities are located on or adjacent to National Highway System routes or connections to the National High-

way System selected in accordance with paragraph (2).

"(O) Infrastructure-based intelligent transportation systems capital improvements.

"(P) In the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, any project eligible for funding under section 133, any airport, and any seaport.

"(Q) Publicly owned components of magnetic levitation transportation systems.".

SEC. 1235. ELIGIBILITY OF PROJECTS UNDER THE SURFACE TRANSPORTATION PROGRAM.

Section 133(b) of title 23, United States Code (as amended by section 1232(c)), is amended—

(1) in paragraph (2), by striking "and publicly owned intracity or intercity bus terminals and facilities" and inserting ", including vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by bus or rail";

(2) in paragraph (3)—

(A) by striking "and bicycle" and inserting "bicycle"; and

(B) by inserting before the period at the end the following: ", and the modification of public sidewalks to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)";

(3) in paragraph (4)—

(A) by inserting ", publicly owned passenger rail," after "Highway";

(B) by inserting "infrastructure" after "safety"; and

(C) by inserting before the period at the end the following: ", and any other noninfrastructure highway safety improvements";

(4) in paragraph (11)—

(A) in the first sentence—

(i) by inserting "natural habitat and" after "participation in" each place it appears;

(ii) by striking "enhance and create" and inserting "enhance, and create natural habitats and"; and

(iii) by inserting "natural habitat and" before "wetlands conservation"; and

(B) by adding at the end the following: "With respect to participation in a natural

habitat or wetland mitigation effort related to a project funded under this title that has an impact that occurs within the service area of a mitigation bank, preference shall be given, to the maximum extent practicable, to the use of the mitigation bank if the bank contains sufficient available credits to offset the impact and the bank is approved in accordance with the Federal Guidance for the Establishment, Use and Operation of Mitigation Banks (60 Fed. Reg. 58605 (November 28, 1995)) or other applicable Federal law (including regulations).''; and

(5) in subsection (b)(9), by striking ''section 108(f)(1)(A) (other than clauses (xii) and (xvi)) of the Clean Air Act'' and inserting ''section 108(f)(1)(A) (other than clause (xvi)) of the Clean Air Act (42 U.S.C. 7408(f)(1)(A))'';

(6) by adding at the end the following:

''(13) Publicly owned intercity passenger rail infrastructure, including infrastructure owned by the National Railroad Passenger Corporation.

''(14) Publicly owned passenger rail vehicles, including vehicles owned by the National Railroad Passenger Corporation.

"(15) Infrastructure-based intelligent transportation systems capital improvements.

"(16) Publicly owned components of magnetic levitation transportation systems.

"(17) Environmental restoration and pollution abatement projects (including the retrofit or construction of storm water treatment systems) to address water pollution or environmental degradation caused or contributed to by transportation facilities, which projects shall be carried out when the transportation facilities are undergoing reconstruction, rehabilitation, resurfacing, or restoration; except that the expenditure of funds under this section for any such environmental restoration or pollution abatement project shall not exceed 20 percent of the total cost of the reconstruction, rehabilitation, resurfacing, or restoration project.".

SEC. 1236. DESIGN FLEXIBILITY.

Section 109 of title 23, United States Code, is amended by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—

"(1) REQUIREMENTS FOR FACILITIES.—The Secretary shall ensure that the plans and specifications for each proposed highway project under this chapter provide for a facility that will—

"(A) adequately serve the existing traffic of the highway in a manner that is conducive to safety, durability, and economy of maintenance; and

"(B) be designed and constructed in accordance with criteria best suited to accomplish the objectives described in subparagraph (A) and to conform to the particular needs of each locality.

"(2) CONSIDERATION OF PLANNED FUTURE TRAFFIC DEMANDS.—In carrying out paragraph (1), the Secretary shall ensure the consideration of the planned future traffic demands of the facility.".

Subtitle C—Finance

CHAPTER 1—GENERAL PROVISIONS

SEC. 1301. STATE INFRASTRUCTURE BANK PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"§ 162. State infrastructure bank program

"(a) DEFINITIONS.—In this section:

"(1) OTHER ASSISTANCE.—The term 'other assistance' includes any use of funds in an infrastructure bank—

"(A) to provide credit enhancements;

"(B) to serve as a capital reserve for bond or debt instrument financing;

"(C) to subsidize interest rates;

"(D) to ensure the issuance of letters of credit and credit instruments;

"(E) to finance purchase and lease agreements with respect to transit projects;

"(F) to provide bond or debt financing instrument security; and

"(G) to provide other forms of debt financing and methods of leveraging funds that are approved by the Secretary and that relate to the project with respect to which the assistance is being provided.

"(2) STATE.—The term 'State' has the meaning given the term under section 401.

"(b) COOPERATIVE AGREEMENTS.—

"(1) IN GENERAL.—

"(A) PURPOSE OF AGREEMENTS.—Subject to this section, the Secretary may enter into cooperative agreements with States for the establishment of State infrastructure banks and multistate infrastructure banks for making loans and providing other assistance to public and private entities carrying out or proposing to carry out projects eligible for assistance under this section.

"(B) CONTENTS OF AGREEMENTS.—Each cooperative agreement shall specify procedures and guidelines for establishing, operating, and providing assistance from the infrastructure bank.

"(2) INTERSTATE COMPACTS.—If 2 or more States enter into a cooperative agreement under paragraph (1) with the Secretary for the establishment of a multistate infrastructure bank, Congress grants consent to those States to enter into an interstate compact establishing the bank in accordance with this section.

"(c) FUNDING.—

"(1) CONTRIBUTION.—Notwithstanding any other provision of law, the Secretary may allow, subject to subsection (h)(1), a State that enters into a cooperative agreement under this section to contribute to the infrastructure bank established by the State not to exceed—

"(A)(i) the total amount of funds apportioned to the State under each of paragraphs (1) and (3) of section 104(b), excluding funds set aside under paragraphs (1) and (2) of section 133(d); and

"(ii) the total amount of funds allocated to the State under section 105 and under section 1102 of the Intermodal Surface Transportation Efficiency Act of 1998;

"(B) the total amount of funds made available to the State or other Federal transit grant recipient for capital projects (as defined in section 5302 of title 49) under sections 5307, 5309, and 5311 of title 49; and

"(C) the total amount of funds made available to the State under subtitle V of title 49.

"(2) CAPITALIZATION GRANT.—For the purposes of this section, Federal funds contributed to the infrastructure bank under this subsection shall constitute a capitalization grant for the infrastructure bank.

"(3) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000.—Funds that are apportioned or allocated to a State under section 104(b)(3) and attributed to urbanized areas of a State with a population of over 200,000 individuals under section 133(d)(2) may be used to provide assistance from an infrastructure bank under this section with respect to a project only if the metropolitan planning organization designated for the area concurs, in writing, with the provision of the assistance.

"(d) FORMS OF ASSISTANCE FROM INFRASTRUCTURE BANKS.—

"(1) IN GENERAL.—An infrastructure bank established under this section may make loans or provide other assistance to a public or private entity in an amount equal to all or part of the cost of carrying out a project eligible for assistance under this section.

"(2) SUBORDINATION OF LOANS.—The amount of any loan or other assistance provided for the project may be subordinated to any other debt financing for the project.

"(3) INITIAL ASSISTANCE.—Initial assistance provided with respect to a project from Federal funds contributed to an infrastructure bank under this section shall not be made in the form of a grant.

"(e) QUALIFYING PROJECTS.—

"(1) IN GENERAL.—Subject to paragraph (2), funds in an infrastructure bank established under this section may be used only to provide assistance with respect to projects eligible for assistance under this title, for capital projects (as defined in section 5302 of title 49), or for any other project related to surface transportation that the Secretary determines to be appropriate.

"(2) INTERSTATE FUNDS.—Funds contributed to an infrastructure bank from funds apportioned to a State under subparagraph (A) or (B) of section 104(b)(1) may be used only to provide assistance with respect to projects eligible for assistance under those subparagraphs.

"(3) RAIL PROGRAM FUNDS.—Funds contributed to an infrastructure bank from funds made available to a State under subtitle V of title 49 shall be used in a manner consistent with any project description specified under the law making the funds available to the State.

"(f) INFRASTRUCTURE BANK REQUIREMENTS.—

"(1) IN GENERAL.—Subject to paragraph (2), in order to establish an infrastructure bank under this section, each State establishing such a bank shall—

"(A) contribute, at a minimum, to the bank from non-Federal sources an amount equal to 25 percent of the amount of each capitalization grant made to the State and contributed to the bank under subsection (c), except that if the State has a higher Federal share payable under section 120(b) of title 23, United States Code, the State shall be required to contribute only an

amount commensurate with the higher Federal share;

"(B) ensure that the bank maintains on a continuing basis an investment grade rating on its debt issuances and its ability to pay claims under credit enhancement programs of the bank;

"(C) ensure that investment income generated by funds contributed to the bank will be—

"(i) credited to the bank;

"(ii) available for use in providing loans and other assistance to projects eligible for assistance from the bank; and

"(iii) invested in United States Treasury securities, bank deposits, or such other financing instruments as the Secretary may approve to earn interest to enhance the leveraging of projects assisted by the bank;

"(D) ensure that any loan from the bank will bear interest at or below market rates, as determined by the State, to make the project that is the subject of the loan feasible;

"(E) ensure that repayment of the loan from the bank will commence not later than 5 years after the project has been completed or, in

the case of a highway project, the facility has opened to traffic, whichever is later;

"(F) ensure that the term for repaying any loan will not exceed the lesser of—

"(i) 35 years after the date of the first payment on the loan under subparagraph (E); or

"(ii) the useful life of the investment; and

"(G) require the bank to make a biennial report to the Secretary and to make such other reports as the Secretary may require in guidelines.

"(2) WAIVERS BY THE SECRETARY.—The Secretary may waive a requirement of any of subparagraphs (C) through (G) of paragraph (1) with respect to an infrastructure bank if the Secretary determines that the waiver is consistent with the objectives of this section.

"(g) LIMITATION ON REPAYMENTS.—Notwithstanding any other provision of law, the repayment of a loan or other assistance provided from an infrastructure bank under this section may not be credited toward the non-Federal share of the cost of any project.

"(h) SECRETARIAL REQUIREMENTS.—In administering this section, the Secretary shall—

"(1) ensure that Federal disbursements shall be at an annual rate of not more than 20 percent of the amount designated by the State for State infrastructure bank capitalization under subsection (c)(1), except that the Secretary may disburse funds to a State in an amount needed to finance a specific project; and

"(2) revise cooperative agreements entered into with States under section 350 of the National Highway System Designation Act of 1995 (Public Law 104–59) to comply with this section.

"(i) APPLICABILITY OF FEDERAL LAW.—

"(1) IN GENERAL.—The requirements of this title or title 49 that would otherwise apply to funds made available under that title and projects assisted with those funds shall apply to—

"(A) funds made available under that title and contributed to an infrastructure bank established under this section, including the non-Federal contribution required under section (f); and

"(B) projects assisted by the bank through the use of the funds;

except to the extent that the Secretary determines that any requirement of that title (other than sections 113 and 114 of this title and section 5333 of title 49) is not consistent with the objectives of this section.

"(2) REPAYMENTS.—The requirements of this title or title 49 shall not apply to repayments from non-Federal sources to an infrastructure bank from projects assisted by the bank. Such a repayment shall not be considered to be Federal funds.

"(j) UNITED STATES NOT OBLIGATED.—

"(1) IN GENERAL.—The contribution of Federal funds to an infrastructure bank established under this section shall not be construed as a commitment, guarantee, or obligation on the part of the United States to any third party. No third party shall have any right against the United States for payment solely by virtue of the contribution.

"(2) STATEMENT.—Any security or debt financing instrument issued by the infrastructure bank shall expressly state that the security or instrument does not constitute a commitment, guarantee, or obligation of the United States.

"(k) MANAGEMENT OF FEDERAL FUNDS.—Sections 3335 and 6503 of title 31, United States Code, shall not apply to funds contributed under this section.

"(l) PROGRAM ADMINISTRATION.—

"(1) IN GENERAL.—A State may expend not to exceed 2 percent of the Federal funds contributed to an infrastructure bank established by the State under this section to pay the reasonable costs of administering the bank.

"(2) NON-FEDERAL FUNDS.—The limitation described in paragraph (1) shall not apply to non-Federal funds.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"162. State infrastructure bank program.".

CHAPTER 2—TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION

SEC. 1311. SHORT TITLE.

This chapter may be cited as the "Transportation Infrastructure Finance and Innovation Act of 1998".

SEC. 1312. FINDINGS.

Congress finds that—

(1) a well-developed system of transportation infrastructure is critical to the economic well-being, health, and welfare of the people of the United States;

(2) traditional public funding techniques such as grant programs are unable to keep pace with the in-

frastructure investment needs of the United States because of budgetary constraints at the Federal, State, and local levels of government;

(3) major transportation infrastructure facilities that address critical national needs, such as intermodal facilities, border crossings, and multistate trade corridors, are of a scale that exceeds the capacity of Federal and State assistance programs in effect on the date of enactment of this Act;

(4) new investment capital can be attracted to infrastructure projects that are capable of generating their own revenue streams through user charges or other dedicated funding sources; and

(5) a Federal credit program for projects of national significance can complement existing funding resources by filling market gaps, thereby leveraging substantial private co-investment.

SEC. 1313. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"SUBCHAPTER II—INFRASTRUCTURE FINANCE

"§ 181. Definitions

"In this subchapter:

"(1) ELIGIBLE PROJECT COSTS.—The term 'eligible project costs' means amounts substantially all of

which are paid by, or for the account of, an obligor in connection with a project, including the cost of—

"(A) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;

"(B) construction, reconstruction, rehabilitation, replacement, and acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, and acquisition of equipment; and

"(C) capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.

"(2) FEDERAL CREDIT INSTRUMENT.—The term 'Federal credit instrument' means a secured loan, loan guarantee, or line of credit authorized to be made available under this subchapter with respect to a project.

"(3) LENDER.—The term 'lender' means any non-Federal qualified institutional buyer (as defined in section 230.144A(a) of title 17, Code of Federal

Regulations (or any successor regulation), known as Rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933 (15 U.S.C. 77a et seq.)), including—

"(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986) that is a qualified institutional buyer; and

"(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986) that is a qualified institutional buyer.

"(4) LINE OF CREDIT.—The term 'line of credit' means an agreement entered into by the Secretary with an obligor under section 184 to provide a direct loan at a future date upon the occurrence of certain events.

"(5) LOAN GUARANTEE.—The term 'loan guarantee' means any guarantee or other pledge by the Secretary to pay all or part of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

"(6) LOCAL SERVICER.—The term 'local servicer' means—

"(A) a State infrastructure bank established under this title; or

"(B) a State or local government or any agency of a State or local government that is responsible for servicing a Federal credit instrument on behalf of the Secretary.

"(7) OBLIGOR.—The term 'obligor' means a party primarily liable for payment of the principal of or interest on a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

"(8) PROJECT.—The term 'project' means—

"(A) any surface transportation project eligible for Federal assistance under this title or chapter 53 of title 49; and

"(B) a project for an international bridge or tunnel for which an international entity authorized under State or Federal law is responsible.

"(9) PROJECT OBLIGATION.—The term 'project obligation' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with the financing of a project, other than a Federal credit instrument.

"(10) SECURED LOAN.—The term 'secured loan' means a direct loan or other debt obligation issued by

an obligor and funded by the Secretary in connection with the financing of a project under section 183.

"(11) STATE.—The term 'State' has the meaning given the term in section 101.

"(12) SUBSTANTIAL COMPLETION.—The term 'substantial completion' means the opening of a project to vehicular or passenger traffic.

"§ 182. Determination of eligibility and project selection

"(a) ELIGIBILITY.—To be eligible to receive financial assistance under this subchapter, a project shall meet the following criteria:

"(1) INCLUSION IN TRANSPORTATION PLANS AND PROGRAMS.—The project—

"(A) shall be included in the State transportation plan required under section 135; and

"(B) at such time as an agreement to make available a Federal credit instrument is entered into under this subchapter, shall be included in the approved State transportation improvement program required under section 134.

"(2) APPLICATION.—A State, a local servicer identified under section 185(a), or the entity undertaking the project shall submit a project application to the Secretary.

"(3) ELIGIBLE PROJECT COSTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), to be eligible for assistance under this subchapter, a project shall have eligible project costs that are reasonably anticipated to equal or exceed the lesser of—

"(i) $100,000,000; or

"(ii) 50 percent of the amount of Federal highway assistance funds apportioned for the most recently-completed fiscal year to the State in which the project is located.

"(B) INTELLIGENT TRANSPORTATION SYSTEM PROJECTS.—In the case of a project principally involving the installation of an intelligent transportation system, eligible project costs shall be reasonably anticipated to equal or exceed $30,000,000.

"(4) DEDICATED REVENUE SOURCES.—Project financing shall be repayable, in whole or in part, from tolls, user fees, or other dedicated revenue sources.

"(5) PUBLIC SPONSORSHIP OF PRIVATE ENTITIES.—In the case of a project that is undertaken by an entity that is not a State or local government or an agency or instrumentality of a State or local gov-

ernment, the project that the entity is undertaking shall be publicly sponsored as provided in paragraphs (1) and (2).

"(b) SELECTION AMONG ELIGIBLE PROJECTS.—

"(1) ESTABLISHMENT.—The Secretary shall establish criteria for selecting among projects that meet the eligibility criteria specified in subsection (a).

"(2) SELECTION CRITERIA.—The selection criteria shall include the following:

"(A) The extent to which the project is nationally or regionally significant, in terms of generating economic benefits, supporting international commerce, or otherwise enhancing the national transportation system.

"(B) The creditworthiness of the project, including a determination by the Secretary that any financing for the project has appropriate security features, such as a rate covenant, to ensure repayment. The Secretary shall require each project applicant to provide a preliminary rating opinion letter from a nationally recognized bond rating agency.

"(C) The extent to which assistance under this subchapter would foster innovative public-

private partnerships and attract private debt or equity investment.

"(D) The likelihood that assistance under this subchapter would enable the project to proceed at an earlier date than the project would otherwise be able to proceed.

"(E) The extent to which the project uses new technologies, including intelligent transportation systems, that enhance the efficiency of the project.

"(F) The amount of budget authority required to fund the Federal credit instrument made available under this subchapter.

"(G) The extent to which the project helps maintain or protect the environment.

"(H) The extent to which assistance under this chapter would reduce the contribution of Federal grant assistance to the project.

"(c) FEDERAL REQUIREMENTS.—The following provisions of law shall apply to funds made available under this subchapter and projects assisted with the funds:

"(1) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

"(2) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

"(3) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

"§ 183. Secured loans

"(a) IN GENERAL.—

"(1) AGREEMENTS.—Subject to paragraph (2), the Secretary may enter into agreements with 1 or more obligors to make secured loans, the proceeds of which shall be used—

"(A) to finance eligible project costs; or

"(B) to refinance interim construction financing of eligible project costs;

of any project selected under section 182.

"(2) LIMITATION ON REFINANCING OF INTERIM CONSTRUCTION FINANCING.—A loan under paragraph (1) shall not refinance interim construction financing under paragraph (1)(B) later than 1 year after the date of substantial completion of the project.

"(b) TERMS AND LIMITATIONS.—

"(1) IN GENERAL.—A secured loan under this section with respect to a project shall be on such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

"(2) MAXIMUM AMOUNT.—The amount of the secured loan shall not exceed 33 percent of the reasonably anticipated eligible project costs.

"(3) PAYMENT.—The secured loan—

"(A) shall—

"(i) be payable, in whole or in part, from tolls, user fees, or other dedicated revenue sources; and

"(ii) include a rate covenant, coverage requirement, or similar security feature supporting the project obligations; and

"(B) may have a lien on revenues described in subparagraph (A) subject to any lien securing project obligations.

"(4) INTEREST RATE.—The interest rate on the secured loan shall be not less than the yield on marketable United States Treasury securities of a similar maturity to the maturity of the secured loan on the date of execution of the loan agreement.

"(5) MATURITY DATE.—The final maturity date of the secured loan shall be not later than 35 years after the date of substantial completion of the project.

"(6) NONSUBORDINATION.—The secured loan shall not be subordinated to the claims of any holder

of project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

"(7) FEES.—The Secretary may establish fees at a level sufficient to cover all or a portion of the costs to the Federal Government of making a secured loan under this section.

"(8) NON-FEDERAL SHARE.—The proceeds of a secured loan under this subchapter may be used for any non-Federal share of project costs required under this title or chapter 53 of title 49, if the loan is repayable from non-Federal funds.

"(c) REPAYMENT.—

"(1) SCHEDULE.—The Secretary shall establish a repayment schedule for each secured loan under this section based on the projected cash flow from project revenues and other repayment sources.

"(2) COMMENCEMENT.—Scheduled loan repayments of principal or interest on a secured loan under this section shall commence not later than 5 years after the date of substantial completion of the project.

"(3) SOURCES OF REPAYMENT FUNDS.—The sources of funds for scheduled loan repayments under this section shall include tolls, user fees, or other dedicated revenue sources.

"(4) DEFERRED PAYMENTS.—

"(A) AUTHORIZATION.—If, at any time during the 10 years after the date of substantial completion of the project, the project is unable to generate sufficient revenues to pay scheduled principal and interest on the secured loan, the Secretary may, pursuant to established criteria for the project agreed to by the entity undertaking the project and the Secretary, allow the obligor to add unpaid principal and interest to the outstanding balance of the secured loan.

"(B) INTEREST.—Any payment deferred under subparagraph (A) shall—

"(i) continue to accrue interest in accordance with subsection (b)(4) until fully repaid; and

"(ii) be scheduled to be amortized over the remaining term of the loan beginning not later than 10 years after the date of substantial completion of the project in accordance with paragraph (1).

"(5) PREPAYMENT.—

"(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the project obligations and secured loan and all deposit require-

ments under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations may be applied annually to prepay the secured loan without penalty.

"(B) USE OF PROCEEDS OF REFINANCING.—The secured loan may be prepaid at any time without penalty from the proceeds of refinancing from non-Federal funding sources.

"(d) SALE OF SECURED LOANS.—

"(1) IN GENERAL.—Subject to paragraph (2), as soon as practicable after substantial completion of a project and after notifying the obligor, the Secretary may sell to another entity or reoffer into the capital markets a secured loan for the project if the Secretary determines that the sale or reoffering can be made on favorable terms.

"(2) CONSENT OF OBLIGOR.—In making a sale or reoffering under paragraph (1), the Secretary may not change the original terms and conditions of the secured loan without the written consent of the obligor.

"(e) LOAN GUARANTEES.—

"(1) IN GENERAL.—The Secretary may provide a loan guarantee to a lender in lieu of making a secured loan if the Secretary determines that the budg-

etary cost of the loan guarantee is substantially the same as that of a secured loan.

"(2) TERMS.—The terms of a guaranteed loan shall be consistent with the terms set forth in this section for a secured loan, except that the rate on the guaranteed loan and any prepayment features shall be negotiated between the obligor and the lender, with the consent of the Secretary.

"§ 184. Lines of credit

"(a) IN GENERAL.—

"(1) AGREEMENTS.—The Secretary may enter into agreements to make available lines of credit to 1 or more obligors in the form of direct loans to be made by the Secretary at future dates on the occurrence of certain events for any project selected under section 182.

"(2) USE OF PROCEEDS.—The proceeds of a line of credit made available under this section shall be available to pay debt service on project obligations issued to finance eligible project costs, extraordinary repair and replacement costs, operation and maintenance expenses, and costs associated with unexpected Federal or State environmental restrictions.

"(b) TERMS AND LIMITATIONS.—

"(1) IN GENERAL.—A line of credit under this section with respect to a project shall be on such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

"(2) MAXIMUM AMOUNTS.—

"(A) TOTAL AMOUNT.—The total amount of the line of credit shall not exceed 33 percent of the reasonably anticipated eligible project costs.

"(B) ONE-YEAR DRAWS.—The amount drawn in any 1 year shall not exceed 20 percent of the total amount of the line of credit.

"(3) DRAWS.—Any draw on the line of credit shall represent a direct loan and shall be made only if net revenues from the project (including capitalized interest, any debt service reserve fund, and any other available reserve) are insufficient to pay the costs specified in subsection (a)(2).

"(4) INTEREST RATE.—The interest rate on a direct loan resulting from a draw on the line of credit shall be not less than the yield on 30-year marketable United States Treasury securities as of the date on which the line of credit is obligated.

"(5) SECURITY.—The line of credit—

"(A) shall—

"(i) be payable, in whole or in part, from tolls, user fees, or other dedicated revenue sources; and

"(ii) include a rate covenant, coverage requirement, or similar security feature supporting the project obligations; and

"(B) may have a lien on revenues described in subparagraph (A) subject to any lien securing project obligations.

"(6) PERIOD OF AVAILABILITY.—The line of credit shall be available during the period beginning on the date of substantial completion of the project and ending not later than 10 years after that date.

"(7) RIGHTS OF THIRD PARTY CREDITORS.—

"(A) AGAINST FEDERAL GOVERNMENT.—A third party creditor of the obligor shall not have any right against the Federal Government with respect to any draw on the line of credit.

"(B) ASSIGNMENT.—An obligor may assign the line of credit to 1 or more lenders or to a trustee on the lenders' behalf.

"(8) NONSUBORDINATION.—A direct loan under this section shall not be subordinated to the claims of

any holder of project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

"(9) FEES.—The Secretary may establish fees at a level sufficient to cover all or a portion of the costs to the Federal Government of providing a line of credit under this section.

"(10) RELATIONSHIP TO OTHER CREDIT INSTRUMENTS.—A project that receives a line of credit under this section shall not also receive a secured loan or loan guarantee under section 183 of an amount that, combined with the amount of the line of credit, exceeds 33 percent of eligible project costs.

"(c) REPAYMENT.—

"(1) TERMS AND CONDITIONS.—The Secretary shall establish repayment terms and conditions for each direct loan under this section based on the projected cash flow from project revenues and other repayment sources.

"(2) TIMING.—All scheduled repayments of principal or interest on a direct loan under this section shall commence not later than 5 years after the end of the period of availability specified in subsection (b)(6) and be fully repaid, with interest, by the date that is 25 years after the end of the period of availability specified in subsection (b)(6).

"(3) SOURCES OF REPAYMENT FUNDS.—The sources of funds for scheduled loan repayments under this section shall include tolls, user fees, or other dedicated revenue sources.

"§ 185. Project servicing

"(a) REQUIREMENT.—The State in which a project that receives financial assistance under this subchapter is located may identify a local servicer to assist the Secretary in servicing the Federal credit instrument made available under this subchapter.

"(b) AGENCY; FEES.—If a State identifies a local servicer under subsection (a), the local servicer—

"(1) shall act as the agent for the Secretary; and

"(2) may receive a servicing fee, subject to approval by the Secretary.

"(c) LIABILITY.—A local servicer identified under subsection (a) shall not be liable for the obligations of the obligor to the Secretary or any lender.

"(d) ASSISTANCE FROM EXPERT FIRMS.—The Secretary may retain the services of expert firms in the field of municipal and project finance to assist in the underwriting and servicing of Federal credit instruments.

"§ 186. State and local permits

"The provision of financial assistance under this subchapter with respect to a project shall not—

"(1) relieve any recipient of the assistance of any obligation to obtain any required State or local permit or approval with respect to the project;

"(2) limit the right of any unit of State or local government to approve or regulate any rate of return on private equity invested in the project; or

"(3) otherwise supersede any State or local law (including any regulation) applicable to the construction or operation of the project.

"§ 187. Regulations

"The Secretary may issue such regulations as the Secretary determines appropriate to carry out this subchapter.

"§ 188. Funding

"(a) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter—

"(A) $60,000,000 for fiscal year 1998;

"(B) $60,000,000 for fiscal year 1999;

"(C) $90,000,000 for fiscal year 2000;

"(D) $90,000,000 for fiscal year 2001;

"(E) $115,000,000 for fiscal year 2002; and

"(F) $115,000,000 for fiscal year 2003.

"(2) ADMINISTRATIVE COSTS.—From funds made available under paragraph (1), the Secretary

may use, for the administration of this subchapter, not more than $2,000,000 for each of fiscal years 1998 through 2003.

"(3) AVAILABILITY.—Amounts made available under paragraph (1) shall remain available until expended.

"(b) CONTRACT AUTHORITY.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, approval by the Secretary of a Federal credit instrument that uses funds made available under this subchapter shall be deemed to be acceptance by the United States of a contractual obligation to fund the Federal credit instrument.

"(2) AVAILABILITY.—Amounts authorized under this section for a fiscal year shall be available for obligation on October 1 of the fiscal year.

"(c) LIMITATIONS ON CREDIT AMOUNTS.—For each of fiscal years 1998 through 2003, principal amounts of Federal credit instruments made available under this subchapter shall be limited to the amounts specified in the following table:

"Fiscal year:	***Maximum amount of credit:***
1998	*$1,200,000,000*
1999	*$1,200,000,000*
2000	*$1,800,000,000*
2001	*$1,800,000,000*
2002	*$2,300,000,000*
2003	*$2,300,000,000.*

"§ 189. Imposition of annual fee on recipients

"(a) IN GENERAL.—There is hereby imposed on any recipient of a Federal credit instrument an annual fee equal to the applicable percentage of the average outstanding Federal credit instrument amount made available to the recipient during the year under this subchapter.

"(b) TIME OF IMPOSITION.—The fee described in subsection (a) shall be imposed on the annual anniversary date of the receipt of the Federal credit instrument.

"(c) APPLICABLE PERCENTAGE.—For the purposes of subsection (a), the applicable percentage is, with respect to an annual anniversary date occurring in—

"(1) any of fiscal years 1999 through 2003, 1.9095 percent; and

"(2) any fiscal year after 2003, 0.5144 percent.

"(d) TERMINATION.—The fee imposed by this section shall not apply with respect to annual anniversary dates occurring after September 30, 2008.

"(e) DEPOSIT OF RECEIPTS.—The fees collected by the Secretary under this section shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.

"§ 190. Report to Congress

"Not later than 4 years after the date of enactment of this subchapter, the Secretary shall submit to Congress a report summarizing the financial performance of the

projects that are receiving, or have received, assistance under this subchapter, including a recommendation as to whether the objectives of this subchapter are best served—

"(1) by continuing the program under the authority of the Secretary;

"(2) by establishing a Government corporation or Government-sponsored enterprise to administer the program; or

"(3) by phasing out the program and relying on the capital markets to fund the types of infrastructure investments assisted by this subchapter without Federal participation.".

(b) CONFORMING AMENDMENTS.—Chapter 1 of title 23, United States Code, is amended—

(1) in the analysis—

(A) by inserting before "Sec." the following:

"SUBCHAPTER I—GENERAL PROVISIONS";

and

(B) by adding at the end the following:

"SUBCHAPTER II—INFRASTRUCTURE FINANCE

"181. Definitions.
"182. Determination of eligibility and project selection.
"183. Secured loans.
"184. Lines of credit.
"185. Project servicing.
"186. State and local permits.
"187. Regulations.
"188. Funding.
"189. Imposition of annual fee on recipients.
"190. Report to Congress.";

and

(2) by inserting before section 101 the following: "SUBCHAPTER I—GENERAL PROVISIONS".

SEC. 1314. OFFICE OF INFRASTRUCTURE FINANCE.

(a) DUTIES OF THE SECRETARY.—Section 301 of title 49, United States Code, is amended—

(1) in paragraph (7), by striking "and" at the end;

(2) in paragraph (8), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(9) develop and coordinate Federal policy on financing transportation infrastructure, including the provision of direct Federal credit assistance and other techniques used to leverage Federal transportation funds.".

(b) OFFICE OF INFRASTRUCTURE FINANCE.—

(1) IN GENERAL.—Chapter 1 of title 49, United States Code, is amended by adding at the end the following:

"§ 113. Office of Infrastructure Finance

"(a) ESTABLISHMENT.—The Secretary of Transportation shall establish within the Office of the Secretary an Office of Infrastructure Finance.

"(b) DIRECTOR.—The Office shall be headed by a Director who shall be appointed by the Secretary not later than 180 days after the date of enactment of this section.

"(c) FUNCTIONS.—The Director shall be responsible for—

"(1) carrying out the responsibilities of the Secretary described in section 301(9);

"(2) carrying out research on financing transportation infrastructure, including educational programs and other initiatives to support Federal, State, and local government efforts; and

"(3) providing technical assistance to Federal, State, and local government agencies and officials to facilitate the development and use of alternative techniques for financing transportation infrastructure.".

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 49, United States Code, is amended by adding at the end the following:

"113. Office of Infrastructure Finance.".

Subtitle D—Safety

SEC. 1401. OPERATION LIFESAVER.

Section 104 of title 23, United States Code (as amended by section 1102(a)), is amended—

(1) in the matter preceding paragraph (1) of subsection (b), by striking "subsection (f)" and inserting "subsections (d) and (f)"; and

(2) in subsection (d), by striking paragraph (1) and inserting the following:

"(1) OPERATION LIFESAVER.—Before making an apportionment of funds under subsection (b)(3) for a fiscal year, the Secretary shall set aside $500,000 of the funds made available for the surface transportation program for the fiscal year to carry out a public information and education program to help prevent and reduce motor vehicle accidents, injuries, and fatalities and to improve driver performance at railway-highway crossings.".

SEC. 1402. RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.

Section 104(d) of title 23, United States Code, is amended by striking paragraphs (2) and (3) and inserting the following:

"(2) RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.—

"(A) IN GENERAL.—Before making an apportionment of funds under subsection (b)(3) for a fiscal year, the Secretary shall set aside $5,000,000 of the funds made available for the surface transportation program for the fiscal year for elimination of hazards of railway-highway crossings.

"(B) ELIGIBLE CORRIDORS.—Funds made available under subparagraph (A) shall be expended for projects in—

"(i) 5 railway corridors selected by the Secretary in accordance with this subsection (as in effect on the day before the date of enactment of this clause);

"(ii) 3 railway corridors selected by the Secretary in accordance with subparagraphs (C) and (D); and

"(iii) a Gulf Coast high speed railway corridor (as designated by the Secretary).

"(C) REQUIRED INCLUSION OF HIGH SPEED RAIL LINES.—A corridor selected by the Secretary under subparagraph (B) shall include rail lines where railroad speeds of 90 miles or more per hour are occurring or can reasonably be expected to occur in the future.

"(D) CONSIDERATIONS IN CORRIDOR SELECTION.—In selecting corridors under subparagraph (B), the Secretary shall consider—

"(i) projected rail ridership volume in each corridor;

"(ii) the percentage of each corridor over which a train will be capable of oper-

ating at its maximum cruise speed taking into account such factors as topography and other traffic on the line;

"(iii) projected benefits to nonriders such as congestion relief on other modes of transportation serving each corridor (including congestion in heavily traveled air passenger corridors);

"(iv) the amount of State and local financial support that can reasonably be anticipated for the improvement of the line and related facilities; and

"(v) the cooperation of the owner of the right-of-way that can reasonably be expected in the operation of high speed rail passenger service in each corridor.

"(E)(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $15,000,000 in each of fiscal years 1998 through 2003 to carry out this subsection.

"(ii) AVAILABILITY.—Notwithstanding section 118(a), funds made available under clause (i) shall not be available in advance of an annual appropriation.".

SEC. 1403. RAILWAY-HIGHWAY CROSSINGS.

Section 130 of title 23, United States Code, is amended—

(1) in the first sentence of subsection (a)—

(A) by striking "structures, and" and inserting "structures,"; and

(B) by inserting after "grade crossings," the following: "trespassing countermeasures in the immediate vicinity of a public railway-highway grade crossing, railway-highway crossing safety education, enforcement of traffic laws relating to railway-highway crossing safety, and projects at privately owned railway-highway crossings if each such project is publicly sponsored and the Secretary determines that the project would serve a public benefit,";

(2) in subsection (d), by adding at the end the following: "In a manner established by the Secretary, each State shall submit a report that describes completed railway-highway crossing projects funded under this section to the Department of Transportation for inclusion in the National Grade Crossing Inventory prepared by the Department of Transportation and the Association of American Railroads."; and

(3) by striking subsection (e).

SEC. 1404. HAZARD ELIMINATION PROGRAM.

(a) IN GENERAL.—Section 152 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "(a) Each" and inserting the following:

"(a) IN GENERAL.—

"(1) PROGRAM.—Each";

(B) by inserting ", bicyclists," after "motorists"; and

(C) by adding at the end the following:

"(2) HAZARDS.—In carrying out paragraph (1), a State may, at its discretion—

"(A) identify through a survey hazards to motorists, bicyclists, pedestrians, and users of highway facilities; and

"(B) develop and implement projects and programs to address the hazards.";

(2) in subsection (b), by striking "highway safety improvement project" and inserting "safety improvement project, including a project described in subsection (a)"; and

(3) in subsection (c), by striking "on any public road (other than a highway on the Interstate System)." and inserting the following: "on—

"(1) any public road;

"(2) any public transportation vehicle or facility, any publicly owned bicycle or pedestrian pathway or trail, or any other facility that the Secretary determines to be appropriate; or

"(3) any traffic calming measure.".

(b) CONFORMING AMENDMENTS.—

(1) Section 101(a) of title 23, United States Code, is amended—

(A) in the undesignated paragraph defining "highway safety improvement project", by striking "highway safety" and inserting "safety"; and

(B) by moving that undesignated paragraph to appear before the undesignated paragraph defining "Secretary".

(2) Section 152 of title 23, United States Code, is amended in subsections (f) and (g) by striking "highway safety improvement projects" each place it appears and inserting "safety improvement projects".

SEC. 1405. MINIMUM PENALTIES FOR REPEAT OFFENDERS FOR DRIVING WHILE INTOXICATED OR DRIVING UNDER THE INFLUENCE.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1301(a)), is amended by adding at the end the following:

"§ 163. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence

"(a) DEFINITIONS.—In this section:

"(1) ALCOHOL CONCENTRATION.—The term 'alcohol concentration' means grams of alcohol per 100 milliliters of blood or grams of alcohol per 210 liters of breath.

"(2) DRIVING WHILE INTOXICATED; DRIVING UNDER THE INFLUENCE.—The terms 'driving while intoxicated' and 'driving under the influence' mean driving or being in actual physical control of a motor vehicle while having an alcohol concentration above the permitted limit as established by each State.

"(3) LICENSE SUSPENSION.—The term 'license suspension' means the suspension of all driving privileges.

"(4) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated solely on a rail line or a commercial vehicle.

"(5) REPEAT INTOXICATED DRIVER LAW.—The term 'repeat intoxicated driver law' means a State law that provides, as a minimum penalty, that an individual convicted of a second or subsequent offense

for driving while intoxicated or driving under the influence after a previous conviction for that offense shall—

"(A) receive a driver's license suspension for not less than 1 year;

"(B) be subject to the impoundment or immobilization of each of the individual's motor vehicles or the installation of an ignition interlock system on each of the motor vehicles;

"(C) receive an assessment of the individual's degree of abuse of alcohol and treatment as appropriate; and

"(D) receive—

"(i) in the case of the second offense—

"(I) an assignment of not less than 30 days of community service; or

"(II) not less than 5 days of imprisonment; and

"(ii) in the case of the third or subsequent offense—

"(I) an assignment of not less than 60 days of community service; or

"(II) not less than 10 days of imprisonment.

"(b) TRANSFER OF FUNDS.—

"(1) FISCAL YEARS 2001 AND 2002.—

"(A) IN GENERAL.—On October 1, 2000, and October 1, 2001, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer an amount equal to 1½ percent of the funds apportioned to the State on that date under paragraphs (1) and (3) of section 104(b) to the apportionment of the State under section 402—

"(i) to be used for alcohol-impaired driving countermeasures; or

"(ii) to be directed to State and local law enforcement agencies for enforcement of laws prohibiting driving while intoxicated or driving under the influence and other related laws (including regulations), including the purchase of equipment, the training of officers, and the use of additional personnel for specific alcohol-impaired driving countermeasures, dedicated to enforcement of the laws (including regulations).

"(B) DERIVATION OF AMOUNT TO BE TRANSFERRED.—An amount transferred under subparagraph (A) may be derived—

"(i) from the apportionment of the State under section 104(b)(1);

"(ii) from the apportionment of the State under section 104(b)(3); or

"(iii) partially from the apportionment of the State under section 104(b)(1) and partially from the apportionment of the State under section 104(b)(3).

"(2) FISCAL YEAR 2003 AND FISCAL YEARS THEREAFTER.—

"(A) IN GENERAL.—On October 1, 2002, and each October 1 thereafter, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer 3 percent of the funds apportioned to the State on that date under each of paragraphs (1) and (3) of section 104(b) to the apportionment of the State under section 402—

"(i) to be used for alcohol-impaired driving countermeasures; or

"(ii) to be directed to State and local law enforcement agencies for enforcement of laws prohibiting driving while intoxicated or driving under the influence and other related laws (including regulations), includ-

ing the purchase of equipment, the training of officers, and the use of additional personnel for specific alcohol-impaired driving countermeasures, dedicated to enforcement of the laws (including regulations).

"(B) DERIVATION OF AMOUNT TO BE TRANSFERRED.—An amount transferred under subparagraph (A) may be derived—

"(i) from the apportionment of the State under section 104(b)(1);

"(ii) from the apportionment of the State under section 104(b)(3); or

"(iii) partially from the apportionment of the State under section 104(b)(1) and partially from the apportionment of the State under section 104(b)(3).

"(3) FEDERAL SHARE.—The Federal share of the cost of a project carried out under section 402 with funds transferred under paragraph (1) or (2) shall be 100 percent.

"(4) TRANSFER OF OBLIGATION AUTHORITY.—

"(A) IN GENERAL.—If the Secretary transfers under this subsection any funds to the apportionment of a State under section 402 for a fiscal year, the Secretary shall transfer an

amount, determined under subparagraph (B), of obligation authority distributed for the fiscal year to the State for Federal-aid highways and highway safety construction programs for carrying out projects under section 402.

"(B) AMOUNT.—The amount of obligation authority referred to in subparagraph (A) shall be determined by multiplying—

"(i) the amount of funds transferred under subparagraph (A) to the apportionment of the State under section 402 for the fiscal year; by

"(ii) the ratio that—

"(I) the amount of obligation authority distributed for the fiscal year to the State for Federal-aid highways and highway safety construction programs; bears to

"(II) the total of the sums apportioned to the State for Federal-aid highways and highway safety construction programs (excluding sums not subject to any obligation limitation) for the fiscal year.

"(5) LIMITATION ON APPLICABILITY OF HIGHWAY SAFETY OBLIGATIONS.—Notwithstanding any other provision of law, no limitation on the total of obligations for highway safety programs under section 402 shall apply to funds transferred under this subsection to the apportionment of a State under that section.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1301(b)), is amended by adding at the end the following:

"163. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence.".

SEC. 1406. SAFETY INCENTIVE GRANTS FOR USE OF SEAT BELTS.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1405(a)), is amended by adding at the end the following:

"§ 164. Safety incentive grants for use of seat belts

"(a) DEFINITIONS.—In this section:

"(1) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated solely on a rail line.

"(2) MULTIPURPOSE PASSENGER MOTOR VEHICLE.—The term 'multipurpose passenger motor vehi-

cle' means a motor vehicle with motive power (except a trailer), designed to carry not more than 10 individuals, that is constructed on a truck chassis or is constructed with special features for occasional off-road operation.

"(3) NATIONAL AVERAGE SEAT BELT USE RATE.—The term 'national average seat belt use rate' means, in the case of each of calendar years 1995 through 2001, the national average seat belt use rate for that year, as determined by the Secretary.

"(4) PASSENGER CAR.—The term 'passenger car' means a motor vehicle with motive power (except a multipurpose passenger motor vehicle, motorcycle, or trailer) designed to carry not more than 10 individuals.

"(5) PASSENGER MOTOR VEHICLE.—The term 'passenger motor vehicle' means a passenger car or a multipurpose passenger motor vehicle.

"(6) SAVINGS TO THE FEDERAL GOVERNMENT.—The term 'savings to the Federal Government' means the amount of Federal budget savings relating to Federal medical costs (including savings under the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq.)), as determined by the Secretary.

"(7) SEAT BELT.—The term 'seat belt' means—

"(A) with respect to an open-body passenger motor vehicle, including a convertible, an occupant restraint system consisting of a lap belt or a lap belt and a detachable shoulder belt; and

"(B) with respect to any other passenger motor vehicle, an occupant restraint system consisting of integrated lap and shoulder belts.

"(8) STATE SEAT BELT USE RATE.—The term 'State seat belt use rate' means the rate of use of seat belts in passenger motor vehicles in a State, as measured and submitted to the Secretary—

"(A) for each of calendar years 1995 through 1997, by the State, as adjusted by the Secretary to ensure national consistency in methods of measurement (as determined by the Secretary); and

"(B) for each of calendar years 1998 through 2001, by the State in a manner consistent with the criteria established by the Secretary under subsection (e).

"(b) DETERMINATIONS BY THE SECRETARY.—Not later than 30 days after the date of enactment of this section, and not later than September 1 of each calendar year

thereafter through September 1, 2002, the Secretary shall determine—

"(1)(A) which States had, for each of the previous calendar years (referred to in this subsection as the 'previous calendar year') and the year preceding the previous calendar year, a State seat belt use rate greater than the national average seat belt use rate for that year; and

"(B) in the case of each State described in subparagraph (A), the amount that is equal to the savings to the Federal Government due to the amount by which the State seat belt use rate for the previous calendar year exceeds the national average seat belt use rate for that year; and

"(2) in the case of each State that is not a State described in paragraph (1)(A)—

"(A) the base seat belt use rate of the State, which shall be equal to the highest State seat belt use rate for the State for any calendar year during the period of 1995 through the calendar year preceding the previous calendar year; and

"(B) the amount that is equal to the savings to the Federal Government due to any increase in the State seat belt use rate for the previous

calendar year over the base seat belt use rate determined under subparagraph (A).

"(c) ALLOCATIONS.—

"(1) STATES WITH GREATER THAN THE NATIONAL AVERAGE SEAT BELT USE RATE.—Not later than 30 days after the date of enactment of this section, and not later than each October 1 thereafter through October 1, 2002, the Secretary shall allocate to each State described in subsection (b)(1)(A) an amount equal to the amount determined for the State under subsection (b)(1)(B).

"(2) OTHER STATES.—Not later than 30 days after the date of enactment of this section, and not later than each October 1 thereafter through October 1, 2002, the Secretary shall allocate to each State described in subsection (b)(2) an amount equal to the amount determined for the State under subsection (b)(2)(B).

"(d) USE OF FUNDS.—For each fiscal year, each State that is allocated an amount under this section shall use the amount for projects eligible for assistance under this title.

"(e) CRITERIA.—Not later than 180 days after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998, the Secretary shall establish criteria for the measurement of State seat belt use rates by States

to ensure that the measurements are accurate and representative.

"(f) FUNDING.—

"(1) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $60,000,000 for fiscal year 1998, $70,000,000 for fiscal year 1999, $80,000,000 for fiscal year 2000, $90,000,000 for fiscal year 2001, and $100,000,000 for each of fiscal years 2002 and 2003.

"(2) PROPORTIONATE ADJUSTMENT.—If the total amounts to be allocated under subsection (c) for any fiscal year would exceed the amounts authorized for the fiscal year under paragraph (1), the allocation to each State under subsection (c) shall be reduced proportionately.

"(3) USE OF UNALLOCATED FUNDS.—To the extent that the amounts made available for any fiscal year under paragraph (1) exceed the total amounts to be allocated under subsection (c) for the fiscal year, the excess amounts shall be allocated as follows:

"(A) 50 percent to be apportioned to the States in the same manner in which funds are apportioned under section 402(c).

"(B) 50 percent to be allocated by the Secretary under section 403 through cooperative agreements with States to carry out innovative programs to promote increased seat belt use rates.

"(4) ADMINISTRATIVE EXPENSES.—Not more than 2 percent of the funds made available to carry out this section may be used to pay the necessary administrative expenses incurred in carrying out this section.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1405(b)), is amended by adding at the end the following:

"164. Safety incentive grants for use of seat belts.".

SEC. 1407. AUTOMATIC CRASH PROTECTION UNBELTED TESTING STANDARD.

(a) IN GENERAL.—

(1) TESTING WITH SIMULTANEOUS USE.—Beginning on the date of enactment of this Act, for the purpose of certification under section 30115 of title 49, United States Code, of compliance with the motor vehicle safety standards under section 30111 of that title, a manufacturer or distributor of a motor vehicle shall be deemed to be in compliance with applicable performance standards for occupant crash protection

if the motor vehicle meets the applicable requirements for testing with the simultaneous use of both an automatic restraint system and a manual seat belt.

(2) PROHIBITION.—In no case shall a manufacturer or distributor use, for the purpose of the certification referred to in paragraph (1), testing that provides for the use of an automatic restraint system without the use of a manual seat belt.

(b) REVISION OF STANDARDS.—The Secretary shall issue such revised standards under section 30111 of title 49, United States Code, as are necessary to conform to subsection (a).

SEC. 1408. NATIONAL STANDARD TO PROHIBIT OPERATION OF MOTOR VEHICLES BY INTOXICATED INDIVIDUALS.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by inserting after section 153 the following:

"§ 154. National standard to prohibit operation of motor vehicles by intoxicated individuals

"(a) WITHHOLDING OF APPORTIONMENTS FOR NONCOMPLIANCE.—

"(1) FISCAL YEAR 2002.—The Secretary shall withhold 5 percent of the amount required to be apportioned to any State under each of paragraphs

(1)(A), (1)(C), and (3) of section 104(b) on October 1, 2001, if the State does not meet the requirements of paragraph (3) on that date.

"(2) SUBSEQUENT FISCAL YEARS.—The Secretary shall withhold 10 percent (including any amounts withheld under paragraph (1)) of the amount required to be apportioned to any State under each of paragraphs (1)(A), (1)(C), and (3) of section 104(b) on October 1, 2002, and on October 1 of each fiscal year thereafter, if the State does not meet the requirements of paragraph (3) on that date.

"(3) REQUIREMENTS.—A State meets the requirements of this paragraph if the State has enacted and is enforcing a law providing that an individual who has an alcohol concentration of 0.08 percent or greater while operating a motor vehicle in the State is guilty of the offense of driving while intoxicated (or an equivalent offense that carries the greatest penalty under the law of the State for operating a motor vehicle after having consumed alcohol).

"(b) PERIOD OF AVAILABILITY; EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

"(1) PERIOD OF AVAILABILITY OF WITHHELD FUNDS.—

"(A) FUNDS WITHHELD ON OR BEFORE SEPTEMBER 30, 2003.—Any funds withheld under subsection (a) from apportionment to any State on or before September 30, 2003, shall remain available until the end of the third fiscal year following the fiscal year for which the funds are authorized to be appropriated.

"(B) FUNDS WITHHELD AFTER SEPTEMBER 30, 2003.—No funds withheld under this section from apportionment to any State after September 30, 2003, shall be available for apportionment to the State.

"(2) APPORTIONMENT OF WITHHELD FUNDS AFTER COMPLIANCE.—If, before the last day of the period for which funds withheld under subsection (a) from apportionment are to remain available for apportionment to a State under paragraph (1)(A), the State meets the requirements of subsection (a)(3), the Secretary shall, on the first day on which the State meets the requirements, apportion to the State the funds withheld under subsection (a) that remain available for apportionment to the State.

"(3) PERIOD OF AVAILABILITY OF SUBSEQUENTLY APPORTIONED FUNDS.—

"(A) IN GENERAL.—Any funds apportioned under paragraph (2) shall remain available for expenditure until the end of the third fiscal year following the fiscal year in which the funds are so apportioned.

"(B) TREATMENT OF CERTAIN FUNDS.—Sums not obligated at the end of the period referred to in subparagraph (A) shall—

"(i) lapse; or

"(ii) in the case of funds apportioned under section 104(b)(1)(A), lapse and be made available by the Secretary for projects in accordance with section 118.

"(4) EFFECT OF NONCOMPLIANCE.—If, at the end of the period for which funds withheld under subsection (a) from apportionment are available for apportionment to a State under paragraph (1)(A), the State does not meet the requirements of subsection (a)(3), the funds shall—

"(A) lapse; or

"(B) in the case of funds withheld from apportionment under section 104(b)(1)(A), lapse and be made available by the Secretary for projects in accordance with section 118.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by inserting after the item relating to section 153 the following:

"154. National standard to prohibit operation of motor vehicles by intoxicated individuals.".

SEC. 1409. OPEN CONTAINER LAWS.

(a) ESTABLISHMENT.—Chapter 1 of title 23, United States Code, is amended by inserting after section 153 the following:

"§ 154. Open container requirements

"(a) DEFINITIONS.—In this section:

"(1) ALCOHOLIC BEVERAGE.—The term 'alcoholic beverage' has the meaning given the term in section 158(c).

"(2) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated exclusively on a rail or rails.

"(3) OPEN ALCOHOLIC BEVERAGE CONTAINER.—The term 'open alcoholic beverage container' has the meaning given the term in section 410(i).

"(4) PASSENGER AREA.—The term 'passenger area' shall have the meaning given the term by the Secretary by regulation.

"(b) WITHHOLDING OF APPORTIONMENTS FOR NON-COMPLIANCE.—

"(1) FISCAL YEAR 2002.—The Secretary shall withhold 5 percent of the amount required to be apportioned to any State under each of paragraphs (1)(A), (1)(C), and (3) of section 104(b) on October 1, 2001, if the State does not have in effect a law described in paragraph (3) on that date.

"(2) SUBSEQUENT FISCAL YEARS.—The Secretary shall withhold 10 percent (including any amounts withheld under paragraph (1)) of the amount required to be apportioned to any State under each of paragraphs (1)(A), (1)(C), and (3) of section 104(b) on October 1, 2002, and on October 1 of each fiscal year thereafter, if the State does not have in effect a law described in paragraph (3) on that date.

"(3) OPEN CONTAINER LAWS.—

"(A) IN GENERAL.—For the purposes of this section, each State shall have in effect a law that prohibits the possession of any open alcoholic beverage container, or the consumption of any alcoholic beverage, in the passenger area of any motor vehicle (including possession or consumption by the driver of the vehicle) located on a

public highway, or the right-of-way of a public highway, in the State.

"(B) MOTOR VEHICLES DESIGNED TO TRANSPORT MANY PASSENGERS.—For the purposes of this section, if a State has in effect a law that makes unlawful the possession of any open alcoholic beverage container in the passenger area by the driver (but not by a passenger) of a motor vehicle designed, maintained, or used primarily for the transportation of persons for compensation, or to the living quarters of a house coach or house trailer, the State shall be deemed to have in effect a law described in this subsection with respect to such a motor vehicle for each fiscal year during which the law is in effect.

"(c) PERIOD OF AVAILABILITY; EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

"(1) PERIOD OF AVAILABILITY OF WITHHELD FUNDS.—

"(A) FUNDS WITHHELD ON OR BEFORE SEPTEMBER 30, 2003.—Any funds withheld under subsection (b) from apportionment to any State on or before September 30, 2003, shall remain available until the end of the third fiscal year

following the fiscal year for which the funds are authorized to be appropriated.

"(B) FUNDS WITHHELD AFTER SEPTEMBER 30, 2003.—No funds withheld under this section from apportionment to any State after September 30, 2003, shall be available for apportionment to the State.

"(2) APPORTIONMENT OF WITHHELD FUNDS AFTER COMPLIANCE.—If, before the last day of the period for which funds withheld under subsection (b) from apportionment are to remain available for apportionment to a State under paragraph (1)(A), the State has in effect a law described in subsection (b)(3), the Secretary shall, on the first day on which the State has in effect such a law, apportion to the State the funds withheld under subsection (b) that remain available for apportionment to the State.

"(3) PERIOD OF AVAILABILITY OF SUBSEQUENTLY APPORTIONED FUNDS.—

"(A) IN GENERAL.—Any funds apportioned under paragraph (2) shall remain available for expenditure until the end of the third fiscal year following the fiscal year in which the funds are so apportioned.

"(B) TREATMENT OF CERTAIN FUNDS.—Sums not obligated at the end of the period referred to in subparagraph (A) shall—

"(i) lapse; or

"(ii) in the case of funds apportioned under section 104(b)(1)(A), lapse and be made available by the Secretary for projects in accordance with section 118.

"(4) EFFECT OF NONCOMPLIANCE.—If, at the end of the period for which funds withheld under subsection (b) from apportionment are available for apportionment to a State under paragraph (1)(A), the State does not have in effect a law described in subsection (b)(3), the funds shall—

"(A) lapse; or

"(B) in the case of funds withheld from apportionment under section 104(b)(1)(A), lapse and be made available by the Secretary for projects in accordance with section 118.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by inserting after the item relating to section 153 the following:

"154. Open container requirements.".

SEC. 1410. REPORT ON EFFECTS OF ALLOWING HEAVIER WEIGHT VEHICLES ON CERTAIN HIGHWAYS.

(a) DEFINITION OF HEAVIER WEIGHT VEHICLE.—In this section, the term "heavier weight vehicle" means a vehicle the operation of which on the Interstate System is prohibited under section 127 of title 23, United States Code.

(b) REPORT.—Not later than December 31, 2000, the Secretary shall submit to Congress a report on the effects of allowing operation of heavier weight vehicles on Interstate Route 95 in the States of Maine and New Hampshire.

(c) CONTENTS.—The report shall contain an analysis of the safety, infrastructure, cost recovery, environmental, and economic implications of that operation.

(d) CONSULTATION.—In preparing the report, the Secretary shall consult with the safety and modal administrations of the Department of Transportation, and the States of Maine and New Hampshire.

(e) MORATORIUM ON WITHHOLDING OF FUNDS.—Notwithstanding section 127 of title 23, United States Code, during the period beginning on the date of enactment of this Act and ending on the earlier of the end of fiscal year 2002 or the date that is 1 year after the date of submission of the report under subsection (b), the Secretary shall not withhold, under that section, funds from apportionment to the States of Maine and New Hampshire.

Subtitle E—Environment

SEC. 1501. NATIONAL SCENIC BYWAYS PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1406(a)) is amended by adding at the end the following:

"§ 165. National scenic byways program

"(a) DESIGNATION OF ROADS.—

"(1) IN GENERAL.—The Secretary shall carry out a national scenic byways program that recognizes roads having outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities by designating the roads as National Scenic Byways or All-American Roads.

"(2) CRITERIA.—The Secretary shall designate roads to be recognized under the national scenic byways program in accordance with criteria developed by the Secretary.

"(3) NOMINATION.—To be considered for the designation, a road must be nominated by a State or a Federal land management agency and must first be designated as a State scenic byway or, in the case of a road on Federal land, as a Federal land management agency byway.

"(b) GRANTS AND TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall make grants and provide technical assistance to States to—

"(A) implement projects on highways designated as National Scenic Byways or All-American Roads, or as State scenic byways; and

"(B) plan, design, and develop a State scenic byway program.

"(2) PRIORITIES.—In making grants, the Secretary shall give priority to—

"(A) each eligible project that is associated with a highway that has been designated as a National Scenic Byway or All-American Road and that is consistent with the corridor management plan for the byway;

"(B) each eligible project along a State-designated scenic byway that is consistent with the corridor management plan for the byway, or is intended to foster the development of such a plan, and is carried out to make the byway eligible for designation as a National Scenic Byway or All-American Road; and

"(C) each eligible project that is associated with the development of a State scenic byway program.

"(c) ELIGIBLE PROJECTS.—The following are projects that are eligible for Federal assistance under this section:

"(1) An activity related to the planning, design, or development of a State scenic byway program.

"(2) Development and implementation of a corridor management plan to maintain the scenic, historical, recreational, cultural, natural, and archaeological characteristics of a byway corridor while providing for accommodation of increased tourism and development of related amenities.

"(3) Safety improvements to a State scenic byway, National Scenic Byway, or All-American Road to the extent that the improvements are necessary to accommodate increased traffic and changes in the types of vehicles using the highway as a result of the designation as a State scenic byway, National Scenic Byway, or All-American Road.

"(4) Construction along a scenic byway of a facility for pedestrians and bicyclists, rest area, turnout, highway shoulder improvement, passing lane, overlook, or interpretive facility.

"(5) An improvement to a scenic byway that will enhance access to an area for the purpose of recreation, including water-related recreation.

"(6) Protection of scenic, historical, recreational, cultural, natural, and archaeological resources in an area adjacent to a scenic byway.

"(7) Development and provision of tourist information to the public, including interpretive information about a scenic byway.

"(8) Development and implementation of a scenic byways marketing program.

"(d) LIMITATION.—The Secretary shall not make a grant under this section for any project that would not protect the scenic, historical, recreational, cultural, natural, and archaeological integrity of a highway and adjacent areas.

"(e) FEDERAL SHARE.—The Federal share of the cost of carrying out a project under this section shall be 80 percent, except that, in the case of any scenic byways project along a public road that provides access to or within Federal or Indian land, a Federal land management agency may use funds authorized for use by the agency as the non-Federal share.

"(f) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $17,000,000 for fiscal year 1998, $17,000,000 for fiscal year 1999, $19,000,000 for fiscal year 2000,

$19,000,000 for fiscal year 2001, $21,000,000 for fiscal year 2002, and $23,000,000 for fiscal year 2003.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1406(b)), is amended by adding at the end the following:

"165. National scenic byways program.".

SEC. 1502. PUBLIC-PRIVATE PARTNERSHIPS.

Section 149 of title 23, United States Code, is amended by adding at the end the following:

"(e) PARTNERSHIPS WITH NONGOVERNMENTAL ENTITIES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title and in accordance with this subsection, a metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project carried out under this section.

"(2) FORMS OF PARTICIPATION BY ENTITIES.—Participation by an entity under paragraph (1) may consist of—

"(A) ownership or operation of any land, facility, vehicle, or other physical asset associated with the project;

"(B) cost sharing of any project expense;

"(C) carrying out of administration, construction management, project management, project operation, or any other management or operational duty associated with the project; and

"(D) any other form of participation approved by the Secretary.

"(3) ALLOCATION TO ENTITIES.—A State may allocate funds apportioned under section 104(b)(2) to an entity described in paragraph (1).

"(4) ALTERNATIVE FUEL PROJECTS.—In the case of a project that will provide for the use of alternative fuels by privately owned vehicles or vehicle fleets, activities eligible for funding under this subsection—

"(A) may include the costs of vehicle refueling infrastructure and other capital investments associated with the project; and

"(B) shall—

"(i) include only the incremental cost of an alternative fueled vehicle compared to a conventionally fueled vehicle that would otherwise be borne by a private party; and

"(ii) apply other governmental financial purchase contributions in the calculation of net incremental cost.

"(5) PROHIBITION ON FEDERAL PARTICIPATION WITH RESPECT TO REQUIRED ACTIVITIES.—A Federal participation payment under this subsection may not be made to an entity to fund an obligation imposed under the Clean Air Act (42 U.S.C. 7401 et seq.) or any other Federal law.".

SEC. 1503. WETLAND RESTORATION PILOT PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) surface transportation has unintended but negative consequences for wetlands and other water resources;

(2) in almost every State, construction and other highway activities have reduced or eliminated wetland functions and values, such as wildlife habitat, ground water recharge, flood control, and water quality benefits;

(3) the United States has lost more than ½ of the estimated 220,000,000 acres of wetlands that existed during colonial times; and

(4) while the rate of human-induced destruction and conversion of wetlands has slowed in recent years, the United States has suffered unacceptable wetland losses as a result of highway projects.

(b) ESTABLISHMENT.—The Secretary shall establish a national wetland restoration pilot program (referred to in

this section as the "program") to fund mitigation projects to offset the degradation of wetlands, or the loss of functions and values of the aquatic resource, resulting from projects carried out before December 27, 1977, under title 23, United States Code (or similar projects as determined by the Secretary), for which mitigation has not been performed.

(c) APPLICATIONS.—To be eligible for funding under the program, a State shall submit an application to the Secretary that includes—

(1) a description of the wetland proposed to be restored by a mitigation project described in subsection (b) (referred to in this section as a "wetland restoration project") under the program (including the size and quality of the wetland);

(2) such information as is necessary to establish a nexus between—

(A) a project carried out under title 23, United States Code (or a similar project as determined by the Secretary); and

(B) the wetland values and functions proposed to be restored by the wetland restoration project;

(3) a description of the benefits expected from the proposed wetland restoration project (including im-

provement of water quality, improvement of wildlife habitat, ground water recharge, and flood control);

(4) a description of the State's level of commitment to the proposed wetland restoration project (including the monetary commitment of the State and any development of a State or regional conservation plan that includes the proposed wetland restoration); and

(5) the estimated total cost of the wetland restoration project.

(d) SELECTION OF WETLAND RESTORATION PROJECTS.—

(1) INTERAGENCY COUNCIL.—In consultation with the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, the Secretary shall establish an interagency advisory council to—

(A) review the submitted applications that meet the requirements of subsection (c); and

(B) not later than 60 days after the application deadline, select wetland restoration projects for funding under the program.

(2) SELECTION CRITERIA FOR PRIORITY WETLAND RESTORATION PROJECTS.—In consultation with

the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, the Secretary shall give priority in funding under this section to wetland restoration projects that—

(A) provide for long-term monitoring and maintenance of wetland resources;

(B) are managed by an entity, such as a State wildlife agency, wetland conservation group, land trust, or nature conservancy, with expertise in the long-term monitoring and protection of wetland resources; and

(C) have a high likelihood of success.

(e) REPORTS.—Not later than April 1, 2000, and April 1, 2003, the Secretary shall submit a report to Congress on the results of the program.

(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $12,000,000 for fiscal year 1998, $13,000,000 for fiscal year 1999, $14,000,000 for fiscal year 2000, $17,000,000 for fiscal year 2001, $20,000,000 for fiscal year 2002, and $24,000,000 for fiscal year 2003.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

Subtitle F—Planning

SEC. 1601. METROPOLITAN PLANNING.

(a) IN GENERAL.—Section 134 of title 23, United States Code, is amended to read as follows:

"§ 134. Metropolitan planning

"(a) GENERAL REQUIREMENTS.—

"(1) FINDINGS.—Congress finds that it is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight within and through urbanized areas, while minimizing transportation-related fuel consumption and air pollution.

"(2) DEVELOPMENT OF PLANS AND PROGRAMS.—To accomplish the objective stated in paragraph (1), metropolitan planning organizations designated under subsection (b), in cooperation with the State and public transit operators, shall develop transportation plans and programs for urbanized areas of the State.

"(3) CONTENTS.—The plans and programs for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal transportation system for the metropolitan area and as an integral part of an intermodal transportation system for the State and the United States.

"(4) PROCESS.—The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

"(b) DESIGNATION OF METROPOLITAN PLANNING ORGANIZATIONS.—

"(1) IN GENERAL.—To carry out the transportation planning process required by this section, a metropolitan planning organization shall be designated for each urbanized area with a population of more than 50,000 individuals—

"(A) by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the

affected population (including the central city or cities as defined by the Bureau of the Census); or

"(B) in accordance with procedures established by applicable State or local law.

"(2) REDESIGNATION.—

"(A) PROCEDURES.—A metropolitan planning organization may be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities as defined by the Bureau of the Census) as appropriate to carry out this section.

"(B) CERTAIN REQUESTS TO REDESIGNATE.—A metropolitan planning organization shall be redesignated upon request of a unit or units of general purpose local government representing at least 25 percent of the affected population (including the central city or cities as defined by the Bureau of the Census) in any urbanized area—

"(i) whose population is more than 5,000,000 but less than 10,000,000, or

"(ii) which is an extreme nonattainment area for ozone or carbon monoxide as defined under the Clean Air Act.

Such redesignation shall be accomplished using procedures established by subparagraph (A).

"(3) DESIGNATION OF MORE THAN 1 METROPOLITAN PLANNING ORGANIZATION.—More than 1 metropolitan planning organization may be designated within an existing metropolitan planning area only if the Governor and the existing metropolitan planning organization determine that the size and complexity of the existing metropolitan planning area make designation of more than 1 metropolitan planning organization for the area appropriate.

"(4) STRUCTURE.—Each policy board of a metropolitan planning organization that serves an area designated as a transportation management area, when designated or redesignated under this subsection, shall consist of—

"(A) local elected officials;

"(B) officials of public agencies that administer or operate major modes of transportation in the metropolitan area (including all transportation agencies included in the metropolitan planning organization as of June 1, 1991); and

"(C) appropriate State officials.

"(5) OTHER AUTHORITY.—Nothing in this subsection interferes with the authority, under any State law in effect on December 18, 1991, of a public agency with multimodal transportation responsibilities to—

"(A) develop plans and programs for adoption by a metropolitan planning organization; or

"(B) develop long-range capital plans, coordinate transit services and projects, and carry out other activities under State law.

"(6) CONTINUING DESIGNATION.—A designation of a metropolitan planning organization under this subsection or any other provision of law shall remain in effect until the metropolitan planning organization is redesignated under paragraph (2).

"(c) METROPOLITAN PLANNING AREA BOUNDARIES.—

"(1) IN GENERAL.—For the purposes of this section, the boundaries of a metropolitan planning area shall be determined by agreement between the metropolitan planning organization and the Governor.

"(2) INCLUDED AREA.—Each metropolitan planning area—

"(A) shall encompass at least the existing urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period; and

"(B) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census.

"(3) EXISTING METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—Notwithstanding paragraph (2), in the case of an area designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), the boundaries of the metropolitan planning area in existence as of the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998, shall be retained, except that the boundaries may be adjusted by agreement of the affected metropolitan planning organizations and Governors in the manner described in subsection (b)(2).

"(4) NEW METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—In the case of an urbanized area designated after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998 as a nonattainment area for ozone or carbon mon-

oxide, the boundaries of the metropolitan planning area—

"(A) shall be established by agreement between the appropriate units of general purpose local government (including the central city) and the Governor;

"(B) shall encompass at least the urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period;

"(C) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census; and

"(D) may address any nonattainment area identified under the Clean Air Act (42 U.S.C. 7401 et seq.) for ozone or carbon monoxide.

"(d) COORDINATION IN MULTISTATE AREAS.—

"(1) IN GENERAL.—The Secretary shall encourage each Governor with responsibility for a portion of a multistate metropolitan area and the appropriate metropolitan planning organizations to provide coordinated transportation planning for the entire metropolitan area.

"(2) INTERSTATE COMPACTS.—The consent of Congress is granted to any 2 or more States—

"(A) to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of activities authorized under this section as the activities pertain to interstate areas and localities within the States; and

"(B) to establish such agencies, joint or otherwise, as the States may determine desirable for making the agreements and compacts effective.

"(3) LAKE TAHOE REGION.—

"(A) IN GENERAL.—The Secretary shall—

"(i) establish with the Federal land management agencies that have jurisdiction over land in the Lake Tahoe region (as defined in the Lake Tahoe Regional Planning Compact) a transportation planning process for the region; and

"(ii) coordinate the transportation planning process with the planning process required of State and local governments under this section, section 135, and chapter 53 of title 49.

"(B) INTERSTATE COMPACT.—

"(i) IN GENERAL.—Subject to clause (ii), notwithstanding subsection (b), to

carry out the transportation planning process required by this section, the consent of Congress is granted to the States of California and Nevada to designate a metropolitan planning organization for the Lake Tahoe region, by agreement between the Governors of the States of California and Nevada and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities (as defined by the Bureau of the Census)), or in accordance with procedures established by applicable State or local law.

"(ii) INVOLVEMENT OF FEDERAL LAND MANAGEMENT AGENCIES.—

"(I) REPRESENTATION.—The policy board of a metropolitan planning organization designated under subparagraph (A) shall include a representative of each Federal land management agency that has jurisdiction over land in the Lake Tahoe region.

"(II) FUNDING.—In addition to funds made available to the metropoli-

tan planning organization under other provisions of this title and under chapter 53 of title 49, not more than 1 percent of the funds allocated under section 202 may be used to carry out the transportation planning process for the Lake Tahoe region under this subparagraph.

"(C) ACTIVITIES.—

"(i) HIGHWAY PROJECTS.—Highway projects included in transportation plans developed under this paragraph—

"(I) shall be selected for funding in a manner that facilitates the participation of the Federal land management agencies that have jurisdiction over land in the Lake Tahoe region; and

"(II) may, in accordance with chapter 2, be funded using funds allocated under section 202.

"(ii) TRANSIT PROJECTS.—Transit projects included in transportation plans developed under this paragraph may, in accordance with chapter 53 of title 49, be

funded using amounts apportioned under that title for—

"(I) capital project funding, in order to accelerate completion of the transit projects; and

"(II) operating assistance, in order to pay the operating costs of the transit projects, including operating costs associated with unique circumstances in the Lake Tahoe region, such as seasonal fluctuations in passenger loadings, adverse weather conditions, and increasing intermodal needs.

"(e) COORDINATION OF METROPOLITAN PLANNING ORGANIZATIONS.—If more than 1 metropolitan planning organization has authority within a metropolitan planning area or an area that is designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), each such metropolitan planning organization shall consult with the other metropolitan planning organizations designated for the area and the State in the development of plans and programs required by this section.

"(f) SCOPE OF PLANNING PROCESS.—The metropolitan transportation planning process for a metropolitan area under this section shall consider the following:

"(1) Supporting the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.

"(2) Increasing the safety and security of the transportation system for motorized and non-motorized users.

"(3) Increasing the accessibility and mobility options available to people and for freight.

"(4) Protecting and enhancing the environment, promoting energy conservation, and improving quality of life through land use planning.

"(5) Enhancing the integration and connectivity of the transportation system, across and between modes, for people and freight.

"(6) Promoting efficient system management and operation.

"(7) Emphasizing the preservation of the existing transportation system.

"(g) DEVELOPMENT OF LONG-RANGE TRANSPORTATION PLAN.—

"(1) IN GENERAL.—

"(A) DEVELOPMENT.—In accordance with this subsection, each metropolitan planning organization shall develop, and update periodically, according to a schedule that the Secretary

determines to be appropriate, a long-range transportation plan for its metropolitan area.

"(B) FORECAST PERIOD.—In developing long-range transportation plans, the metropolitan planning process shall address—

"(i) the considerations under subsection (f); and

"(ii) any State or local goals developed within the cooperative metropolitan planning process;

as they relate to a 20-year forecast period and to other forecast periods as determined by the participants in the planning process.

"(C) FUNDING ESTIMATES.—For the purpose of developing the long-range transportation plan, the State shall consult with the metropolitan planning organization and each public transit agency in developing estimates of funds that are reasonably expected to be available to support plan implementation.

"(2) LONG-RANGE TRANSPORTATION PLAN.—A long-range transportation plan under this subsection shall, at a minimum, contain—

"(A) an identification of transportation facilities (including major roadways and transit,

multimodal, and intermodal facilities) that should function as a future integrated transportation system, giving emphasis to those facilities that serve important national, regional, and metropolitan transportation functions;

"(B) an identification of transportation strategies necessary to—

"(i) ensure preservation, including requirements for management, operation, modernization, and rehabilitation, of the existing and future transportation system; and

"(ii) make the most efficient use of existing transportation facilities to relieve congestion, to efficiently serve the mobility needs of people and goods, and to enhance access within the metropolitan planning area; and

"(C) a financial plan that demonstrates how the long-range transportation plan can be implemented, indicates total resources from public and private sources that are reasonably expected to be available to carry out the plan (without any requirement for indicating project-specific funding sources), and recommends any

additional financing strategies for needed projects and programs.

"(3) COORDINATION WITH CLEAN AIR ACT AGENCIES.—In metropolitan areas that are in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), the metropolitan planning organization shall coordinate the development of a long-range transportation plan with the process for development of the transportation control measures of the State implementation plan required by that Act.

"(4) PARTICIPATION BY INTERESTED PARTIES.—Before adopting a long-range transportation plan, each metropolitan planning organization shall provide citizens, affected public agencies, representatives of transportation agency employees, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the long-range transportation plan.

"(5) PUBLICATION OF LONG-RANGE TRANSPORTATION PLAN.—Each long-range transportation plan prepared by a metropolitan planning organization shall be—

"(A) published or otherwise made readily available for public review; and

"(B) submitted for information purposes to the Governor at such times and in such manner as the Secretary shall establish.

"(h) METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM.—

"(1) DEVELOPMENT.—

"(A) IN GENERAL.—In cooperation with the State and any affected public transit operator, the metropolitan planning organization designated for a metropolitan area shall develop a transportation improvement program for the area for which the organization is designated.

"(B) OPPORTUNITY FOR COMMENT.—In developing the program, the metropolitan planning organization, in cooperation with the State and any affected public transit operator, shall provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

"(C) FUNDING ESTIMATES.—For the purpose of developing the transportation improvement program, the metropolitan planning orga-

nization, public transit agency, and State shall cooperatively develop estimates of funds that are reasonably expected to be available to support program implementation.

"(D) UPDATING AND APPROVAL.—The program shall be updated at least once every 2 years and shall be approved by the metropolitan planning organization and the Governor.

"(2) CONTENTS.—The transportation improvement program shall include—

"(A) a list, in order of priority, of proposed federally supported projects and strategies to be carried out within each 3-year-period after the initial adoption of the transportation improvement program; and

"(B) a financial plan that—

"(i) demonstrates how the transportation improvement program can be implemented;

"(ii) indicates resources from public and private sources that are reasonably expected to be available to carry out the program (without any requirement for indicating project-specific funding sources); and

"(iii) identifies innovative financing techniques to finance projects, programs, and strategies (without any requirement for indicating project-specific funding sources).

"(3) INCLUDED PROJECTS.—

"(A) CHAPTER 1 AND CHAPTER 53 PROJECTS.—A transportation improvement program developed under this subsection for a metropolitan area shall include the projects and strategies within the area that are proposed for funding under chapter 1 of this title and chapter 53 of title 49.

"(B) CHAPTER 2 PROJECTS.—

"(i) REGIONALLY SIGNIFICANT PROJECTS.—Regionally significant projects proposed for funding under chapter 2 of this title shall be identified individually in the transportation improvement program.

"(ii) OTHER PROJECTS.—Projects proposed for funding under chapter 2 of this title that are not determined to be regionally significant shall be grouped in 1 line item or identified individually in the transportation improvement program.

"(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall be consistent with the long-range transportation plan developed under subsection (g) for the area.

"(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

"(4) NOTICE AND COMMENT.—Before approving a transportation improvement program, a metropolitan planning organization shall, in cooperation with the State and any affected public transit operator, provide citizens, affected public agencies, representatives of transportation agency employees, private providers of transportation, and other interested parties with reasonable notice of and an opportunity to comment on the proposed program.

"(5) SELECTION OF PROJECTS.—

"(A) IN GENERAL.—Except as otherwise provided in subsection (i)(4) and in addition to the transportation improvement program development required under paragraph (1), the selection of federally funded projects for implementa-

tion in metropolitan areas shall be carried out, from the approved transportation improvement program—

"(i) by—

"(I) in the case of projects under chapter 1, the State; and

"(II) in the case of projects under chapter 53 of title 49, the designated transit funding recipients; and

"(ii) in cooperation with the metropolitan planning organization.

"(B) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project of higher priority in the program.

"(i) TRANSPORTATION MANAGEMENT AREAS.—

"(1) DESIGNATION.—

"(A) REQUIRED DESIGNATIONS.—The Secretary shall designate as a transportation management area each urbanized area with a population of over 200,000 individuals.

"(B) DESIGNATIONS ON REQUEST.—The Secretary shall designate any additional area as a transportation management area on the request of the Governor and the metropolitan planning organization designated for the area.

"(2) TRANSPORTATION PLANS AND PROGRAMS.—Within a transportation management area, transportation plans and programs shall be based on a continuing and comprehensive transportation planning process carried out by the metropolitan planning organization in cooperation with the State and any affected public transit operator.

"(3) CONGESTION MANAGEMENT SYSTEM.—Within a transportation management area, the transportation planning process under this section shall include a congestion management system that provides for effective management of new and existing transportation facilities eligible for funding under this title and chapter 53 of title 49 through the use of travel demand reduction and operational management strategies.

"(4) SELECTION OF PROJECTS.—

"(A) IN GENERAL.—In addition to the transportation improvement program development required under subsection (h)(1), all feder-

ally funded projects carried out within the boundaries of a transportation management area under this title (excluding projects carried out on the National Highway System) or under chapter 53 of title 49 shall be selected for implementation from the approved transportation improvement program by the metropolitan planning organization designated for the area in consultation with the State and any affected public transit operator.

"(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects carried out within the boundaries of a transportation management area on the National Highway System shall be selected for implementation from the approved transportation improvement program by the State in cooperation with the metropolitan planning organization designated for the area.

"(5) CERTIFICATION.—

"(A) IN GENERAL.—The Secretary shall—

"(i) ensure that the metropolitan planning process in each transportation management area is being carried out in accordance with applicable provisions of Federal law; and

"(ii) subject to subparagraph (B), certify, not less often than once every 3 years, that the requirements of this paragraph are met with respect to the transportation management area.

"(B) REQUIREMENTS FOR CERTIFICATION.—The Secretary may make the certification under subparagraph (A) if—

"(i) the transportation planning process complies with the requirements of this section and other applicable requirements of Federal law;

"(ii) there is a transportation improvement program for the area that has been approved by the metropolitan planning organization and the Governor;

"(iii) the public has been given adequate opportunity during the certification process to comment on—

"(I) the public participation process conducted by the metropolitan planning organization; and

"(II) the extent to which the transportation improvement program for the metropolitan area takes into ac-

count the needs of the entire metropolitan area, including the needs of low and moderate income residents, and the requirement of title VI of the Civil Rights Act; and

"(iv) public comments are—

"(I) included in the documentation supporting the metropolitan planning organization's request for certification; and

"(II) made publicly available.

"(C) EFFECT OF FAILURE TO CERTIFY.—

"(i) WITHHOLDING OF FUNDS.—If a metropolitan planning process is not certified, the Secretary may withhold up to 20 percent of the apportioned funds attributable to the transportation management area under this title and chapter 53 of title 49.

"(ii) RESTORATION OF WITHHELD FUNDS.—The withheld apportionments shall be restored to the metropolitan area at such time as the metropolitan planning organization is certified by the Secretary.

"(iii) FEASIBILITY OF PRIVATE ENTERPRISE PARTICIPATION.—The Secretary shall not withhold certification under this paragraph based on the policies and criteria established by a metropolitan planning organization or transit grant recipient for determining the feasibility of private enterprise participation in accordance with section 5306(a) of title 49.

"(j) ABBREVIATED PLANS AND PROGRAMS FOR CERTAIN AREAS.—

"(1) IN GENERAL.—Subject to paragraph (2), in the case of a metropolitan area not designated as a transportation management area under this section, the Secretary may provide for the development of an abbreviated metropolitan transportation plan and program that the Secretary determines is appropriate to achieve the purposes of this section, taking into account the complexity of transportation problems in the area.

"(2) NONATTAINMENT AREAS.—The Secretary may not permit abbreviated plans or programs for a metropolitan area that is in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.).

"(k) ADDITIONAL REQUIREMENTS FOR CERTAIN NONATTAINMENT AREAS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title or chapter 53 of title 49, in the case of a transportation management area classified as nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), Federal funds may not be programmed in the area for any highway project that will result in a significant increase in carrying capacity for single occupant vehicles unless the project results from an approved congestion management system.

"(2) APPLICABILITY.—This subsection applies to a nonattainment area within the metropolitan planning area boundaries determined under subsection (c).

"(l) LIMITATION.—Nothing in this section confers on a metropolitan planning organization the authority to impose any legal requirement on any transportation facility, provider, or project not eligible for assistance under this title or chapter 53 of title 49.

"(m) FUNDING.—

"(1) IN GENERAL.—Funds set aside under section 104(f) of this title and section 5303 of title 49 shall be available to carry out this section.

"(2) UNUSED FUNDS.—Any funds that are not used to carry out this section may be made available by the metropolitan planning organization to the State to fund activities under section 135.".

(b) TECHNICAL AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 134 and inserting the following:

"134. Metropolitan planning.".

SEC. 1602. STATEWIDE PLANNING.

(a) IN GENERAL.—Section 135 of title 23, United States Code, is amended to read as follows:

"§ 135. Statewide planning

"(a) GENERAL REQUIREMENTS.—

"(1) FINDINGS.—It is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight throughout each State.

"(2) DEVELOPMENT OF PLANS AND PROGRAMS.—Subject to section 134 of this title and sections 5303 through 5305 of title 49, each State shall develop transportation plans and programs for all areas of the State.

"(3) CONTENTS.—The plans and programs for each State shall provide for the development and integrated management and operation of transportation

systems (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal State transportation system and an integral part of the intermodal transportation system of the United States.

"(4) PROCESS OF DEVELOPMENT.—The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

"(b) SCOPE OF PLANNING PROCESS.—Each State shall carry out a transportation planning process that shall consider the following:

"(1) Supporting the economic vitality of the United States, the States, and metropolitan areas, especially by enabling global competitiveness, productivity, and efficiency.

"(2) Increasing the safety and security of the transportation system for motorized and non-motorized users.

"(3) Increasing the accessibility and mobility options available to people and for freight.

"(4) Protecting and enhancing the environment, promoting energy conservation, and improving quality of life through land use planning.

"(5) Enhancing the integration and connectivity of the transportation system, across and between modes throughout the State, for people and freight.

"(6) Promoting efficient system management and operation.

"(7) Emphasizing the preservation of the existing transportation system.

"(c) COORDINATION WITH METROPOLITAN PLANNING; STATE IMPLEMENTATION PLAN.—In carrying out planning under this section, a State shall—

"(1) coordinate the planning with the transportation planning activities carried out under section 134 for metropolitan areas of the State; and

"(2) carry out the responsibilities of the State for the development of the transportation portion of the State air quality implementation plan to the extent required by the Clean Air Act (42 U.S.C. 7401 et seq.).

"(d) ADDITIONAL REQUIREMENTS.—In carrying out planning under this section, each State shall, at a minimum, consider—

"(1) with respect to nonmetropolitan areas, the concerns of local elected officials representing units of general purpose local government;

"(2) the concerns of Indian tribal governments and Federal land management agencies that have jurisdiction over land within the boundaries of the State; and

"(3) coordination of transportation plans, programs, and planning activities with related planning activities being carried out outside of metropolitan planning areas.

"(e) LONG-RANGE TRANSPORTATION PLAN.—

"(1) DEVELOPMENT.—Each State shall develop a long-range transportation plan, with a minimum 20-year forecast period, for all areas of the State, that provides for the development and implementation of the intermodal transportation system of the State.

"(2) CONSULTATION WITH GOVERNMENTS.—

"(A) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the plan shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 134 of this title and section 5305 of title 49.

"(B) NONMETROPOLITAN AREAS.—With respect to each nonmetropolitan area, the plan shall be developed in consultation with local elected officials representing units of general purpose local government.

"(C) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the plan shall be developed in consultation with the tribal government and the Secretary of the Interior.

"(3) PARTICIPATION BY INTERESTED PARTIES.—In developing the plan, the State shall—

"(A) provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed plan; and

"(B) identify transportation strategies necessary to efficiently serve the mobility needs of people.

"(f) STATE TRANSPORTATION IMPROVEMENT PROGRAM.—

"(1) DEVELOPMENT.—

"(A) IN GENERAL.—The State shall develop a transportation improvement program for all areas of the State.

"(B) CONSULTATION WITH GOVERNMENTS.—

"(i) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the program shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 134 of this title and section 5305 of title 49.

"(ii) NONMETROPOLITAN AREAS.—

"(I) IN GENERAL.—With respect to each nonmetropolitan area in the State, the program shall be developed in cooperation with the State, elected officials of affected local governments, and elected officials of subdivisions of affected local governments that have jurisdiction over transportation planning, through a process developed by the State that ensures participation by the elected officials.

"(II) REVIEW.—Not less than once every 2 years, the Secretary shall review the planning process through which the program was developed under subclause (I).

"(III) APPROVAL.—The Secretary shall approve the planning process if the Secretary finds that the planning process is consistent with this section and section 134.

"(iii) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the program shall be developed in consultation with the tribal government and the Secretary of the Interior.

"(C) PARTICIPATION BY INTERESTED PARTIES.—In developing the program, the Governor shall provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

"(2) INCLUDED PROJECTS.—

"(A) IN GENERAL.—A transportation improvement program developed under this subsection for a State shall include federally supported surface transportation expenditures within the boundaries of the State.

"(B) CHAPTER 2 PROJECTS.—

"(i) REGIONALLY SIGNIFICANT PROJECTS.—Regionally significant projects proposed for funding under chapter 2 shall be identified individually.

"(ii) OTHER PROJECTS.—Projects proposed for funding under chapter 2 that are not determined to be regionally significant shall be grouped in 1 line item or identified individually.

"(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall—

"(i) be consistent with the long-range transportation plan developed under this section for the State;

"(ii) be identical to the project as described in an approved metropolitan transportation improvement program; and

"(iii) be in conformance with the applicable State air quality implementation plan developed under the Clean Air Act (42 U.S.C. 7401 et seq.), if the project is carried out in an area designated as nonattainment for ozone or carbon monoxide under that Act.

"(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—

"(i) IN GENERAL.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

"(ii) LIMITATION.—Clause (i) does not require the indication of project-specific funding sources.

"(E) PRIORITIES.—The program shall reflect the priorities for programming and expenditures of funds, including transportation enhancements, required by this title.

"(3) PROJECT SELECTION FOR AREAS OF LESS THAN 50,000 POPULATION.—

"(A) IN GENERAL.—Projects carried out in areas with populations of less than 50,000 individuals (excluding projects carried out on the National Highway System) shall be selected, from the approved statewide transportation improvement program, by the State in cooperation with the affected local officials.

"(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects carried out in areas described in subparagraph (A) on the National Highway System shall be selected, from the approved statewide transportation improvement program, by the State in consultation with the affected local officials.

"(4) BIENNIAL REVIEW AND APPROVAL.—A transportation improvement program developed under this subsection shall be reviewed and, on a finding that the planning process through which the program was developed is consistent with this section and section 134, approved not less frequently than biennially by the Secretary.

"(5) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved statewide transpor-

tation improvement program in place of another project of higher priority in the program.

"(g) FUNDING.—Funds set aside under section 505 of this title and section 5313(b) of title 49 shall be available to carry out this section.

"(h) CONTINUATION OF CURRENT REVIEW PRACTICE.—Since plans and programs described in this section or section 134 are subject to a reasonable opportunity for public comment, since individual projects included in the plans and programs are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and since decisions by the Secretary concerning plans and programs described in this section have not been reviewed under that Act as of January 1, 1997, any decision by the Secretary concerning a plan or program described in this section or section 134 shall not be considered to be a Federal action subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).".

(b) REDUNDANT METROPOLITAN TRANSPORTATION PLANNING REQUIREMENTS.—

(1) FINDING.—Congress finds that certain major investment study requirements under section 450.318 of title 23, Code of Federal Regulations, are redundant to the planning and project development proc-

esses required under other provisions in titles 23 and 49, United States Code.

(2) STREAMLINING.—

(A) IN GENERAL.—The Secretary shall streamline the Federal transportation planning and NEPA decision process requirements for all transportation improvements supported with Federal surface transportation funds or requiring Federal approvals, with the objective of reducing the number of documents required and better integrating required analyses and findings wherever possible.

(B) REQUIREMENTS.—The Secretary shall amend regulations as appropriate and develop procedures to—

(i) eliminate, within six months of the date of enactment of this section, the major investment study under section 450.318 of title 23, Code of Federal Regulations, as a stand-alone requirement independent of other transportation planning requirements, and integrate those components of the major investment study procedure which are not duplicated elsewhere with other transportation planning requirements, provided that

in integrating such requirements, the Secretary shall not apply such requirements to any project which previously would not have been subject to section 450.318 of title 23, Code of Federal Regulations;

(ii) eliminate stand-alone report requirements wherever possible;

(iii) prevent duplication by drawing on the products of the planning process in the completion of all environmental and other project development analyses;

(iv) reduce project development time by achieving to the maximum extent practicable a single public interest decision process for Federal environmental analyses and clearances; and

(v) expedite and support all phases of decisionmaking by encouraging and facilitating the early involvement of metropolitan planning organizations, State departments of transportation, transit operators, and Federal and State environmental resource and permit agencies throughout the decisionmaking process.

(3) SAVINGS CLAUSE.—Nothing in this subsection shall affect the responsibility of the Secretary to conform review requirements for transit projects under the National Environmental Policy Act of 1969 to comparable requirements under such Act applicable to highway projects.

SEC. 1603. ADVANCED TRAVEL FORECASTING PROCEDURES PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish an advanced travel forecasting procedures program—

(1) to provide for completion of the advanced transportation model developed under the Transportation Analysis Simulation System (referred to in this section as "TRANSIMS"); and

(2) to provide support for early deployment of the advanced transportation modeling computer software and graphics package developed under TRANSIMS and the program established under this section to States, local governments, and metropolitan planning organizations with responsibility for travel modeling.

(b) ELIGIBLE ACTIVITIES.—The Secretary shall use funds made available under this section to—

(1) provide funding for completion of core development of the advanced transportation model;

(2) develop user-friendly advanced transportation modeling computer software and graphics packages;

(3) provide training and technical assistance with respect to the implementation and application of the advanced transportation model to States, local governments, and metropolitan planning organizations with responsibility for travel modeling; and

(4) allocate funds to not more than 12 entities described in paragraph (3), representing a diversity of populations and geographic regions, for a pilot program to enable transportation management areas designated under section 134(i) of title 23, United States Code, to convert from the use of travel forecasting procedures in use by the areas as of the date of enactment of this Act to the use of the advanced transportation model.

(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $4,000,000 for fiscal year 1998, $3,000,000 for fiscal year 1999, $6,500,000 for fiscal year 2000, $5,000,000 for fiscal year 2001, $4,000,000 for fiscal year 2002, and $2,500,000 for fiscal year 2003.

(2) ALLOCATION OF FUNDS.—

(A) FISCAL YEARS 1998 AND 1999.—For each of fiscal years 1998 and 1999, 100 percent of the funds made available under paragraph (1) shall be allocated to activities in described in paragraphs (1), (2), and (3) of subsection (b).

(B) FISCAL YEARS 2000 THROUGH 2003.—For each of fiscal years 2000 through 2003, not more than 50 percent of the funds made available under paragraph (1) may be allocated to activities described in subsection (b)(4).

(3) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of—

(A) any activity described in paragraph (1), (2), or (3) of subsection (b) shall not exceed 100 percent; and

(B) any activity described in subsection (b)(4) shall not exceed 80 percent.

SEC. 1604. TRANSPORTATION AND COMMUNITY AND SYSTEM PRESERVATION PILOT PROGRAM.

(a) ESTABLISHMENT.—In cooperation with appropriate State, regional, and local governments, the Secretary

shall establish a comprehensive initiative to investigate and address the relationships between transportation and community and system preservation.

(b) RESEARCH.—

(1) IN GENERAL.—In cooperation with appropriate Federal agencies, State, regional, and local governments, and other entities eligible for assistance under subsection (d), the Secretary shall carry out a comprehensive research program to investigate the relationships between transportation, community preservation, and the environment.

(2) REQUIRED ELEMENTS.—The program shall provide for monitoring and analysis of projects carried out with funds made available to carry out subsections (c) and (d).

(c) PLANNING.—

(1) IN GENERAL.—The Secretary shall allocate funds made available to carry out this subsection to States, metropolitan planning organizations, and local governments to plan, develop, and implement strategies to integrate transportation and community and system preservation plans and practices.

(2) PURPOSES.—The purposes of the allocations shall be—

(A) to improve the efficiency of the transportation system;

(B) to reduce the impacts of transportation on the environment;

(C) to reduce the need for costly future investments in public infrastructure; and

(D) to provide efficient access to jobs, services, and centers of trade.

(3) CRITERIA.—In allocating funds made available to carry out this subsection, the Secretary shall give priority to applicants that—

(A) propose projects for funding that address the purposes described in paragraph (2);

(B) demonstrate a commitment to public involvement, including involvement of nontraditional partners in the project team; and

(C) demonstrate a commitment of non-Federal resources to the proposed projects.

(d) ALLOCATION OF FUNDS FOR IMPLEMENTATION.—

(1) IN GENERAL.—The Secretary shall allocate funds made available to carry out this subsection to States, metropolitan planning organizations, and local governments to carry out projects to address transportation efficiency and community and system preservation.

(2) CRITERIA.—In allocating funds made available to carry out this subsection, the Secretary shall give priority to applicants that—

(A) have instituted preservation or development plans and programs that—

(i) meet the requirements of title 23 and chapter 53 of title 49, United States Code; and

(ii) are—

(I) coordinated with adopted preservation or development plans; or

(II) intended to promote cost-effective and strategic investments in transportation infrastructure that minimize adverse impacts on the environment;

(B) have instituted other policies to integrate transportation and community and system preservation practices, such as—

(i) spending policies that direct funds to high-growth areas;

(ii) urban growth boundaries to guide metropolitan expansion;

(iii) "green corridors" programs that provide access to major highway corridors

for areas targeted for efficient and compact development; or

(iv) other similar programs or policies as determined by the Secretary;

(C) have preservation or development policies that include a mechanism for reducing potential impacts of transportation activities on the environment; and

(D) propose projects for funding that address the purposes described in subsection (c)(2).

(3) EQUITABLE DISTRIBUTION.—In allocating funds to carry out this subsection, the Secretary shall ensure the equitable distribution of funds to a diversity of populations and geographic regions.

(4) USE OF ALLOCATED FUNDS.—

(A) IN GENERAL.—An allocation of funds made available to carry out this subsection shall be used by the recipient to implement the projects proposed in the application to the Secretary.

(B) TYPES OF PROJECTS.—The allocation of funds shall be available for obligation for—

(i) any project eligible for funding under title 23 or chapter 53 of title 49, United States Code; or

(ii) any other activity relating to transportation and community and system preservation that the Secretary determines to be appropriate, including corridor preservation activities that are necessary to implement—

(I) transit-oriented development plans;

(II) traffic calming measures; or

(III) other coordinated transportation and community and system preservation practices.

(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $20,000,000 for each of fiscal years 1998 through 2003.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

Subtitle G—Technical Corrections

SEC. 1701. FEDERAL-AID SYSTEMS.

(a) IN GENERAL.—Section 103 of title 23, United States Code, is amended to read as follows:

"§ 103. Federal-aid systems

"(a) IN GENERAL.—For the purposes of this title, the Federal-aid systems are the Interstate System and the National Highway System.

"(b) NATIONAL HIGHWAY SYSTEM.—

"(1) DESCRIPTION.—The National Highway System consists of an interconnected system of major routes and connectors that—

"(A) serve major population centers, international border crossings, ports, airports, public transportation facilities, and other intermodal transportation facilities and other major travel destinations;

"(B) meet national defense requirements; and

"(C) serve interstate and interregional travel.

"(2) COMPONENTS.—The National Highway System consists of the following:

"(A) The Interstate System described in subsection (c).

"(B) Other urban and rural principal arterial routes.

"(C) Other connector highways (including toll facilities) that provide motor vehicle access between arterial routes on the National Highway

System and a major intermodal transportation facility.

"(D) A strategic highway network consisting of a network of highways that are important to the United States strategic defense policy and that provide defense access, continuity, and emergency capabilities for the movement of personnel, materials, and equipment in both peacetime and wartime. The highways may be highways on or off the Interstate System and shall be designated by the Secretary in consultation with appropriate Federal agencies and the States.

"(E) Major strategic highway network connectors consisting of highways that provide motor vehicle access between major military installations and highways that are part of the strategic highway network. The highways shall be designated by the Secretary in consultation with appropriate Federal agencies and the States.

"(3) MAXIMUM MILEAGE.—The mileage of highways on the National Highway System shall not exceed 178,250 miles.

"(4) MODIFICATIONS TO NHS.—

"(A) IN GENERAL.—The Secretary may make any modification, including any modification consisting of a connector to a major intermodal terminal, to the National Highway System that is proposed by a State or that is proposed by a State and revised by the Secretary if the Secretary determines that the modification—

"(i) meets the criteria established for the National Highway System under this title; and

"(ii) enhances the national transportation characteristics of the National Highway System.

"(B) COOPERATION.—

"(i) IN GENERAL.—In proposing a modification under this paragraph, a State shall cooperate with local and regional officials.

"(ii) URBANIZED AREAS.—In an urbanized area, the local officials shall act through the metropolitan planning organization designated for the area under section 134.

"(c) INTERSTATE SYSTEM.—

"(1) DESCRIPTION.—

"(A) IN GENERAL.—The Dwight D. Eisenhower National System of Interstate and Defense Highways within the United States (including the District of Columbia and Puerto Rico), consists of highways—

"(i) designed—

"(I) in accordance with the standards of section 109(b); or

"(II) in the case of highways in Alaska and Puerto Rico, in accordance with such geometric and construction standards as are adequate for current and probable future traffic demands and the needs of the locality of the highway; and

"(ii) located so as—

"(I) to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers;

"(II) to serve the national defense; and

"(III) to the maximum extent practicable, to connect at suitable bor-

der points with routes of continental importance in Canada and Mexico.

"(B) SELECTION OF ROUTES.—To the maximum extent practicable, each route of the Interstate System shall be selected by joint action of the State transportation departments of the State in which the route is located and the adjoining States, in cooperation with local and regional officials, and subject to the approval of the Secretary.

"(2) MAXIMUM MILEAGE.—The mileage of highways on the Interstate System shall not exceed 43,000 miles, exclusive of designations under paragraph (4).

"(3) MODIFICATIONS.—The Secretary may approve or require modifications to the Interstate System in a manner consistent with the policies and procedures established under this subsection.

"(4) INTERSTATE SYSTEM DESIGNATIONS.—

"(A) ADDITIONS.—If the Secretary determines that a highway on the National Highway System meets all standards of a highway on the Interstate System and that the highway is a logical addition or connection to the Interstate System, the Secretary may, upon the affirmative recommendation of the State or States in which

the highway is located, designate the highway as a route on the Interstate System.

"(B) DESIGNATIONS AS FUTURE INTERSTATE SYSTEM ROUTES.—

"(i) IN GENERAL.—If the Secretary determines that a highway on the National Highway System would be a logical addition or connection to the Interstate System and would qualify for designation as a route on the Interstate System under subparagraph (A), the Secretary may, upon the affirmative recommendation of the State or States in which the highway is located, designate the highway as a future Interstate System route.

"(ii) WRITTEN AGREEMENT OF STATES.—A designation under clause (i) shall be made only upon the written agreement of the State or States described in that clause that the highway will be constructed to meet all standards of a highway on the Interstate System by the date that is 12 years after the date of the agreement.

"(iii) REMOVAL OF DESIGNATION.—

"(I) IN GENERAL.—If the State or States described in clause (i) have not substantially completed the construction of a highway designated under this subparagraph within the time provided for in the agreement between the Secretary and the State or States under clause (ii), the Secretary shall remove the designation of the highway as a future Interstate System route.

"(II) EFFECT OF REMOVAL.—Removal of the designation of a highway under subclause (I) shall not preclude the Secretary from designating the highway as a route on the Interstate System under subparagraph (A) or under any other provision of law providing for addition to the Interstate System.

"(iv) PROHIBITION ON REFERRAL AS INTERSTATE SYSTEM ROUTE.—No law, rule, regulation, map, document, or other record of the United States, or of any State or political subdivision of a State, shall refer to any highway designated as a future Inter-

state System route under this subparagraph, nor shall any such highway be signed or marked, as a highway on the Interstate System until such time as the highway is constructed to the geometric and construction standards for the Interstate System and has been designated as a route on the Interstate System.

"(C) FINANCIAL RESPONSIBILITY.—

"(i) IN GENERAL.—Except as provided in clause (ii), the designation of a highway under this paragraph shall create no additional Federal financial responsibility with respect to the highway.

"(ii) CERTAIN HIGHWAYS.—Subject to section 119(b)(1)(B), a State may use funds available to the State under section 104(b)(1) for the resurfacing, restoration, rehabilitation, and reconstruction of a highway—

"(I) designated before March 9, 1984, as a route on the Interstate System under subparagraph (A) or as a future Interstate System route under subparagraph (B); or

"(II) designated under subparagraph (A) and located in Alaska or Puerto Rico.

"(d) TRANSFER OF INTERSTATE CONSTRUCTION FUNDS.—

"(1) INTERSTATE CONSTRUCTION FUNDS NOT IN SURPLUS.—

"(A) IN GENERAL.—Upon application by a State and approval by the Secretary, the Secretary may transfer to the apportionment of the State under section 104(b)(1) any amount of funds apportioned to the State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998), if the amount does not exceed the Federal share of the costs of construction of segments of the Interstate System in the State included in the most recent Interstate System cost estimate.

"(B) EFFECT OF TRANSFER.—Upon transfer of an amount under subparagraph (A), the construction on which the amount is based, as included in the most recent Interstate System cost estimate, shall be ineligible for funding under section 104(b)(5)(A) (as in effect on the

day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998) or 104(k).

"(2) SURPLUS INTERSTATE CONSTRUCTION FUNDS.—Upon application by a State and approval by the Secretary, the Secretary may transfer to the apportionment of the State under section 104(b)(1) any amount of surplus funds apportioned to the State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998), if the State has fully financed all work eligible under the most recent Interstate System cost estimate.

"(3) APPLICABILITY OF CERTAIN LAWS.—Funds transferred under this subsection shall be subject to the laws (including regulations, policies, and procedures) relating to the apportionment to which the funds are transferred.

"(e) UNOBLIGATED BALANCES OF INTERSTATE SUBSTITUTE FUNDS.—Unobligated balances of funds apportioned to a State under section 103(e)(4)(H) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998) shall be available for obligation by the State under the law (including regulations, policies, and procedures) relating to the ob-

ligation and expenditure of the funds in effect on that date.".

(b) CONFORMING AMENDMENTS.—

(1)(A) Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining "Interstate System" by striking "subsection (e) of section 103 of this title" and inserting "section 103(c)".

(B) Section 104(f)(1) of title 23, United States Code, is amended by striking ", except that" and all that follows through "programs".

(C) Section 115(a) of title 23, United States Code, is amended—

(i) in the subsection heading, by striking "SUBSTITUTE,"; and

(ii) in paragraph (1)(A)(i), by striking "103(e)(4)(H),";

(D) Section 118 of title 23, United States Code (as amended by section 1118(b)), is amended—

(i) by striking subsection (d); and

(ii) by redesignating subsections (e), (f), and (g) (as added by section 1103(d)) as subsections (c), (d), and (e), respectively.

(E) Section 129(b) of title 23, United States Code, is amended in the first sentence by striking

"which has been" and all that follows through "and has not" and inserting "which is a public road and has not".

(2)(A) Section 139 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 139.

(C) Section 119(a) of title 23, United States Code, is amended in the first sentence—

(i) by striking "sections 103 and 139(c) of this title" and inserting "section 103(c)(1) and, in Alaska and Puerto Rico, under section 103(c)(4)(A)"; and

(ii) by striking "section 139 (a) and (b) of this title" and inserting "subparagraphs (A) and (B) of section 103(c)(4)".

(D) Section 127(f) of title 23, United States Code, is amended by striking "section 139(a)" and inserting "section 103(c)(4)(A)".

(E) Section 1105(e)(5) of the Intermodal Surface Transportation Efficiency Act of 1991 (109 Stat. 597) is amended by striking subparagraph (B) and inserting the following:

"(B) TREATMENT OF SEGMENTS.—Subject to subparagraph (C), segments designated as parts of the Interstate System under this paragraph shall be treated in the same manner as segments designated under section 103(c)(4)(A) of title 23, United States Code.".

SEC. 1702. MISCELLANEOUS TECHNICAL CORRECTIONS.

(a) DEFINITIONS AND DECLARATION OF POLICY.—

(1) CREATION OF POLICY SECTION.—Section 102 of title 23, United States Code, is amended—

(A) by striking the section heading and inserting the following:

"§ 102. Declaration of policy"*;*

(B) by redesignating subsection (a) as subsection (c) and moving that subsection to the end of section 146; and

(C) by redesignating subsection (b) as subsection (f) and moving that subsection to the end of section 118 (as amended by section 1701(b)(1)(D)(ii)).

(2) TRANSFER OF POLICY PROVISIONS.—Section 101 of title 23, United States Code, is amended—

(A) by striking the section heading and inserting the following:

"§ 101. Definitions";

(B) in subsection (a), by striking "(a)";

(C) by striking subsection (b); and

(D) by redesignating subsections (c) through (e) as subsections (a) through (c), respectively, and moving those subsections to section 102 (as amended by paragraph (1)).

(3) CONFORMING AMENDMENTS.—

(A) The analysis for chapter 1 of title 23, United States Code, is amended by striking the items relating to sections 101 and 102 and inserting the following:

"101. Definitions.
"102. Declaration of policy.".

(B) Section 47107(j)(1)(B) of title 49, United States Code, is amended by striking "section 101(a)" and inserting "section 101".

(b) ADVANCE CONSTRUCTION.—Section 115 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) by striking "PROJECTS" and all that follows through "When a State" and inserting "PROJECTS.—When a State";

(B) by striking paragraphs (2) and (3); and

(C) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately;

(2) by striking subsection (c);

(3) in subsection (d), by striking "section 135(f)" and inserting "section 135"; and

(4) by redesignating subsection (d) as subsection (c).

(c) MAINTENANCE.—Section 116 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second sentence;

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in the first sentence, by striking "he" and inserting "the Secretary"; and

(B) in the second sentence, by striking "further projects" and inserting "further expenditure of Federal-aid highway funds"; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(d) INTERSTATE MAINTENANCE PROGRAM.—Section 119(a) of title 23, United States Code, is amended in the first sentence by striking "the date of enactment of this sentence" and inserting "March 9, 1984".

(e) ADVANCES TO STATES.—Section 124 of title 23, United States Code, is amended—

(1) by striking "(a)"; and

(2) by striking subsection (b).

(f) DIVERSION.—

(1) IN GENERAL.—Section 126 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 126.

(g) RAILWAY-HIGHWAY CROSSINGS.—Section 130(f) of title 23, United States Code, is amended by striking "APPORTIONMENT" and all that follows through the first sentence and inserting "FEDERAL SHARE.—".

(h) SURFACE TRANSPORTATION PROGRAM.—Section 133(a) of title 23, United States Code, is amended by striking "ESTABLISHMENT.—The Secretary shall establish" and inserting "IN GENERAL.—The Secretary shall carry out".

(i) CONTROL OF JUNKYARDS.—Section 136 of title 23, United States Code, is amended by striking subsection (m) and inserting the following:

"(m) PRIMARY SYSTEM DEFINED.—For purposes of this section, the term 'primary system' means the Federal-aid primary system in existence on June 1, 1991, and any

highway which is not on such system but which is on the National Highway System.".

(j) FRINGE AND CORRIDOR PARKING FACILITIES.—Section 137(a) of title 23, United States Code, is amended in the first sentence by striking "on the Federal-aid urban system" and inserting "on a Federal-aid highway".

(k) NONDISCRIMINATION.—Section 140 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "subsection (a) of section 105 of this title," and inserting "section 106(a),";

(B) by striking "he" each place it appears and inserting "the Secretary";

(C) in the second sentence, by striking "He" and inserting "The Secretary";

(D) in the third sentence, by striking "In approving programs for projects on any of the Federal-aid systems," and inserting "Before approving any project under section 106(a),"; and

(E) in the last sentence, by striking "him" and inserting "the Secretary";

(2) by striking subsection (b);

(3) in the subsection heading of subsection (d), by striking "AND CONTRACTING"; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(l) PUBLIC TRANSPORTATION.—Section 142(a)(2) of title 23, United States Code, is amended by striking "the the" and inserting "the".

(m) PRIORITY PRIMARY ROUTES.—

(1) IN GENERAL.—Section 147 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 147.

(n) DEVELOPMENT OF A NATIONAL SCENIC AND RECREATIONAL HIGHWAY.—

(1) IN GENERAL.—Section 148 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 148.

(o) HAZARD ELIMINATION PROGRAM.—Section 152(e) of title 23, United States Code, is amended by striking "apportioned to" in the first sentence and all that follows through "shall be" in the second sentence.

(p) ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES.—

(1) IN GENERAL.—Section 155 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 155.

SEC. 1703. NONDISCRIMINATION.

(a) IN GENERAL.—Section 324 of title 23, United States Code, is amended—

(1) by inserting "(d) PROHIBITION OF DISCRIMINATION ON THE BASIS OF SEX.—" before "No person"; and

(2) by moving subsection (d) (as designated by paragraph (1)) to the end of section 140 (as amended by section 1702(k)).

(b) CONFORMING AMENDMENTS.—

(1) Section 324 of title 23, United States Code, is repealed.

(2) The analysis for chapter 3 of title 23, United States Code, is amended by striking the item relating to section 324.

SEC. 1704. STATE TRANSPORTATION DEPARTMENT.

(a) IN GENERAL.—Section 302 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "(a)";

(B) by striking the second sentence; and

(C) by adding at the end the following: "Compliance with this section shall have no effect on the eligibility of costs."; and

(2) by striking subsection (b).

(b) CONFORMING AMENDMENTS.—

(1) Title 23, United States Code, is amended—

(A) by striking "State highway department" each place it appears and inserting "State transportation department"; and

(B) by striking "State highway departments" each place it appears and inserting "State transportation departments".

(2) The analysis for chapter 3 of title 23, United States Code, is amended in the item relating to section 302 by striking "highway" and inserting "transportation".

*(3) Section 302 of title 23, United States Code, is amended in the section heading by striking "**highway**" and inserting "**transportation**".*

(4) Section 410(h)(5) of title 23, United States Code, is amended in the paragraph heading by striking "HIGHWAY" and inserting "TRANSPORTATION".

(5) Section 201(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amend-

ed in the second sentence by striking "State highway department" and inserting "State transportation department".

(6) Section 138(c) of the Surface Transportation Assistance Act of 1978 (40 U.S.C. App. note to section 201 of the Appalachian Regional Development Act of 1965; Public Law 95–599) is amended in the first sentence by striking "State highway department" and inserting "State transportation department".

Subtitle H—Miscellaneous Provisions

SEC. 1801. DESIGNATION OF PORTION OF STATE ROUTE 17 IN NEW YORK AND PENNSYLVANIA AS INTERSTATE ROUTE 86.

(a) IN GENERAL.—Subject to subsection (b)(2), notwithstanding section 103(c), the portion of State Route 17 located between the junction of State Route 17 and Interstate Route 87 in Harriman, New York, and the junction of State Route 17 and Interstate Route 90 near Erie, Pennsylvania, is designated as Interstate Route 86.

(b) SUBSTANDARD FEATURES.—

(1) UPGRADING.—Each segment of State Route 17 described in subsection (a) that does not substantially meet the Interstate System design standards under section 109(b) of title 23, United States Code,

in effect on the date of enactment of this Act shall be upgraded in accordance with plans and schedules developed by the applicable State.

(2) DESIGNATION.—Each segment of State Route 17 that on the date of enactment of this Act is not at least 4 lanes wide, separated by a median, access-controlled, and grade-separated shall—

(A) be designated as a future Interstate System route; and

(B) become part of Interstate Route 86 at such time as the Secretary determines that the segment substantially meets the Interstate System design standards described in paragraph (1).

(c) TREATMENT OF ROUTE.—

(1) MILEAGE LIMITATION.—The mileage of Interstate Route 86 designated under subsection (a) shall not be charged against the limitation established by section 103(c)(2) of title 23, United States Code.

(2) FEDERAL FINANCIAL RESPONSIBILITY.—

(A) IN GENERAL.—Subject to subparagraph (B), the designation of Interstate Route 86 under subsection (a) shall not create increased Federal financial responsibility with respect to the designated Route.

(B) USE OF CERTAIN FUNDS.—A State may use funds available to the State under paragraphs (1) and (3) of section 104(b) of title 23, United States Code, to eliminate substandard features of, and to resurface, restore, rehabilitate, or reconstruct, any portion of the designated Route.

SEC. 1802. IDENTIFICATION OF HIGH PRIORITY CORRIDOR ROUTES IN LOUISIANA.

Section 1105 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2031) is amended—

(1) in subsection (c)(1)—

(A) by striking "Corridor from Kansas" and inserting the following: "Corridor—

"(A) from Kansas";

(B) in subparagraph (A) (as so designated), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(B) from Shreveport, Louisiana, along Interstate Route 49 to Lafayette, Louisiana, and along United States Route 90 to the junction with Interstate Route 10 in New Orleans, Louisiana."; and

(2) in subsection (e)(5)(A), by inserting "in subsection (c)(1)(B)," after "routes referred to".

SEC. 1803. SENSE OF SENATE CONCERNING THE OPERATION OF LONGER COMBINATION VEHICLES.

(a) FINDINGS.—Congress finds that—

(1) section 127(d) of title 23, United States Code, contains a prohibition that took effect on June 1, 1991, concerning the operation of certain longer combination vehicles, including certain double-trailer and triple-trailer trucks;

(2) reports on the results of recent studies conducted by the Federal Government describe, with respect to longer combination vehicles—

(A) problems with the adequacy of rearward amplification braking;

(B) the difficulty in making lane changes; and

(C) speed differentials that occur while climbing or accelerating; and

(3) surveys of individuals in the United States demonstrate that an overwhelming majority of residents of the United States oppose the expanded use of longer combination vehicles.

(b) LONGER COMBINATION VEHICLE DEFINED.—In this section, the term "longer combination vehicle" has the

meaning given that term in section 127(d)(4) of title 23, United States Code.

(c) SENSE OF THE SENATE.—It is the sense of the Senate that the prohibitions and restrictions under section 127(d) of title 23, United States Code, as in effect on the date of enactment of this Act, should not be amended so as to result in any less restrictive prohibition or restriction.

SEC. 1804. INTERNATIONAL BRIDGE, SAULT STE. MARIE, MICHIGAN.

The International Bridge Authority, or its successor organization, shall be permitted to continue collecting tolls for maintenance of, operation of, capital improvements to, and future expansions to the International Bridge, Sault Ste. Marie, Michigan, and its approaches, plaza areas, and associated structures.

SEC. 1805. AMENDMENT TO NATIONAL TRAILS SYSTEM ACT.

Section 8(d) of the National Trails System Act (43 U.S.C. 1247(d)) is amended—

(1) by striking "The" and inserting in lieu thereof "(1) The";

(2) by adding at the end thereof the following new paragraphs:

"(2) Consistent with the terms and conditions imposed under paragraph (1), the Surface Transpor-

tation Board shall approve a proposal for interim trail use of a railroad right-of-way unless—

"(A) at least half of the units of local government located within the rail corridor for which the interim trail use is proposed pass a resolution opposing the proposed trail use; and

"(B) the resolution is transmitted to the Surface Transportation Board within the applicable time requirements for rail line abandonment proceedings.

"(3) The limitation in paragraph (2) shall not apply if a State has assumed responsibility for the management of such right-of-way.".

SEC. 1806. AMENDMENTS TO TITLE 23.

(a) Section 144 of title 23, United States Code, is amended—

(1) in each of subsections (d) and (g)(3) by inserting after "magnesium acetate" the following: "or agriculturally derived, environmentally acceptable, minimally corrosive anti-icing and de-icing compositions"; and

(2) in subsection (d) by inserting "or such anti-icing or de-icing composition" after "such acetate".

(b) Section 133(b)(1) of title 23, United States Code, is amended by inserting after "magnesium acetate" the fol-

lowing: "or agriculturally derived, environmentally acceptable, minimally corrosive anti-icing and de-icing compositions".

SEC. 1807. LIMITATIONS.

(a) PROHIBITION ON LOBBYING ACTIVITIES.—No funds authorized in this title shall be available for any activity to build support for or against, or to influence the formulation, or adoption of State or local legislation, unless such activity is consistent with previously-existing Federal mandates or incentive programs.

(b) TESTIFYING.—Nothing in this section shall prohibit officers or employees of the United States or its departments or agencies from testifying before any State or local legislative body upon the invitation of such legislative body.

SEC. 1808. ADDITIONAL QUALIFIED EXPENSES AVAILABLE TO NONAMTRAK STATES.

(a) IN GENERAL.—Section 977(e)(1)(B) of the Taxpayer Relief Act of 1997 (defining qualified expenses) is amended—

(1) by striking "and" at the end of clause (iii) and all that follows through "clauses (i) and (iv).", and

(2) by adding after clause (iii) the following:

"(iv) capital expenditures related to State-owned rail operations in the State,

"(v) any project that is eligible to receive funding under section 5309, 5310, or 5311 of title 49, United States Code,

"(vi) any project that is eligible to receive funding under section 130 or 152 of title 23, United States Code,

"(vii) the upgrading and maintenance of intercity primary and rural air service facilities, and the purchase of intercity air service between primary and rural airports and regional hubs,

"(viii) the provision of passenger ferryboat service within the State, and

"(ix) the payment of interest and principal on obligations incurred for such acquisition, upgrading, maintenance, purchase, expenditures, provision, and projects."

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 977 of the Taxpayer Relief Act of 1997.

SEC. 1809. CONTINUANCE OF COMMERCIAL OPERATIONS AT CERTAIN SERVICE PLAZAS IN THE STATE OF MARYLAND.

(a) WAIVER.—Notwithstanding section 111 of title 23, United States Code, and the agreements described in subsection (b), at the request of the Maryland Transportation Authority, the Secretary shall allow the continuance of commercial operations at the service plazas on the John F. Kennedy Memorial Highway on Interstate Route 95.

(b) AGREEMENTS.—The agreements referred to in subsection (a) are agreements between the Department of Transportation of the State of Maryland and the Federal Highway Administration concerning the highway described in subsection (a).

SEC. 1810. PENNSYLVANIA STATION REDEVELOPMENT CORPORATION BOARD OF DIRECTORS.

Section 1069(gg) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2011) is amended by adding at the end the following: "(3) In furtherance of the redevelopment of the James A. Farley Post Office Building in the city of New York, New York, into an intermodal transportation facility and commercial center, the Secretary of Transportation, the Federal Railroad Administrator, and their designees are authorized to serve as ex officio members of the Board of Directors of the Pennsylvania Station Redevelopment Corporation.

SEC. 1811. UNION STATION REDEVELOPMENT CORPORATION BOARD OF DIRECTORS.

Subchapter I of chapter 18 of title 40 of the United States Code is amended by adding a new section at the end thereof as follows:

"§ 820. Union Station Redevelopment Corporation

"To further the rehabilitation, redevelopment and operation of the Union Station complex, the Secretary of Transportation, the Federal Railroad Administrator, and their designees are authorized to serve as ex officio members of the Board of Directors of the Union Station Redevelopment Corporation.".

SEC. 1812. ADDITIONS TO APPALACHIAN REGION.

Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the undesignated paragraph relating to Alabama, by inserting "Hale," after "Franklin,";

(2) in the undesignated paragraph relating to Georgia—

(A) by inserting "Elbert," after "Douglas,"; and

(B) by inserting "Hart," after "Haralson,";

(3) in the undesignated paragraph relating to Mississippi, by striking "and Winston" and inserting "Winston, and Yalobusha"; and

(4) in the undesignated paragraph relating to Virginia—

(A) by inserting "Montgomery," after "Lee,"; and

(B) by inserting "Rockbridge," after "Pulaski,".

SEC. 1813. SOUTHWEST BORDER TRANSPORTATION INFRASTRUCTURE ASSESSMENT.

(a) IN GENERAL.—The Secretary shall conduct a comprehensive assessment of the state of the transportation infrastructure on the southwest border between the United States and Mexico (referred to in this section as the "border").

(b) CONSULTATION.—In carrying out subsection (a), the Secretary shall consult with—

(1) the Secretary of State;

(2) the Attorney General;

(3) the Secretary of the Treasury;

(4) the Commandant of the Coast Guard;

(5) the Administrator of General Services;

(6) the American Commissioner on the International Boundary Commission, United States and Mexico;

(7) State agencies responsible for transportation and law enforcement in border States; and

(8) municipal governments and transportation authorities in sister cities in the border area.

(c) REQUIREMENTS.—In carrying out the assessment, the Secretary shall—

(1) assess—

(A) the flow of commercial and private traffic through designated ports of entry on the border;

(B) the adequacy of transportation infrastructure in the border area, including highways, bridges, railway lines, and border inspection facilities;

(C) the adequacy of law enforcement and narcotics abatement activities in the border area, as the activities relate to commercial and private traffic; and

(D) future demands on transportation infrastructure in the border area; and

(2) make recommendations to facilitate legitimate cross-border traffic in the border area, while maintaining the integrity of the border.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the assessment conducted under this sec-

tion, including any related legislative and administrative recommendations.

SEC. 1814. MODIFICATION OF HIGH PRIORITY CORRIDOR.

Section 1105(c)(18) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended—

(1) by striking "(18) Corridor from Indianapolis," and inserting the following:

"(18)(A) Corridor from Sarnia, Ontario, Canada, through Port Huron, Michigan, southwesterly along Interstate Route 69 through Indianapolis,"; and

(2) by adding at the end the following:

"(B) Corridor from Sarnia, Ontario, Canada, southwesterly along Interstate Route 94 to the Ambassador Bridge interchange in Detroit, Michigan.

"(C) Corridor from Windsor, Ontario, Canada, through Detroit, Michigan, westerly along Interstate Route 94 to Chicago, Illinois.".

SEC. 1815. DESIGNATION OF CORRIDORS IN MISSISSIPPI AND ALABAMA AS ROUTES ON THE INTERSTATE SYSTEM.

(a) IN GENERAL.—

(1) DESIGNATION.—Subject to subsection (b)(2), notwithstanding section 103(c) of title 23, United

States Code, the segments described in paragraph (2) are designated as routes on the Interstate System.

(2) SEGMENTS.—The segments referred to in paragraph (1) are—

(A) the portion of Corridor V of the Appalachian development highway system from Interstate Route 55 near Batesville, Mississippi, to the intersection with Corridor X of the Appalachian development highway system near Fulton, Mississippi; and

(B) the portion of Corridor X of the Appalachian development highway system from near Fulton, Mississippi, to the intersection with Interstate Route 65 near Birmingham, Alabama.

(b) SUBSTANDARD FEATURES.—

(1) UPGRADING.—Each portion of the segments described in subsection (a)(2) that does not substantially meet the Interstate System design standards under section 109(b) of title 23, United States Code, in effect on the date of enactment of this Act shall be upgraded in accordance with plans and schedules developed by the applicable State.

(2) DESIGNATION.—Each portion of the segments described in subsection (a)(2) that on the date of enactment of this Act does not meet the Interstate Sys-

tem design standards under section 109(b) of that title and does not connect to a segment of the Interstate System shall—

(A) be designated as a future Interstate System route; and

(B) become part of the Interstate System at such time as the Secretary determines that the portion of the segment—

(i) meets the Interstate System design standards; and

(ii) connects to another segment of the Interstate System.

(c) TREATMENT OF ROUTES.—

(1) MILEAGE LIMITATION.—The mileage of the routes on the Interstate System designated under subsection (a) shall not be charged against the limitation established by section 103(c)(2) of title 23, United States Code.

(2) FEDERAL FINANCIAL RESPONSIBILITY.—

(A) IN GENERAL.—Subject to subparagraph (B), the designation of the routes on the Interstate System under subsection (a) shall not create increased Federal financial responsibility with respect to the designated segments.

(B) USE OF CERTAIN FUNDS.—A State may use funds available to the State under paragraphs (1)(C) and (3) of section 104(b) of title 23, United States Code, to eliminate substandard features of, and to resurface, restore, rehabilitate, or reconstruct, any portion of the designated segments.

(3) ELIGIBILITY FOR OTHER FUNDING.—(A) This section shall not affect the amount of funding that a State shall be entitled to receive under any other section of this Act or under any other law.

(B) EFFECT OF PROVISION.—Nothing in this section shall result in an increase in a State's estimated cost to complete the Appalachian development highway system or in the amount of assistance that the State shall be entitled to receive from the Appalachian Development Highway System under this Act or any other Act.

SEC. 1816. REAUTHORIZATION OF FERRY AND FERRY TERMINAL PROGRAM.

(a) Section 1064(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 129 note) is amended by striking "$14,000,000" and all that follows through "this section" and inserting in lieu thereof "$30,000,000 for fiscal year 1998, $25,000,000 for fiscal

year 1999, $25,000,000 for fiscal year 2000, $30,000,000 for fiscal year 2001, $35,000,000 for fiscal year 2002, and $35,000,000 for fiscal year 2003 in carrying out this section, at least $12,000,000 of which in each such fiscal year shall be obligated for the construction of ferry boats, terminal facilities and approaches to such facilities within marine highway systems that are part of the National Highway System".

(b) In addition to the obligation authority provided in subsection (a), there are authorized to be appropriated $20,000,000 in each of fiscal years 1999, 2000, 2001, 2002, and 2003 for the ferry boat and ferry terminal facility program under section 1064 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 129 note).

SEC. 1817. REPORT ON UTILIZATION POTENTIAL.

(a) STUDY.—The Secretary of Transportation shall conduct a study of ferry transportation in the United States and its possessions—

(1) to identify existing ferry operations, including—

(A) the locations and routes served;

(B) the name, United States official number, and a description of each vessel operated as a ferry;

(C) the source and amount, if any, of funds derived from Federal, State, or local government sources supporting ferry construction or operations;

(D) the impact of ferry transportation on local and regional economies; and

(E) the potential for use of high-speed ferry services.

(2) identify potential domestic ferry routes in the United States and its possessions and to develop information on those routes, including—

(A) locations and routes that might be served;

(B) estimates of capacity required;

(C) estimates of capital costs of developing these routes;

(D) estimates of annual operating costs for these routes;

(E) estimates of the economic impact of these routes on local and regional economies; and

(F) the potential for use of high-speed ferry services.

(b) REPORT.—The Secretary shall report the results of the study under subsection (a) within one year after the date of enactment of this Act to the Committee on Com-

merce, Science, and Transportation of the United States Senate and the Committee on Transportation and Infrastructure of the United States House of Representatives.

(c) FINDINGS.—After reporting the results of the study required by paragraph (b), the Secretary of Transportation shall meet with the relevant State and municipal planning organizations to discuss the results of the study and the availability of resources, both Federal and State, for providing marine ferry service.

TITLE II—RESEARCH AND TECHNOLOGY

Subtitle A—Research and Training

SEC. 2001. STRATEGIC RESEARCH PLAN.

Subtitle III of title 49, United States Code, is amended—

(1) in the table of chapters, by inserting after the item relating to chapter 51 the following:

"52. RESEARCH AND DEVELOPMENT ..... 5201";

and

(2) by inserting after chapter 51 the following:

"CHAPTER 52—RESEARCH AND DEVELOPMENT

"Sec.
"5201. Definitions.

"SUBCHAPTER I—GENERAL AND ADMINISTRATIVE PROVISIONS

"5211. Transactional authority.

"SUBCHAPTER II—STRATEGIC PLANNING

"5221. Strategic planning.
"5222. Authorization of contract authority.

"SUBCHAPTER III—MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM

"5231. Multimodal Transportation Research and Development Program.
"5232. Authorization of contract authority.

"SUBCHAPTER IV—NATIONAL UNIVERSITY TRANSPORTATION CENTERS

"5241. National university transportation centers.

"§ 5201. Definitions

"In this chapter:

"(1) DEPARTMENT.—The term 'Department' means the Department of Transportation.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"SUBCHAPTER I—GENERAL AND ADMINISTRATIVE PROVISIONS

"§ 5211. Transactional authority

"To further the objectives of this chapter, the Secretary may make grants to, and enter into contracts, cooperative agreements, and other transactions with—

"(1) any person or any agency or instrumentality of the United States;

"(2) any unit of State or local government;

"(3) any educational institution;

"(4) any Federal laboratory; and

"(5) any other entity.

"SUBCHAPTER II—STRATEGIC PLANNING

"§ 5221. Strategic planning

"(a) AUTHORITY.—The Secretary shall establish a strategic planning process to—

"(1) determine national transportation research, development, and technology deployment priorities, strategies, and milestones over the next 5 years;

"(2) coordinate Federal transportation research, development, and technology deployment activities; and

"(3) measure the impact of the research, development, and technology investments described in paragraph (2) on the performance of the transportation system of the United States.

"(b) CRITERIA.—In developing strategic plans for intermodal, multimodal, and mode-specific research, development, and technology deployment, the Secretary shall consider the need to—

"(1) coordinate and integrate Federal, regional, State, and metropolitan planning research, development, and technology activities in urban and rural areas;

"(2) promote standards that facilitate a seamless and interoperable transportation system;

"(3) encourage innovation;

"(4) identify and facilitate initiatives and partnerships to deploy technology with the potential for improving transportation systems during the next 5-year and 10-year periods;

"(5) identify core research to support the long-term transportation technology and system needs of urban and rural areas of the United States, including safety;

"(6) ensure the ability of the United States to compete on a global basis; and

"(7) provide a means of assessing the impact of Federal research and technology investments on the performance of the transportation system of the United States.

"(c) IMPLEMENTATION.—

"(1) IN GENERAL.—In carrying out subsection (a), the Secretary shall adopt such policies and procedures as are appropriate—

"(A) to provide for integrated planning, coordination, and consultation among the Administrators of the operating administrations of the Department and other Federal officials with responsibility for research, development, and technology transfer important to national transportation needs;

"(B) to promote the exchange of information on transportation-related research and development activities among the operating elements of the Department, other Federal departments and agencies, Federal laboratories, State and local governments, colleges and universities, industry, and other private and public sector organizations engaged in the activities;

"(C) to ensure that the research and development programs of the Department do not duplicate other Federal and, to the maximum extent practicable, private sector research and development programs; and

"(D) to ensure that the research and development activities of the Department—

"(i) make appropriate use of the talents, skills, and abilities at the Federal laboratories; and

"(ii) leverage, to the maximum extent practicable, the research, development, and technology transfer capabilities of institutions of higher education and private industry.

"(2) CONSULTATION.—The procedures and policies adopted under paragraph (1) shall include con-

sultation with State officials and members of the private sector.

"(d) REPORTS.—

"(1) IN GENERAL.—Concurrent with the submission to Congress of the budget of the President for each fiscal year, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the strategic plans, goals, and milestones developed under subsections (a) and (b) to help guide research, development, and technology transfer activities during the 5-year period beginning on the date of the report.

"(2) COMPARISON TO PREVIOUS REPORT.—The report shall include a delineation of the progress made with respect to each of the plans, goals, and milestones specified in the previous report.

"(3) PROHIBITION ON OBLIGATION FOR FAILURE TO SUBMIT REPORT.—Beginning on the date of the submission to Congress of the budget of the President for fiscal year 2000, and on the date of the submission for each fiscal year thereafter, none of the funds made available under this chapter or chapter 5 of title 23 may be obligated until the report required under paragraph (1) for that fiscal year is submitted.

"§ 5222. Authorization of contract authority

"(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter $1,500,000 for each of fiscal years 1998 through 2003.

"(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that—

"(1) any Federal share of the cost of an activity under this subchapter shall be determined in accordance with this subchapter; and

"(2) the funds shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.

"(c) USE OF UNALLOCATED FUNDS.—To the extent that the amounts made available for any fiscal year under subsection (a) exceed the amounts used to carry out section 5221 for the fiscal year, the excess amounts—

"(1) shall be apportioned in accordance with section 104(b)(3) of title 23;

"(2) shall be considered to be sums made available for expenditure on the surface transportation program, except that the amounts shall not be subject to section 133(d) of that title; and

"(3) shall be available for any purpose eligible for funding under section 133 of that title.".

SEC. 2002. MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM.

Chapter 52 of title 49, United States Code (as added by section 2001), is amended by adding at the end the following:

"SUBCHAPTER III—MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM

"§ 5231. Multimodal Transportation Research and Development Program

"(a) ESTABLISHMENT.—The Secretary shall establish a program to be known as the 'Multimodal Transportation Research and Development Program'.

"(b) PURPOSES.—The purposes of the Multimodal Transportation Research and Development Program are to—

"(1) enhance the capabilities of Federal agencies to meet national transportation needs, as defined by the missions of the agencies, through support for long-term and applied research and development that would benefit the various modes of transportation, including research and development in safety, security,

mobility, energy and the environment, information and physical infrastructure, and industrial design;

"(2) identify and apply innovative research performed by the Federal Government, Federal laboratories, academia, and the private sector to the intermodal and multimodal transportation research, development, and deployment needs of the Department and the transportation enterprise of the United States;

"(3) identify and leverage research, technologies, and other information developed by the Federal Government for national defense and nondefense purposes for the benefit of the public, commercial, and defense transportation sectors; and

"(4) share information and analytical and research capabilities among the Federal Government, State and local governments, colleges and universities, and private organizations to advance their ability to meet their transportation research, development, and deployment needs.

"(c) PROCESS FOR CONSULTATION.—To advise the Secretary in establishing priorities within the Program, the Secretary shall establish a process for consultation among the Administrators of the operating administrations of the Department and other Federal officials with responsibility for research.

"§ 5232. Authorization of contract authority

"(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter $2,500,000 for each of fiscal years 1998 through 2003.

"(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that—

"(1) any Federal share of the cost of an activity under this subchapter shall be determined in accordance with this subchapter; and

"(2) the funds shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.".

SEC. 2003. NATIONAL UNIVERSITY TRANSPORTATION CENTERS.

(a) IN GENERAL.—Chapter 52 of title 49, United States Code (as amended by section 2002), is amended by adding at the end the following:

"SUBCHAPTER IV—NATIONAL UNIVERSITY TRANSPORTATION CENTERS

"§ 5241. National university transportation centers

"(a) IN GENERAL.—The Secretary shall make grants to, or enter into contracts with, the nonprofit institutions

of higher learning selected under section 5317 (as in effect on the day before the date of enactment of this section)—

"(1) to operate 1 university transportation center in each of the 10 Federal administrative regions that comprise the Standard Federal Regional Boundary System; and

"(2) to continue operation of university transportation centers at the Mack-Blackwell National Rural Transportation Study Center, the National Center for Transportation and Industrial Productivity, the Institute for Surface Transportation Policy Studies, the Urban Transit Institute at the University of South Florida, the National Center for Advanced Transportation Technology, and the University of Alabama Transportation Research Center.

"(b) ADDITIONAL CENTERS.—

"(1) IN GENERAL.—The Secretary may make grants to nonprofit institutions of higher learning to establish and operate not more than 4 additional university transportation centers to address—

"(A) transportation management, research, and development, with special attention to increasing the number of highly skilled minority individuals and women entering the transportation workforce;

"(B) transportation and industrial productivity;

"(C) rural transportation;

"(D) advanced transportation technology;

"(E) international transportation policy studies;

"(F) transportation infrastructure technology;

"(G) urban transportation research;

"(H) transportation and the environment;

"(I) surface transportation safety; or

"(J) infrastructure finance studies.

"(2) SELECTION CRITERIA.—

"(A) APPLICATION.—A nonprofit institution of higher learning that desires to receive a grant under paragraph (1) shall submit an application to the Secretary in such manner and containing such information as the Secretary may require.

"(B) SELECTION OF RECIPIENTS.—The Secretary shall select each grant recipient under paragraph (1) on the basis of—

"(i) the demonstrated research and extension resources available to the recipient to carry out this section;

"(ii) the capability of the recipient to provide leadership in making national and regional contributions to the solution of immediate and long-term transportation problems;

"(iii) the establishment by the recipient of a surface transportation program that encompasses several modes of transportation;

"(iv) the demonstrated ability of the recipient to disseminate results of transportation research and education programs through a statewide or regionwide continuing education program;

"(v) the strategic plan that the recipient proposes to carry out using the grant funds; and

"(vi) the extent to which private funds have been committed to a university and public-private partnerships established to fulfill the objectives specified in paragraph (1).

"(c) OBJECTIVES.—Each university transportation center shall use grant funds under subsection (a) or (b) to carry out—

"(1) multimodal basic and applied research, the products of which are judged by peers or other experts in the field to advance the body of knowledge in transportation;

"(2) an education program that includes multidisciplinary course work and participation in research; and

"(3) an ongoing program of technology transfer that makes research results available to potential users in a form that can be readily implemented, used, or otherwise applied.

"(d) MAINTENANCE OF EFFORT.—Before making a grant under subsection (a) or (b), the Secretary shall require the grant recipient to enter into an agreement with the Secretary to ensure that the recipient will maintain, during the period of the grant, a level of total expenditures from all other sources for establishing and operating a university transportation center and carrying out related research activities that is at least equal to the average level of those expenditures in the 2 fiscal years of the recipient prior to the award of a grant under subsection (a) or (b).

"(e) ADDITIONAL GRANTS AND CONTRACTS.—

"(1) GRANTS OR CONTRACTS.—In addition to grants under subsection (a) or (b), the Secretary may make grants to, or enter into contracts with, univer-

sity transportation centers without the need for a competitive process.

"(2) USE OF GRANTS OR CONTRACTS.—A non-competitive grant or contract under paragraph (1) shall be used for transportation research, development, education, or training consistent with the strategic plan approved as part of the selection process for the center.

"(f) FEDERAL SHARE.—The Federal share of the cost of establishing and operating a university transportation center and carrying out related research activities under this section shall be not more than 50 percent.

"(g) PROGRAM COORDINATION.—

"(1) IN GENERAL.—The Secretary shall—

"(A) coordinate research, education, training, and technology transfer activities carried out by grant recipients under this section;

"(B) disseminate the results of the research; and

"(C) establish and operate a clearinghouse for disseminating the results of the research.

"(2) REVIEW AND EVALUATION.—

"(A) IN GENERAL.—Not less often than annually, the Secretary shall review and evaluate

programs carried out by grant recipients under this section.

"(B) NOTIFICATION OF DEFICIENCIES.—In carrying out subparagraph (A), if the Secretary determines that a university transportation center is deficient in meeting the objectives of this section, the Secretary shall notify the grant recipient operating the center of each deficiency and provide specific recommendations of measures that should be taken to address the deficiency.

"(C) DISQUALIFICATION.—If, after the end of the 180-day period that begins on the date of notification to a grant recipient under subparagraph (B) with respect to a center, the Secretary determines that the recipient has not corrected each deficiency identified under subparagraph (B), the Secretary may, after notifying the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the determination—

"(i) disqualify the university transportation center from further participation under this section; and

"(ii) make a grant for the establishment of a new university transportation center, in lieu of the disqualified center, under subsection (a) or (b), as applicable.

"(3) FUNDING.—The Secretary may use not more than 1 percent of Federal funds made available under this section to carry out this subsection.

"(h) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $12,000,000 for each of fiscal years 1998 through 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.

"(3) TECHNOLOGY TRANSFER ACTIVITIES.—For each fiscal year, not less than 5 percent of the amounts made available to carry out this section shall be available to carry out technology transfer activities.

"(i) LIMITATION ON AVAILABILITY OF FUNDS.—Funds authorized under this section shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.".

(b) CONFORMING AMENDMENTS.—

(1) Sections 5316 and 5317 of title 49, United States Code, are repealed.

(2) The analysis for chapter 53 of title 49, United States Code, is amended by striking the items relating to sections 5316 and 5317.

SEC. 2004. BUREAU OF TRANSPORTATION STATISTICS.

(a) IN GENERAL.—Section 111 of title 49, United States Code, is amended—

(1) in subsection (b)(4), by striking the second sentence;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (J), by striking "and" at the end;

(ii) in subparagraph (K), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(L) transportation-related variables that influence global competitiveness.";

(B) in paragraph (2)—

(i) in the first sentence, by striking "national transportation system" and inserting "transportation systems of the United States";

(ii) by striking subparagraph (A) and inserting the following:

"(A) be coordinated with efforts to measure outputs and outcomes of the Department of Transportation and the transportation systems of the United States under the Government Performance and Results Act of 1993 (Public Law 103–62) and the amendments made by that Act;"; and

(iii) in subparagraph (C), by inserting ", made relevant to the States and metropolitan planning organizations," after "accuracy";

(C) in paragraph (3), by adding at the end the following: "The Bureau shall review and report to the Secretary of Transportation on the sources and reliability of the statistics proposed by the heads of the operating administrations of

the Department to measure outputs and outcomes as required by the Government Performance and Results Act of 1993 (Public Law 103–62), and the amendments made by that Act, and shall carry out such other reviews of the sources and reliability of other data collected by the heads of the operating administrations of the Department as shall be requested by the Secretary.”; and

(D) by adding at the end the following:

“(7) SUPPORTING TRANSPORTATION DECISIONMAKING.—Ensuring that the statistics compiled under paragraph (1) are relevant for transportation decisionmaking by the Federal Government, State and local governments, transportation-related associations, private businesses, and consumers.”;

(3) by redesignating subsections (d), (e), and (f) as subsections (h), (i), and (j), respectively;

(4) by striking subsection (g);

(5) by inserting after subsection (c) the following:

“(d) TRANSPORTATION DATA BASE.—

“(1) IN GENERAL.—In consultation with the Associate Deputy Secretary, the Assistant Secretaries, and the heads of the operating administrations of the

Department of Transportation, the Director shall establish and maintain a transportation data base for all modes of transportation.

"(2) USE.—The data base shall be suitable for analyses carried out by the Federal Government, the States, and metropolitan planning organizations.

"(3) CONTENTS.—The data base shall include—

"(A) information on the volumes and patterns of movement of goods, including local, interregional, and international movement, by all modes of transportation and intermodal combinations, and by relevant classification;

"(B) information on the volumes and patterns of movement of people, including local, interregional, and international movements, by all modes of transportation (including bicycle and pedestrian modes) and intermodal combinations, and by relevant classification;

"(C) information on the location and connectivity of transportation facilities and services; and

"(D) a national accounting of expenditures and capital stocks on each mode of transportation and intermodal combination.

"(e) NATIONAL TRANSPORTATION LIBRARY.—

"(1) IN GENERAL.—The Director shall establish and maintain a National Transportation Library, which shall contain a collection of statistical and other information needed for transportation decision-making at the Federal, State, and local levels.

"(2) ACCESS.—The Bureau shall facilitate and promote access to the Library, with the goal of improving the ability of the transportation community to share information and the ability of the Bureau to make statistics readily accessible under subsection (c)(5).

"(3) COORDINATION.—The Bureau shall work with other transportation libraries and other transportation information providers, both public and private, to achieve the goal specified in paragraph (2).

"(f) NATIONAL TRANSPORTATION ATLAS DATA BASE.—

"(1) IN GENERAL.—The Director shall develop and maintain geospatial data bases that depict—

"(A) transportation networks;

"(B) flows of people, goods, vehicles, and craft over the networks; and

"(C) social, economic, and environmental conditions that affect or are affected by the networks.

"(2) INTERMODAL NETWORK ANALYSIS.—The data bases shall be able to support intermodal network analysis.

"(g) RESEARCH AND DEVELOPMENT GRANTS.—The Secretary may make grants to, or enter into cooperative agreements or contracts with, public and nonprofit private entities (including State departments of transportation, metropolitan planning organizations, and institutions of higher education) for—

"(1) investigation of the subjects specified in subsection (c)(1) and research and development of new methods of data collection, management, integration, dissemination, interpretation, and analysis;

"(2) development of electronic clearinghouses of transportation data and related information, as part of the National Transportation Library under subsection (e); and

"(3) development and improvement of methods for sharing geographic data, in support of the national transportation atlas data base under subsection (f) and the National Spatial Data Infrastructure developed under Executive Order No. 12906.";

(6) by striking subsection (i) (as redesignated by paragraph (3)) and inserting the following:

"(i) PROHIBITION ON CERTAIN DISCLOSURES.—

"(1) IN GENERAL.—An officer or employee of the Bureau may not—

"(A) make any disclosure in which the data provided by an individual or organization under subsection (c)(2) can be identified;

"(B) use the information provided under subsection (c)(2) for a nonstatistical purpose; or

"(C) permit anyone other than an individual authorized by the Director to examine any individual report provided under subsection (c)(2).

"(2) PROHIBITION ON REQUESTS FOR CERTAIN DATA.—

"(A) GOVERNMENT AGENCIES.—No department, bureau, agency, officer, or employee of the United States (except the Director in carrying out this section) may require, for any reason, a copy of any report that has been filed under subsection (c)(2) with the Bureau or retained by an individual respondent.

"(B) COURTS.—Any copy of a report described in subparagraph (A) that has been retained by an individual respondent or filed with the Bureau or any of its employees, contractors, or agents—

"(i) shall be immune from legal process; and

"(ii) shall not, without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

"(C) APPLICABILITY.—This paragraph shall apply only to information that permits information concerning an individual or organization to be reasonably inferred by direct or indirect means.

"(3) DATA COLLECTED FOR NONSTATISTICAL PURPOSES.—In a case in which the Bureau is authorized by statute to collect data or information for a nonstatistical purpose, the Director shall clearly distinguish the collection of the data or information, by rule and on the collection instrument, so as to inform a respondent that is requested or required to supply the data or information of the nonstatistical purpose.";

(7) in subsection (j) (as redesignated by paragraph (3)), by striking "On or before January 1, 1994, and annually thereafter, the" and inserting "The"; and

(8) by adding at the end the following:

"(k) STUDY.—

"(1) IN GENERAL.—The Director shall carry out a study—

"(A) to measure the ton-miles and value-miles of international trade traffic carried by highway for each State;

"(B) to evaluate the accuracy and reliability of such measures for use in the formula for highway apportionments;

"(C) to evaluate the accuracy and reliability of the use of diesel fuel data as a measure of international trade traffic by State; and

"(D) to identify needed improvements in long-term data collection programs to provide accurate and reliable measures of international traffic for use in the formula for highway apportionments.

"(2) BASIS FOR EVALUATIONS.—The study shall evaluate the accuracy and reliability of measures for use as formula factors based on statistical quality standards developed by the Bureau in consultation with the Committee on National Statistics of the National Academy of Sciences.

"(3) REPORT.—Not later than 3 years after the date of enactment of this subsection, the Director shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the results of the study carried out under paragraph (1), including recommendations for changes in law necessary to implement the identified needs for improvements in long-term data collection programs.

"(l) PROCEEDS OF DATA PRODUCT SALES.—Notwithstanding section 3302 of title 31, United States Code, funds received by the Bureau from the sale of data products, for necessary expenses incurred, may be credited to the Highway Trust Fund (other than the Mass Transit Account) for the purpose of reimbursing the Bureau for the expenses.

"(m) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $26,000,000 for fiscal year 1998, $27,000,000 for fiscal year 1999, $28,000,000 for fiscal year 2000, $29,000,000 for fiscal year 2001, $30,000,000 for fiscal year 2002, and $31,000,000 for fiscal year 2003, except that not more

than $500,000 for each fiscal year may be made available to carry out subsection (g).

"(2) AVAILABILITY.—Funds authorized under this subsection shall remain available for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

"(3) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23.".

(b) CONFORMING AMENDMENTS.—Section 5503 of title 49, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

SEC. 2005. RESEARCH AND TECHNOLOGY PROGRAM.

Title 23, United States Code, is amended—

(1) in the table of chapters, by adding at the end the following:

"5. Research and Technology ..... 501";

and

(2) by adding at the end the following:

"CHAPTER 5—RESEARCH AND TECHNOLOGY

"SUBCHAPTER I—RESEARCH AND TRAINING

"Sec.

"501. Definitions.
"502. Research and technology program.
"503. Advanced research program.
"504. Long-term pavement performance program.
"505. State planning and research program.
"506. Education and training.
"507. International highway transportation outreach program.
"508. National technology deployment initiatives and partnerships program.
"509. Infrastructure investment needs report.
"510. Innovative bridge research and construction program.
"511. Study of future strategic highway research program.
"512. Transportation and environment cooperative research program.
"513. Recycled materials resource center.

"SUBCHAPTER II—INTELLIGENT TRANSPORTATION SYSTEMS

"521. Purposes.
"522. Definitions.
"523. Cooperation, consultation, and analysis.
"524. Research, development, and training.
"525. Intelligent transportation system integration program.
"526. Integration program for rural areas.
"527. Commercial vehicle intelligent transportation system infrastructure.
"528. Corridor development and coordination.
"529. Standards.
"530. Funding limitations.
"531. Use of innovative financing.
"532. Advisory committees.

"SUBCHAPTER III—FUNDING

"541. Funding.

"SUBCHAPTER I—RESEARCH AND TRAINING

"§ 501. Definitions

"In this chapter:

"(1) SAFETY.—The term 'safety' includes highway and traffic safety systems, research, and development relating to vehicle, highway, driver, passenger, bicyclist, and pedestrian characteristics, accident investigations, communications, emergency medical care, and transportation of the injured.

"(2) FEDERAL LABORATORY.—The term 'Federal laboratory' includes a Government-owned, Govern-

ment-operated laboratory and a Government-owned, contractor-operated laboratory.

"§ 502. Research and technology program

"(a) GENERAL AUTHORITY AND COLLABORATIVE AGREEMENTS.—

"(1) AUTHORITY OF THE SECRETARY.—

"(A) IN GENERAL.—The Secretary—

"(i) shall carry out research, development, and technology transfer activities with respect to—

"(I) motor carrier transportation;

"(II) all phases of transportation planning and development (including construction, operation, modernization, development, design, maintenance, safety, financing, and traffic conditions); and

"(III) the effect of State laws on the activities described in subclauses (I) and (II); and

"(ii) may test, develop, or assist in testing and developing any material, invention, patented article, or process.

"(B) COOPERATION, GRANTS, AND CONTRACTS.—The Secretary may carry out this section—

"(i) independently;

"(ii) in cooperation with other Federal departments, agencies, and instrumentalities and multipurpose Federal laboratories; or

"(iii) by making grants to, or entering into contracts, cooperative agreements, and other transactions with, the National Academy of Sciences, the American Association of State Highway and Transportation Officials, any Federal laboratory, any State agency, authority, association, institution, for-profit or nonprofit corporation, organization, foreign country, or person.

"(C) TECHNICAL INNOVATION.—The Secretary shall develop and carry out programs to facilitate the application of such products of research and technical innovations as will improve the safety, efficiency, and effectiveness of the transportation system.

"(D) FUNDS.—

"(i) IN GENERAL.—Except as otherwise specifically provided in other sections of this chapter—

"(I) to carry out this section, the Secretary shall use—

"(aa) funds made available under section 541 for research, technology, and training; and

"(bb) such funds as may be deposited by any cooperating organization or person in a special account of the Treasury established for this purpose; and

"(II) the funds described in item (aa) shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

"(ii) USE OF FUNDS.—The Secretary shall use funds described in clause (i) to develop, administer, communicate, and promote the use of products of research, development, and technology transfer programs under this section.

"(2) COLLABORATIVE RESEARCH AND DEVELOPMENT.—

"(A) IN GENERAL.—To encourage innovative solutions to surface transportation problems and stimulate the deployment of new technology, the Secretary may carry out, on a cost-shared basis, collaborative research and development with—

"(i) non-Federal entities, including State and local governments, foreign governments, colleges and universities, corporations, institutions, partnerships, sole proprietorships, and trade associations that are incorporated or established under the laws of any State; and

"(ii) multipurpose Federal laboratories.

"(B) AGREEMENTS.—In carrying out this paragraph, the Secretary may enter into cooperative research and development agreements (as defined in section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a)).

"(C) FEDERAL SHARE.—

"(i) IN GENERAL.—The Federal share of the cost of activities carried out under a cooperative research and development agreement entered into under this paragraph shall not exceed 50 percent, except that if there is substantial public interest or benefit, the Secretary may approve a greater Federal share.

"(ii) NON-FEDERAL SHARE.—All costs directly incurred by the non-Federal partners, including personnel, travel, and hardware development costs, shall be credited toward the non-Federal share of the cost of the activities described in clause (i).

"(D) USE OF TECHNOLOGY.—The research, development, or use of a technology under a cooperative research and development agreement entered into under this paragraph, including the terms under which the technology may be licensed and the resulting royalties may be distributed, shall be subject to the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.).

"(3) WAIVER OF ADVERTISING REQUIREMENTS.—Section 3709 of the Revised Statutes (41

U.S.C. 5) shall not apply to a contract or agreement entered into under this chapter.

"(b) MANDATORY ELEMENTS OF PROGRAM.—The Secretary shall include in the surface transportation research, development, and technology transfer programs under this section and as specified elsewhere in this title—

"(1) a coordinated long-term program of research for the development, use, and dissemination of performance indicators to measure the performance of the surface transportation systems of the United States, including indicators for productivity, efficiency, energy use, air quality, congestion, safety, maintenance, and other factors that reflect the overall performance of the system; and

"(2) a program to strengthen and expand surface transportation infrastructure research, development, and technology transfer, which shall include, at a minimum—

"(A) methods and materials for improving the durability of surface transportation infrastructure facilities and extending the life of bridge structures, including new and innovative technologies to reduce corrosion;

"(B) a research and development program directed toward the reduction of costs, and the

mitigation of impacts, associated with the construction of highways and mass transit systems;

"(C) a surface transportation research program to develop nondestructive evaluation equipment for use with existing infrastructure facilities and with next-generation infrastructure facilities that use advanced materials;

"(D)(i) information technology, including appropriate computer programs to collect and analyze data on the status of infrastructure facilities described in subparagraph (C) with respect to enhancing management, growth, and capacity; and

"(ii) dynamic simulation models of surface transportation systems for—

"(I) predicting capacity, safety, and infrastructure durability problems;

"(II) evaluating planned research projects; and

"(III) testing the strengths and weaknesses of proposed revisions to surface transportation operation programs;

"(E) new innovative technologies to enhance and facilitate field construction and rehabilita-

tion techniques for minimizing disruption during repair and maintenance of structures;

"(F) initiatives to improve the ability of the United States to respond to emergencies and natural disasters and to enhance national defense mobility;

"(G) an evaluation of traffic calming measures that promote community preservation, transportation mode choice, and safety; and

"(H) research on telecommuting, research on the linkages between transportation, information technology, and community development, and research on the impacts of technological change and economic restructuring on travel demand.

"(c) REPORT ON GOALS, MILESTONES, AND ACCOMPLISHMENTS.—The goals, milestones, and accomplishments relevant to each of the mandatory program elements described in subsection (b) shall be specified in the report required under section 5221(d) of title 49.".

SEC. 2006. ADVANCED RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as added by section 2005), is amended by adding at the end the following:

"§ 503. Advanced research program

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish an advanced research program within the Federal Highway Administration to address longer-term, higher-risk research that shows potential benefits for improving the durability, mobility, efficiency, environmental impact, productivity, and safety of transportation systems.

"(2) DEVELOPMENT OF PARTNERSHIPS.—In carrying out the program, the Secretary shall attempt to develop partnerships with the public and private sectors.

"(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary may make grants and enter into cooperative agreements and contracts for advanced research.

"(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $5,000,000 for fiscal year 1998, $7,000,000 for fiscal year 1999, $9,000,000 for fiscal year 2000, and $10,000,000 for each of fiscal years 2001 through 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in

the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of any activity funded under this subsection shall be determined by the Secretary.".

SEC. 2007. LONG-TERM PAVEMENT PERFORMANCE PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2006), is amended by adding at the end the following:

"§ 504. Long-term pavement performance program

"(a) AUTHORITY.—The Secretary shall complete the long-term pavement performance program tests initiated under the strategic highway research program established under section 307(d) (as in effect on the day before the date of enactment of this section) and continued by the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) through the midpoint of a planned 20-year life of the long-term pavement performance program (referred to in this section as the 'program').

"(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary shall make grants and enter into cooperative agreements and contracts to—

"(1) monitor, material-test, and evaluate highway test sections in existence as of the date of the grant, agreement, or contract;

"(2) analyze the data obtained in carrying out paragraph (1); and

"(3) prepare products to fulfill program objectives and meet future pavement technology needs.

"(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $15,000,000 for each of fiscal years 1998 through 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(A) the Federal share of the cost of any activity funded under this section shall be determined by the Secretary; and

"(B) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.".

SEC. 2008. STATE PLANNING AND RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2007), is amended by adding at the end the following:

"§ 505. State planning and research program

"(a) IN GENERAL.—

"(1) AVAILABILITY OF FUNDS.—Two percent of the sums apportioned for fiscal year 1998 and each fiscal year thereafter to any State under section 104 (except section 104(f)) and any transfers or additions to the surface transportation program under section 133 shall be available for expenditure by the State transportation department, in consultation with the Secretary, in accordance with this section.

"(2) USE OF FUNDS.—The sums referred to in paragraph (1) shall be available only for—

"(A) intermodal metropolitan, statewide, and nonmetropolitan planning under sections 134 and 135;

"(B) development and implementation of management systems referred to in section 303;

"(C) studies, research, development, and technology transfer activities necessary for the planning, design, construction, management, operation, maintenance, regulation, and taxation of the use of surface transportation systems, in-

cluding training and accreditation of inspection and testing on engineering standards and construction materials for the systems; and

"(D) studies of the economy, safety, and convenience of surface transportation usage and the desirable regulation and equitable taxation of surface transportation usage.

"(b) MINIMUM EXPENDITURES ON STUDIES, RESEARCH, DEVELOPMENT, AND TECHNOLOGY TRANSFER ACTIVITIES.—

"(1) IN GENERAL.—For each fiscal year, not less than 25 percent of the funds of a State that are subject to subsection (a) shall be expended by the State transportation department for studies, research, development, and technology transfer activities described in subparagraphs (C) and (D) of subsection (a)(2) unless the State certifies to the Secretary for the fiscal year that the total expenditures by the State transportation department for transportation planning under sections 134 and 135 will exceed 75 percent of the amount of the funds and the Secretary accepts the certification.

"(2) EXEMPTION FROM SMALL BUSINESS ASSESSMENT.—Funds expended under paragraph (1) shall not be considered to be part of the extramural

budget of the agency for the purpose of section 9 of the Small Business Act (15 U.S.C. 638).

"(c) FEDERAL SHARE.—The Federal share of the cost of a project financed with funds referred to in subsection (a) shall be 80 percent unless the Secretary determines that the interests of the Federal-aid highway program would be best served by decreasing or eliminating the non-Federal share.

"(d) ADMINISTRATION OF FUNDS.—Funds referred to in subsection (a) shall be combined and administered by the Secretary as a single fund, which shall be available for obligation for the same period as funds apportioned under section 104(b)(1).".

SEC. 2009. EDUCATION AND TRAINING.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2008), is amended by adding at the end the following:

"§ 506. Education and training

"(a) LOCAL TECHNICAL ASSISTANCE PROGRAM.—

"(1) AUTHORITY.—The Secretary shall carry out a transportation assistance program that will provide access to modern highway technology to—

"(A) highway and transportation agencies in urbanized areas with populations of between 50,000 and 1,000,000 individuals;

"(B) highway and transportation agencies in rural areas; and

"(C) contractors that do work for the agencies.

"(2) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants and enter into cooperative agreements and contracts to provide education and training, technical assistance, and related support services that will—

"(A) assist rural, local transportation agencies and tribal governments, and the consultants and construction personnel working for the agencies and governments, to—

"(i) develop and expand their expertise in road and transportation areas (including pavement, bridge, safety management systems, and traffic safety countermeasures);

"(ii) improve roads and bridges;

"(iii) enhance—

"(I) programs for the movement of passengers and freight; and

"(II) intergovernmental transportation planning and project selection; and

"(iv) deal effectively with special transportation-related problems by preparing and providing training packages, manuals, guidelines, and technical resource materials;

"(B) identify, package, and deliver transportation technology and traffic safety information to local jurisdictions to assist urban transportation agencies in developing and expanding their ability to deal effectively with transportation-related problems;

"(C) operate, in cooperation with State transportation departments and universities—

"(i) local technical assistance program centers to provide transportation technology transfer services to rural areas and to urbanized areas with populations of between 50,000 and 1,000,000 individuals; and

"(ii) local technical assistance program centers designated to provide transportation technical assistance to Indian tribal governments; and

"(D) allow local transportation agencies and tribal governments, in cooperation with the

private sector, to enhance new technology implementation.

"(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) $7,000,000 for fiscal year 1998, $7,000,000 for fiscal year 1999, $7,000,000 for fiscal year 2000, $8,000,000 for fiscal year 2001, $8,000,000 for fiscal year 2002, and $8,000,000 for fiscal year 2003 to be used to develop and administer the program established under this section and to provide technical and financial support for the centers operated under paragraph (2)(C).

"(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(i) the Federal share of the cost of any activity under this subsection shall be determined by the Secretary; and

"(ii) the funds shall remain available for obligation for a period of 3 years after

the last day of the fiscal year for which the funds are authorized.

"(b) NATIONAL HIGHWAY INSTITUTE.—

"(1) ESTABLISHMENT; DUTIES; PROGRAMS.—

"(A) ESTABLISHMENT.—The Secretary shall establish and operate in the Federal Highway Administration a National Highway Institute (referred to in this subsection as the 'Institute').

"(B) DUTIES.—

"(i) INSTITUTE.—In cooperation with State transportation departments, United States industry, and any national or international entity, the Institute shall develop and administer education and training programs of instruction for—

"(I) Federal Highway Administration, State, and local transportation agency employees;

"(II) regional, State, and metropolitan planning organizations;

"(III) State and local police, public safety, and motor vehicle employees; and

"(IV) United States citizens and foreign nationals engaged or to be en-

gaged in surface transportation work of interest to the United States.

"(ii) SECRETARY.—The Secretary shall administer, through the Institute, the authority vested in the Secretary by this title or by any other law for the development and conduct of education and training programs relating to highways.

"(C) TYPES OF PROGRAMS.—Programs that the Institute may develop and administer may include courses in modern developments, techniques, methods, regulations, management, and procedures relating to—

"(i) surface transportation;

"(ii) environmental factors;

"(iii) acquisition of rights-of-way;

"(iv) relocation assistance;

"(v) engineering;

"(vi) safety;

"(vii) construction;

"(viii) maintenance;

"(ix) operations;

"(x) contract administration;

"(xi) motor carrier activities;

"(xii) inspection; and

"(xiii) highway finance.

"(2) SET-ASIDE; FEDERAL SHARE.—Not to exceed ¼ of 1 percent of the funds apportioned to a State under section 104(b)(3) for the surface transportation program shall be available for expenditure by the State transportation department for the payment of not to exceed 80 percent of the cost of tuition and direct educational expenses (excluding travel, subsistence, or salaries) in connection with the education and training of employees of State and local transportation agencies in accordance with this subsection.

"(3) FEDERAL RESPONSIBILITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), education and training of employees of Federal, State, and local transportation (including highway) agencies authorized under this subsection may be provided—

"(i) by the Secretary at no cost to the States and local governments if the Secretary determines that provision at no cost is in the public interest; or

"(ii) by the State through grants, cooperative agreements, and contracts with public and private agencies, institutions, individuals, and the Institute.

"(B) PAYMENT OF FULL COST BY PRIVATE PERSONS.—Private agencies, international or foreign entities, and individuals shall pay the full cost of any education and training received by them unless the Secretary determines that a lower cost is of critical importance to the public interest.

"(4) TRAINING FELLOWSHIPS; COOPERATION.—The Institute may—

"(A) engage in training activities authorized under this subsection, including the granting of training fellowships; and

"(B) carry out its authority independently or in cooperation with any other branch of the Federal Government or any State agency, authority, association, institution, for-profit or nonprofit corporation, other national or international entity, or other person.

"(5) COLLECTION OF FEES.—

"(A) GENERAL RULE.—In accordance with this subsection, the Institute may assess and collect fees solely to defray the costs of the Institute in developing or administering education and training programs under this subsection.

"(B) LIMITATION.—Fees may be assessed and collected under this subsection only in a manner that may reasonably be expected to result in the collection of fees during any fiscal year in an aggregate amount that does not exceed the aggregate amount of the costs referred to in subparagraph (A) for the fiscal year.

"(C) PERSONS SUBJECT TO FEES.—Fees may be assessed and collected under this subsection only with respect to—

"(i) persons and entities for whom education or training programs are developed or administered under this subsection; and

"(ii) persons and entities to whom education or training is provided under this subsection.

"(D) AMOUNT OF FEES.—The fees assessed and collected under this subsection shall be established in a manner that ensures that the liability of any person or entity for a fee is reasonably based on the proportion of the costs referred to in subparagraph (A) that relate to the person or entity.

"(E) USE.—All fees collected under this subsection shall be used to defray costs associated

with the development or administration of education and training programs authorized under this subsection.

"(6) FUNDING.—

"(A) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $5,000,000 for fiscal year 1998, $5,000,000 for fiscal year 1999, $5,000,000 for fiscal year 2000, $6,000,000 for fiscal year 2001, $6,000,000 for fiscal year 2002, and $6,000,000 for fiscal year 2003.

"(B) RELATION TO FEES.—The funds provided under this paragraph may be combined with or held separate from the fees collected under paragraph (5).

"(C) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(i) the Federal share of the cost of any activity under this subsection shall be determined by the Secretary; and

"(ii) the funds shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

"(7) CONTRACTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into under this subsection.

"(c) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—

"(1) GENERAL AUTHORITY.—The Secretary, acting independently or in cooperation with other Federal departments, agencies, and instrumentalities, may make grants for fellowships for any purpose for which research, technology, or capacity building is authorized under this chapter.

"(2) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—

"(A) IN GENERAL.—The Secretary shall carry out a transportation fellowship program, to be known as the 'Dwight David Eisenhower Transportation Fellowship Program', for the purpose of attracting qualified students to the field of transportation.

"(B) TYPES OF FELLOWSHIPS.—The program shall offer fellowships at the junior through postdoctoral levels of college education.

"(C) CITIZENSHIP.—Each recipient of a fellowship under the program shall be a United States citizen.

"(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $2,000,000 for each of fiscal years 1998 through 2003.

"(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(i) the Federal share of the cost of any activity funded under this subsection shall be determined by the Secretary; and

"(ii) the funds shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

"(d) HIGHWAY CONSTRUCTION TRAINING PROGRAMS.—

"(1) USE OF FUNDS BY THE SECRETARY.—

"(A) IN GENERAL.—The Secretary, in cooperation with any other department or agency of the Federal Government, State agency, authority, association, institution, Indian tribal government, for-profit or nonprofit corporation, or other organization or person, may—

"(i) develop, conduct, and administer highway construction and technology training, including skill improvement, programs; and

"(ii) develop and fund Summer Transportation Institutes.

"(B) WAIVER OF ADVERTISING REQUIREMENTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into by the Secretary under this subsection.

"(C) FUNDING.—

"(i) IN GENERAL.—Before making apportionments under section 104(b) for a fiscal year, the Secretary shall deduct such sums as the Secretary determines are nec-

essary, but not to exceed $10,000,000 for each fiscal year, to carry out this subsection.

"(ii) AVAILABILITY.—Sums deducted under clause (i) shall remain available until expended.

"(2) USE OF FUNDS APPORTIONED TO STATES.—Notwithstanding any other provision of law, upon request of a State transportation department to the Secretary, not to exceed ½ of 1 percent of the funds apportioned to the State for a fiscal year under paragraphs (1) and (3) of section 104(b) may be made available to carry out this subsection.

"(3) RESERVATION OF TRAINING POSITIONS FOR INDIVIDUALS RECEIVING WELFARE ASSISTANCE.—In carrying out this subsection, the Secretary and States may reserve training positions for individuals who receive welfare assistance from a State.".

SEC. 2010. INTERNATIONAL HIGHWAY TRANSPORTATION OUTREACH PROGRAM.

(a) IN GENERAL.—Title 23, United States Code, is amended—

(1) by redesignating section 325 as section 507;

(2) by moving that section to appear at the end of subchapter I of chapter 5 (as amended by section 2009);

(3) in subsection (a) of that section, by inserting ", goods, and services" after "expertise"; and

(4) by striking subsection (c) of that section and inserting the following:

"(c) USE OF FUNDS.—

"(1) FUNDS DEPOSITED IN SPECIAL ACCOUNT.—Funds available to carry out this section shall include funds deposited by any cooperating organization or person in a special account for the program established under this section with the Secretary of the Treasury.

"(2) USE OF FUNDS.—The funds deposited in the special account and other funds available to carry out this section shall be available to pay the cost of any activity eligible under this section, including the cost of promotional materials, travel, reception and representation expenses, and salaries and benefits of officers and employees of the Department of Transportation.

"(3) REIMBURSEMENTS.—Reimbursements for the salaries and benefits of Federal Highway Admin-

istration employees who provide services under this section shall be credited to the special account.

"(d) ELIGIBLE USE OF STATE PLANNING AND RESEARCH FUNDS.—A State, in coordination with the Secretary, may obligate funds made available to carry out section 505 for any activity authorized under subsection (a).".

(b) CONFORMING AMENDMENT.—The analysis for chapter 3 of title 23, United States Code, is amended by striking the item relating to section 325.

SEC. 2011. NATIONAL TECHNOLOGY DEPLOYMENT INITIATIVES AND PARTNERSHIPS PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2010), is amended by adding at the end the following:

"§ 508. National technology deployment initiatives and partnerships program

"(a) ESTABLISHMENT.—The Secretary shall develop and administer a national technology deployment initiatives and partnerships program (referred to in this section as the 'program').

"(b) PURPOSE.—The purpose of the program is to significantly accelerate the adoption of innovative technologies by the surface transportation community.

"(c) DEPLOYMENT GOALS.—

"(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish not more than 5 deployment goals to carry out subsection (a).

"(2) DESIGN.—Each of the goals and the program developed to achieve the goals shall be designed to provide tangible benefits, with respect to transportation systems, in the areas of efficiency, safety, reliability, service life, environmental protection, or sustainability.

"(3) STRATEGIES FOR ACHIEVEMENT.—For each goal, the Secretary, in cooperation with representatives of the transportation community such as States, local governments, the private sector, and academia, shall use domestic and international technology to develop strategies and initiatives to achieve the goal, including technical assistance in deploying technology and mechanisms for sharing information among program participants.

"(d) CONTINUATION OF SHRP PARTNERSHIPS.—Under the program, the Secretary shall continue the partnerships established through the strategic highway research program established under section 307(d) (as in effect on the day before the date of enactment of this section).

"(e) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary may make grants and enter into cooperative agreements and contracts to foster alliances and support efforts to stimulate advances in transportation technology, including—

"(1) the testing and evaluation of products of the strategic highway research program;

"(2) the further development and implementation of technology in areas such as the Superpave system and the use of lithium salts to prevent and mitigate alkali silica reactivity; and

"(3) the provision of support for long-term pavement performance product implementation and technology access.

"(f) REPORTS.—Not later than 18 months after the date of enactment of this section, and biennially thereafter, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress and results of activities carried out under this section.

"(g) FUNDING.—

"(1) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to

carry out this section $50,000,000 for each of fiscal years 1998 through 2003, of which not less than $500,000 shall be made available to carry out the study under section 511.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(A) the Federal share of the cost of any activity under this section shall be determined by the Secretary; and

"(B) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

"(3) ALLOCATION.—To the extent appropriate to achieve the goals established under subsection (c), the Secretary may further allocate funds made available under this subsection to States for their use.".

SEC. 2012. INFRASTRUCTURE INVESTMENT NEEDS REPORT.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2011), is amended by adding at the end the following:

"§ 509. Infrastructure investment needs report

"(a) IN GENERAL.—Not later than January 31, 1999, and January 31 of every second year thereafter, the Secretary shall report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on—

"(1) estimates of the future highway and bridge needs of the United States; and

"(2) the backlog of current highway and bridge needs.

"(b) FORMAT.—Each report under subsection (a) shall, at a minimum, include explanatory materials, data, and tables comparable in format to the report submitted in 1995 under section 307(h) (as in effect on the day before the date of enactment of this section).".

SEC. 2013. INNOVATIVE BRIDGE RESEARCH AND CONSTRUCTION PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2012), is amended by adding at the end the following:

"§ 510. Innovative bridge research and construction program

"(a) IN GENERAL.—The Secretary shall establish and carry out a program to demonstrate the application of in-

novative material technology in the construction of bridges and other structures.

"(b) GOALS.—The goals of the program shall include—

"(1) the development of new, cost-effective innovative material highway bridge applications;

"(2) the reduction of maintenance costs and life-cycle costs of bridges, including the costs of new construction, replacement, or rehabilitation of deficient bridges;

"(3) the development of construction techniques to increase safety and reduce construction time and traffic congestion;

"(4) the development of engineering design criteria for innovative products and materials for use in highway bridges and structures;

"(5) the development of cost-effective and innovative techniques to separate vehicle and pedestrian traffic from railroad traffic;

"(6) the development of highway bridges and structures that will withstand natural disasters, including alternative processes for the seismic retrofit of bridges; and

"(7) the development of new nondestructive bridge evaluation technologies and techniques.

"(c) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—

"(1) IN GENERAL.—Under the program, the Secretary shall make grants to, and enter into cooperative agreements and contracts with—

"(A) States, other Federal agencies, universities and colleges, private sector entities, and nonprofit organizations to pay the Federal share of the cost of research, development, and technology transfer concerning innovative materials; and

"(B) States to pay the Federal share of the cost of repair, rehabilitation, replacement, and new construction of bridges or structures that demonstrates the application of innovative materials.

"(2) GRANTS.—

"(A) APPLICATIONS.—

"(i) SUBMISSION.—To receive a grant under this section, an entity described in paragraph (1) shall submit an application to the Secretary.

"(ii) CONTENTS.—The application shall be in such form and contain such information as the Secretary may require.

"(B) APPROVAL CRITERIA.—The Secretary shall select and approve applications for grants under this section based on whether the project that is the subject of the grant meets the goals of the program described in subsection (b).

"(d) TECHNOLOGY AND INFORMATION TRANSFER.—The Secretary shall take such action as is necessary to ensure that the information and technology resulting from research conducted under subsection (c) is made available to State and local transportation departments and other interested parties as specified by the Secretary.

"(e) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be determined by the Secretary.

"(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account)—

"(A) to carry out subsection (c)(1)(A) $1,000,000 for each of fiscal years 1998 through 2003; and

"(B) to carry out subsection (c)(1)(B)—

"(i) $10,000,000 for fiscal year 1998;

"(ii) $15,000,000 for fiscal year 1999;

"(iii) $17,000,000 for fiscal year 2000; and

"(iv) $20,000,000 for each of fiscal years 2001 through 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.".

SEC. 2014. USE OF BUREAU OF INDIAN AFFAIRS ADMINISTRATIVE FUNDS.

Section 204(b) of title 23, United States Code, is amended in the last sentence by striking "326" and inserting "506".

SEC. 2015. STUDY OF FUTURE STRATEGIC HIGHWAY RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2013), is amended by adding at the end the following:

"§511. Study of future strategic highway research program

"(a) STUDY.—

"(1) IN GENERAL.—Not later than 120 days after the date of enactment of this section, the Sec-

retary shall make a grant to, or enter into a cooperative agreement or contract with, the Transportation Research Board of the National Academy of Sciences (referred to in this section as the 'Board') to conduct a study to determine the goals, purposes, research agenda and projects, administrative structure, and fiscal needs for a new strategic highway research program to replace the program established under section 307(d) (as in effect on the day before the date of enactment of this section), or a similar effort.

"(2) CONSULTATION.—In conducting the study, the Board shall consult with the American Association of State Highway and Transportation Officials and such other entities as the Board determines to be necessary to the conduct of the study.

"(b) REPORT.—Not later than 5 years after making a grant or entering into a cooperative agreement or contract under subsection (a), the Board shall submit a final report on the results of the study to the Secretary, the Committee on Environment and Public Works of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives.".

SEC. 2016. ADVANCED VEHICLE TECHNOLOGIES PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 3 of subtitle I of title 49, United States Code, is amended by adding at the end the following:

"§310. Advanced vehicle technologies program

"(a) PURPOSES.—The Secretary of Transportation, in coordination with other government agencies and private consortia, shall encourage and promote the research, development, and deployment of transportation technologies that will use technological advances in multimodal vehicles, vehicle components, environmental technologies, and related infrastructure to remove impediments to an efficient and cost-effective national transportation system.

"(b) DEFINITION OF ELIGIBLE CONSORTIUM.—In this section, the term 'eligible consortium' means a consortium that receives funding under the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1876), and that comprises 2 or more of the following entities:

"(1) Businesses incorporated in the United States.

"(2) Public or private educational or research organizations located in the United States.

"(3) Entities of State or local governments in the United States.

"(4) Federal laboratories.

"(c) PROGRAM.—The Secretary shall enter into contracts, cooperative agreements, and other transactions as authorized by section 2371 of title 10 with, and make grants to, eligible consortia to promote the development and deployment of innovation in transportation technology services, management, and operational practices.

"(d) ELIGIBILITY CRITERIA.—To be eligible to receive assistance under this section, an eligible consortium shall—

"(1) for a period of not less than the 3 years preceding the date of a contract, cooperative agreement, or other transaction, be organized on a statewide or multistate basis for the purpose of designing, developing, and deploying transportation technologies that address identified technological impediments in the transportation field;

"(2) facilitate the participation in the consortium of small- and medium-sized businesses, utilities, public laboratories and universities, and other relevant entities;

"(3) be actively engaged in transportation technology projects that address compliance in nonattainment areas under the Clean Air Act (42 U.S.C. 7401 et seq.);

"(4) be designed to use Federal and State funding to attract private capital in the form of grants or investments to carry out this section; and

"(5) ensure that at least 50 percent of the funding for the consortium project will be provided by non-Federal sources.

"(e) PROPOSALS.—The Secretary shall prescribe such terms and conditions as the Secretary determines to be appropriate for the content and structure of proposals submitted for assistance under this section.

"(f) REPORTING REQUIREMENTS.—At least once each year, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the projects undertaken by the eligible consortia and the progress made in advancing the purposes of this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 1998 through 2003, to remain available until expended.

"(2) AVAILABILITY.—Notwithstanding section 118(a), funds made available under paragraph (1)

shall not be available in advance of an annual appropriation.".

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 3 of subtitle I of title 49, United States Code, is amended by adding at the end the following:

"310. Advanced vehicle technologies program.".

SEC. 2017. TRANSPORTATION AND ENVIRONMENT COOPERATIVE RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2015), is amended by adding at the end the following:

"§512. Transportation and environment cooperative research program

"(a) IN GENERAL.—The Secretary shall establish and carry out a transportation and environment cooperative research program.

"(b) ADVISORY BOARD.—

"(1) ESTABLISHMENT.—In consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, the Secretary shall establish an advisory board to recommend environmental and energy conservation research, technology, and technology transfer activities related to surface transportation.

"(2) MEMBERSHIP.—The advisory board shall include—

"(A) representatives of State transportation and environmental agencies;

"(B) transportation and environmental scientists and engineers; and

"(C) representatives of metropolitan planning organizations, transit operating agencies, and environmental organizations.

"(3) DEVELOPMENT OF RESEARCH PRIORITIES.—In developing recommendations for priorities for research described in paragraph (1), the advisory board shall consider the research recommendations of the National Research Council report entitled 'Environmental Research Needs in Transportation'.

"(4) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board.

"(c) NATIONAL ACADEMY OF SCIENCES.—

"(1) IN GENERAL.—The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities related to the research, technology, and technology transfer activities described in subsection (b)(1) as the Secretary determines to be appropriate.

"(2) ECOSYSTEM INTEGRITY STUDY.—

"(A) IN GENERAL.—The Secretary shall give priority to conducting a study of, and preparing a report on, the relationship between highway density and ecosystem integrity, including an analysis of the habitat-level impacts of highway density on the overall health of ecosystems.

"(B) PROPOSAL OF RAPID ASSESSMENT METHODOLOGY.—To aid transportation and regulatory agencies, the report shall propose a rapid assessment methodology for determining the relationship between highway density and ecosystem integrity.

"(d) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 1998 through 2003.

"(2) AVAILABILITY.—Notwithstanding section 118(a), funds made available under paragraph (1) shall not be available in advance of an annual appropriation.".

SEC. 2018. RECYCLED MATERIALS RESOURCE CENTER.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2017), is amended by adding at the end the following:

"§ 513. Recycled materials resource center

"(a) ESTABLISHMENT.—The Secretary shall establish at the University of New Hampshire a research program to be known as the 'Recycled Materials Resource Center' (referred to in this section as the 'Center').

"(b) ACTIVITIES.—

"(1) IN GENERAL.—The Center shall—

"(A) systematically test, evaluate, develop appropriate guidelines for, and demonstrate environmentally acceptable and occupationally safe technologies and techniques for the increased use of traditional and nontraditional recycled and secondary materials in transportation infrastructure construction and maintenance;

"(B) make information available to State transportation departments, the Federal Highway Administration, the construction industry, and other interested parties to assist in evaluating proposals to use traditional and nontraditional recycled and secondary materials in transportation infrastructure construction;

"(C) encourage the increased use of traditional and nontraditional recycled and secondary materials by using sound science to analyze thoroughly all potential long-term considerations

that affect the physical and environmental performance of the materials; and

"(D) work cooperatively with Federal and State officials to reduce the institutional barriers that limit widespread use of traditional and nontraditional recycled and secondary materials and to ensure that such increased use is consistent with the sustained environmental and physical integrity of the infrastructure in which the materials are used.

"(2) SITES AND PROJECTS UNDER ACTUAL FIELD CONDITIONS.—In carrying out paragraph (1)(C), the Secretary may authorize the Center to—

"(A) use test sites and demonstration projects under actual field conditions to develop appropriate performance data; and

"(B) develop appropriate tests and guidelines to ensure correct use of recycled and secondary materials in transportation infrastructure construction.

"(c) REVIEW AND EVALUATION.—

"(1) IN GENERAL.—Not less often than every 2 years, the Secretary shall review and evaluate the program carried out by the Center.

"(2) NOTIFICATION OF DEFICIENCIES.—In carrying out paragraph (1), if the Secretary determines that the Center is deficient in carrying out subsection (b), the Secretary shall notify the Center of each deficiency and recommend specific measures to address the deficiency.

"(3) DISQUALIFICATION.—If, after the end of the 180-day period that begins on the date of notification to the Center under paragraph (2), the Secretary determines that the Center has not corrected each deficiency identified under paragraph (2), the Secretary may, after notifying the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the determination, disqualify the Center from further participation under this section.

"(d) FUNDING.—Of amounts made available under section 541, $2,000,000 shall be made available for each fiscal year to carry out this section.".

SEC. 2019. CONFORMING AMENDMENTS.

(a) Sections 307, 321, and 326 of title 23, United States Code, are repealed.

(b) The analysis for chapter 3 of title 23, United States Code, is amended by striking the items relating to sections 307, 321, and 326.

(c) Section 115(a)(1)(A)(i) of title 23, United States Code, is amended by striking "or 307" and inserting "or 505".

(d) Section 151(d) of title 23, United States Code, is amended by striking "section 307(a)," and inserting "section 506,".

(e) Section 106 of Public Law 89–564 (23 U.S.C. 403 note) is amended in the third sentence by striking "sections 307 and 403 of title 23, United States Code," and inserting "section 403 and chapter 5 of title 23, United States Code,".

SEC. 2020. REMOTE SENSING AND SPATIAL INFORMATION TECHNOLOGIES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program to validate remote sensing and spatial information technologies for application to national transportation infrastructure development and construction.

(b) PROGRAM STAGES.—

(1) FIRST STAGE.—Not later than 18 months after the date of the enactment of this Act, the Secretary shall establish a national policy for the use of remote sensing and spatial information technologies in national transportation infrastructure development and construction.

(2) SECOND STAGE.—After establishment of the national policy under paragraph (1), the Secretary

shall develop new applications of remote sensing and spatial information technologies for the implementation of such policy.

(c) COOPERATION.—The Secretary shall carry out this section in cooperation with the National Aeronautics and Space Administration and a consortium of university research centers.

(d) FUNDING.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1999 and $10,000,000 for each of fiscal years 2000 through 2004.

Subtitle B—Intelligent Transportation Systems

SEC. 2101. SHORT TITLE.

This subtitle may be cited as the "Intelligent Transportation Systems Act of 1998".

SEC. 2102. FINDINGS.

Congress finds that—

(1) numerous studies conducted on behalf of the Department of Transportation document that investment in intelligent transportation systems offers substantial benefits in relationship to costs;

(2) as a result of the investment authorized by the Intelligent Transportation Systems Act of 1991 (23 U.S.C. 307 note; 105 Stat. 2189), progress has been made on each of the goals set forth for the na-

tional intelligent transportation system program in section 6052(b) of that Act; and

(3) continued investment by the Department of Transportation is needed to complete implementation of those goals.

SEC. 2103. INTELLIGENT TRANSPORTATION SYSTEMS.

Chapter 5 of title 23, United States Code (as added by section 2005), is amended by adding at the end the following:

"SUBCHAPTER II—INTELLIGENT TRANSPORTATION SYSTEMS

"§ 521. Purposes

"The purposes of this subchapter are—

"(1) to expedite deployment and integration of basic intelligent transportation system services for consumers of passenger and freight transportation across the United States;

"(2) to encourage the use of intelligent transportation systems to enhance international trade and domestic economic productivity;

"(3) to encourage the use of intelligent transportation systems to promote the achievement of national environmental goals;

"(4) to continue research, development, testing, and evaluation activities to continually expand the state-of-the-art in intelligent transportation systems;

"(5) to provide financial and technical assistance to State and local governments and metropolitan planning organizations to ensure the integration of interoperable, intermodal, and cost-effective intelligent transportation systems;

"(6) to foster regional cooperation, standards implementation, and operations planning to maximize the benefits of integrated and coordinated intelligent transportation systems;

"(7) to promote the consideration of intelligent transportation systems in mainstream transportation planning and investment decisionmaking by ensuring that Federal and State transportation officials have adequate, working knowledge of intelligent transportation system technologies and applications and by ensuring comprehensive funding eligibility for the technologies and applications;

"(8) to encourage intelligent transportation system training for, and technology transfer to, State and local agencies;

"(9) to promote the deployment of intelligent transportation system services in rural America so as

to achieve safety benefits, promote tourism, and improve quality of life;

"(10) to promote the innovative use of private resources, such as through public-private partnerships or other uses of private sector investment, to support the development and integration of intelligent transportation systems throughout the United States;

"(11) to complete the Federal investment in the deployment of Commercial Vehicle Information Systems and Networks by September 30, 2003;

"(12) to facilitate intermodalism through deployment of intelligent transportation systems, including intelligent transportation system technologies for transit systems to improve safety, efficiency, capacity, and utility for the public;

"(13) to enhance the safe operation of motor vehicles, including motorcycles, and nonmotorized vehicles on the surface transportation systems of the United States, with a particular emphasis on decreasing the number and severity of collisions;

"(14) to encourage the use of intelligent transportation systems to promote the achievement of national transportation safety goals, including safety at at-grade railway-highway crossings; and

"(15) to accommodate the needs of all users of the surface transportation systems of the United States, including the operators of commercial vehicles, passenger vehicles, and motorcycles.

"§ 522. Definitions

"In this subchapter:

"(1) COMMERCIAL VEHICLE INFORMATION SYSTEMS AND NETWORKS.—The term 'Commercial Vehicle Information Systems and Networks' means the information systems and communications networks that support commercial vehicle operations.

"(2) COMMERCIAL VEHICLE OPERATIONS.—The term 'commercial vehicle operations'—

"(A) means motor carrier operations and motor vehicle regulatory activities associated with the commercial movement of goods, including hazardous materials, and passengers; and

"(B) with respect to the public sector, includes the issuance of operating credentials, the administration of motor vehicle and fuel taxes, and roadside safety and border crossing inspection and regulatory compliance operations.

"(3) COMPLETED STANDARD.—The term 'completed standard' means a standard adopted and published by the appropriate standards-setting organiza-

tion through a voluntary consensus standardmaking process.

"(4) CORRIDOR.—The term 'corridor' means any major transportation route that includes parallel limited access highways, major arterials, or transit lines.

"(5) INTELLIGENT TRANSPORTATION SYSTEM.—The term 'intelligent transportation system' means electronics, communications, or information processing used singly or in combination to improve the efficiency or safety of a surface transportation system.

"(6) NATIONAL ARCHITECTURE.—The term 'national architecture' means the common framework for interoperability adopted by the Secretary that defines—

"(A) the functions associated with intelligent transportation system user services;

"(B) the physical entities or subsystems within which the functions reside;

"(C) the data interfaces and information flows between physical subsystems; and

"(D) the communications requirements associated with the information flows.

"(7) PROVISIONAL STANDARD.—The term 'provisional standard' means a provisional standard established by the Secretary under section 529(c).

"(8) STANDARD.—The term 'standard' means a document that—

"(A) contains technical specifications or other precise criteria for intelligent transportation systems that are to be used consistently as rules, guidelines, or definitions of characteristics so as to ensure that materials, products, processes, and services are fit for their purposes; and

"(B) may support the national architecture and promote—

"(i) the widespread use and adoption of intelligent transportation system technology as a component of the surface transportation systems of the United States; and

"(ii) interoperability among intelligent transportation system technologies implemented throughout the States.

"§ 523. Cooperation, consultation, and analysis

"(a) COOPERATION.—In carrying out this subchapter, the Secretary shall—

"(1) foster enhanced operation and management of the surface transportation systems of the United States;

"(2) promote the widespread deployment of intelligent transportation systems; and

"(3) advance emerging technologies, in cooperation with State and local governments and the private sector.

"(b) CONSULTATION.—As appropriate, in carrying out this subchapter, the Secretary shall—

"(1) consult with the heads of other interested Federal departments and agencies; and

"(2) maximize the involvement of the United States private sector, colleges and universities, the Federal laboratories, and State and local governments in all aspects of carrying out this subchapter.

"(c) PROCUREMENT METHODS.—To meet the need for effective implementation of intelligent transportation system projects, the Secretary shall develop appropriate technical assistance and guidance to assist State and local agencies in evaluating and selecting appropriate methods of procurement for intelligent transportation system projects, including innovative and nontraditional methods of procurement.

"§ 524. Research, development, and training

"(a) IN GENERAL.—The Secretary shall carry out a comprehensive program of intelligent transportation system research, development, operational testing, technical assistance and training, national architecture activities, standards development and implementation, and other similar

activities that are necessary to carry out the purposes of this subchapter.

"(b) INTELLIGENT VEHICLE AND INTELLIGENT INFRASTRUCTURE PROGRAMS.—

"(1) IN GENERAL.—

"(A) PROGRAM.—The Secretary shall carry out a program to conduct research, development, and engineering designed to stimulate and advance deployment of an integrated intelligent vehicle program and an integrated intelligent infrastructure program, consisting of—

"(i) projects such as crash avoidance, automated highway systems, advanced vehicle controls, and roadway safety and efficiency systems linked to intelligent vehicles; and

"(ii) projects that improve mobility and the quality of the environment, including projects for traffic management, incident management, transit management, toll collection, traveler information, and traffic control systems.

"(B) CONSIDERATION OF VEHICLE AND INFRASTRUCTURE ELEMENTS.—In carrying out subparagraph (A), the Secretary may consider

systems that include both vehicle and infrastructure elements and determine the most appropriate mix of those elements.

"(2) NATIONAL ARCHITECTURE.—The program carried out under paragraph (1) shall be consistent with the national architecture.

"(3) PRIORITIES.—In carrying out paragraph (1), the Secretary shall give higher priority to activities that—

"(A) assist motor vehicle drivers in avoiding motor vehicle crashes;

"(B) assist in the development of an automated highway system; or

"(C) improve the integration of air bag technology with other on-board safety systems and maximize the safety benefits of the simultaneous use of an automatic restraint system and seat belts.

"(4) COST SHARING.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the cost of a research project carried out in cooperation with a non-Federal entity under a program carried out under paragraph (1) shall not exceed 80 percent.

"(B) INNOVATIVE OR HIGH-RISK RESEARCH PROJECTS.—The Federal share of the cost of an innovative or high-risk research project described in subparagraph (A) may, at the discretion of the Secretary, be 100 percent.

"(5) PLAN.—The Secretary shall—

"(A) not later than 1 year after the date of enactment of this subchapter, submit to Congress a 6-year plan specifying the goals, objectives, and milestones to be achieved by each program carried out under paragraph (1); and

"(B) report biennially to Congress on the progress in meeting the goals, objectives, and milestones.

"(c) EVALUATION.—

"(1) GUIDELINES AND REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall establish guidelines and requirements for the independent evaluation of field and related operational tests, and, if necessary, deployment projects, carried out under this subchapter.

"(B) REQUIRED PROVISIONS.—The guidelines and requirements established under subparagraph (A) shall include provisions to ensure the objectivity and independence of the evaluator

so as to avoid any real or apparent conflict of interest or potential influence on the outcome by parties to any such test or deployment project or by any other formal evaluation carried out under this subchapter.

"(2) FUNDING.—

"(A) SMALL PROJECTS.—In the case of a test or project with a cost of less than $5,000,000, the Secretary may allocate not more than 15 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

"(B) MODERATE PROJECTS.—In the case of a test or project with a cost of $5,000,000 or more, but less than $10,000,000, the Secretary may allocate not more than 10 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

"(C) LARGE PROJECTS.—In the case of a test or project with a cost of $10,000,000 or more, the Secretary may allocate not more than 5 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

"(3) INAPPLICABILITY OF PAPERWORK REDUCTION ACT.—Any survey, questionnaire, or interview that the Secretary considers necessary to carry out the evaluation of any test or program assessment activity under this subchapter shall not be subject to chapter 35 of title 44.

"(d) INFORMATION CLEARINGHOUSE.—

"(1) IN GENERAL.—The Secretary shall—

"(A) maintain a repository for technical and safety data collected as a result of federally sponsored projects carried out under this subchapter; and

"(B) on request, make that information (except for proprietary information and data) readily available to all users of the repository at an appropriate cost.

"(2) DELEGATION OF AUTHORITY.—

"(A) IN GENERAL.—The Secretary may delegate the responsibility of the Secretary under this subsection, with continuing oversight by the Secretary, to an appropriate entity not within the Department of Transportation.

"(B) FEDERAL ASSISTANCE.—If the Secretary delegates the responsibility, the entity to

which the responsibility is delegated shall be eligible for Federal assistance under this section.

"(e) TRAFFIC INCIDENT MANAGEMENT AND RESPONSE.—The Secretary shall carry out a program to advance traffic incident management and response technologies, strategies, and partnerships that are fully integrated with intelligent transportation systems.

"(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $120,000,000 for fiscal year 1998, $125,000,000 for fiscal year 1999, $130,000,000 for fiscal year 2000, $135,000,000 for fiscal year 2001, $140,000,000 for fiscal year 2002, and $150,000,000 for fiscal year 2003, of which, for each fiscal year—

"(A) not less than $25,000,000 shall be available for activities that assist motor vehicle drivers in avoiding motor vehicle crashes, including activities that improve the integration of air bag technology with other on-board safety systems;

"(B) not less than $25,000,000 shall be available for activities that assist in the development of an automated highway system; and

"(C) not less than $3,000,000 shall be available for traffic incident management and response.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1.

"§ 525. Intelligent transportation system integration program

"(a) IN GENERAL.—The Secretary shall conduct a comprehensive program (referred to in this section as the 'program') to accelerate the integration and interoperability of intelligent transportation systems.

"(b) SELECTION OF PROJECTS.—

"(1) IN GENERAL.—Under the program, the Secretary shall select for funding, through competitive solicitation, projects that will serve as models to improve transportation efficiency, promote safety, increase traffic flow, reduce emissions of air pollutants, improve traveler information, or enhance alternative transportation modes.

"(2) PRIORITIES.—Under the program, the Secretary shall give higher priority to funding projects that—

"(A) promote and foster integration strategies and written agreements among local governments, States, and other regional entities;

"(B) build on existing (as of the date of project selection) intelligent transportation system projects;

"(C) deploy integrated intelligent transportation system projects throughout metropolitan areas;

"(D) deploy integrated intelligent transportation system projects that enhance safe freight movement or coordinate intermodal travel, including intermodal travel at ports of entry into the United States; and

"(E) advance intelligent transportation system deployment projects that are consistent with the national architecture and, as appropriate, comply with required standards as described in section 529.

"(3) CONTINUATION OF PARTNERSHIP AGREEMENTS.—The Secretary shall continue through to completion public/private partnership agreements previously executed to promote the integration of surface transportation management systems, including

the integration of highway, transit, railroad and emergency management systems.

"(c) PRIVATE SECTOR INVOLVEMENT.—In carrying out the program, the Secretary shall encourage private sector involvement and financial commitment, to the maximum extent practicable, through innovative financial arrangements, especially public-private partnerships.

"(d) FINANCING AND OPERATIONS PLANS.—As a condition of receipt of funds under the program, a recipient participating in a project shall submit to the Secretary a multiyear financing and operations plan that describes how the project can be cost-effectively operated and maintained.

"(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $100,000,000 for fiscal year 1998, $110,000,000 for fiscal year 1999, $115,000,000 for fiscal year 2000, $130,000,000 for fiscal year 2001, $135,000,000 for fiscal year 2002, and $145,000,000 for fiscal year 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

"(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

"(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

"§ 526. Integration program for rural areas

"(a) IN GENERAL.—The Secretary shall conduct a comprehensive program (referred to in this section as the 'program') to accelerate the integration or deployment of intelligent transportation systems in rural areas.

"(b) SELECTION OF PROJECTS.—Under the program, the Secretary shall—

"(1) select projects through competitive solicitation; and

"(2) give higher priority to funding projects that—

"(A) promote and foster integration strategies and agreements among local governments, States, and other regional entities;

"(B) deploy integrated intelligent transportation system projects that improve mobility, enhance the safety of the movement of passenger vehicles and freight, or promote tourism; and

"(C) advance intelligent transportation system deployment projects that are consistent with the national architecture and comply with required standards as described in section 529.

"(c) PRIVATE SECTOR INVOLVEMENT.—In carrying out the program, the Secretary shall encourage private sector involvement and financial commitment, to the maximum extent practicable, through innovative financial arrangements, especially public-private partnerships.

"(d) FINANCING AND OPERATIONS PLANS.—As a condition of receipt of funds under the program, a recipient participating in a project shall submit to the Secretary a multiyear financing and operations plan that describes how the project can be cost-effectively operated and maintained

"(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for fiscal year 1998, $10,000,000 for fiscal year 1999, $15,000,000 for fiscal year 2000, $15,000,000 for fiscal year 2001, $20,000,000 for fiscal year 2002, and $20,000,000 for fiscal year 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned

under chapter 1, except that, in the case of a project funded under paragraph (1)—

"(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

"(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

"§ 527. Commercial vehicle intelligent transportation system infrastructure

"(a) IN GENERAL.—The Secretary shall carry out a comprehensive program—

"(1) to deploy intelligent transportation systems that will promote the safety and productivity of commercial vehicles and drivers; and

"(2) to reduce costs associated with commercial vehicle operations and State and Federal commercial vehicle regulatory requirements.

"(b) ELEMENTS OF PROGRAM.—

"(1) SAFETY INFORMATION SYSTEMS AND NETWORKS.—

"(A) IN GENERAL.—The program shall advance the technological capability and promote the deployment of commercial vehicle, commer-

cial driver, and carrier-specific safety information systems and networks and other intelligent transportation system technologies used to assist States in identifying high-risk commercial operations and in conducting other innovative safety strategies, including the Commercial Vehicle Information Systems and Networks.

"(B) FOCUS OF PROJECTS.—Projects assisted under the program shall focus on—

"(i) identifying and eliminating unsafe and illegal carriers, vehicles, and drivers in a manner that does not unduly hinder the productivity and efficiency of safe and legal commercial operations;

"(ii) enhancing the safe passage of commercial vehicles across the United States and across international borders;

"(iii) reducing the numbers of violations of out-of-service orders;

"(iv) complying with directives to address other safety violations; and

"(v) developing and implementing unobtrusive eyetracking technology.

"(2) MONITORING SYSTEMS.—The program shall advance on-board driver and vehicle safety monitor-

ing systems, including fitness-for-duty, brake, and other operational monitoring technologies, that will facilitate commercial vehicle safety, including inspection by motor carrier safety assistance program officers and employees under chapter 311 of title 49.

"(c) USE OF FEDERAL FUNDS.—

"(1) IN GENERAL.—Federal funds used to carry out the program shall be primarily used to improve—

"(A) commercial vehicle safety and the effectiveness and efficiency of enforcement efforts conducted under the motor carrier safety assistance program under chapter 311 of title 49;

"(B) electronic processing of registration information, driver licensing information, fuel tax information, inspection and crash data, and other safety information; and

"(C) communication of the information described in subparagraph (B) among the States.

"(2) LEVERAGING.—Federal funds used to carry out the program shall, to the maximum extent practicable—

"(A) be leveraged with non-Federal funds; and

"(B) be used for activities not carried out through the use of private funds.

"(d) FEDERAL SHARE.—The Federal share of the cost of a project assisted under the program shall be not more than 80 percent.

"(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $25,000,000 for fiscal year 1998, $25,000,000 for fiscal year 1999, $25,000,000 for fiscal year 2000, $35,000,000 for fiscal year 2001, $35,000,000 for fiscal year 2002, and $40,000,000 for fiscal year 2003.

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

"(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

"(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

"§ 528. Corridor development and coordination

"(a) IN GENERAL.—The Secretary shall encourage multistate cooperative agreements, coalitions, or other arrangements intended to promote regional cooperation, planning, and shared project implementation for intelligent transportation system projects.

"(b) FUNDING.—There shall be available to carry out this section for each fiscal year not more than—

"(1) $3,000,000 of the amounts made available under section 524(f); and

"(2) $7,000,000 of the amounts made available under section 525(e).

"§ 529. Standards

"(a) IN GENERAL.—

"(1) DEVELOPMENT, IMPLEMENTATION, AND MAINTENANCE.—The Secretary shall develop, implement, and maintain a national architecture and supporting standards to promote the widespread use and evaluation of intelligent transportation system technology as a component of the surface transportation systems of the United States.

"(2) INTEROPERABILITY AND EFFICIENCY.—To the maximum extent practicable, the standards shall promote interoperability among, and efficiency of, intelligent transportation system technologies implemented throughout the States.

"(3) USE OF STANDARDS-SETTING ORGANIZATIONS.—In carrying out this section, the Secretary may use the services of such standards-setting organizations as the Secretary determines appropriate.

"(b) REPORT.—

"(1) IN GENERAL.—Not later than January 1, 1999, the Secretary shall submit a report describing the status of all standards.

"(2) CONTENTS.—The report shall—

"(A) identify each standard that is needed for operation of intelligent transportation systems in the United States;

"(B) specify the status of the development of each standard;

"(C) provide a timetable for achieving agreement on each standard as described in this section; and

"(D) determine which standards are critical to ensuring national interoperability or critical to the development of other standards.

"(c) ESTABLISHMENT OF PROVISIONAL STANDARDS.—

"(1) ESTABLISHMENT.—Subject to subsection (d), if a standard determined to be critical under subsection (b)(2)(D) is not adopted and published by the appropriate standards-setting organization by Janu-

ary 1, 2001, the Secretary shall establish a provisional standard after consultation with affected parties.

"(2) PERIOD OF EFFECTIVENESS.—The provisional standard shall—

"(A) be published in the Federal Register;

"(B) take effect not later than May 1, 2001; and

"(C) remain in effect until the appropriate standards-setting organization adopts and publishes a standard.

"(d) WAIVER OF REQUIREMENT TO ESTABLISH PROVISIONAL STANDARDS.—

"(1) NOTICE.—The Secretary may waive the requirement to establish a provisional standard by submitting, not later than January 1, 2001, to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, a notice that—

"(A) specifies the provisional standard subject to the waiver;

"(B) describes the history of the development of the standard subject to the waiver;

"(C) specifies the reasons why the requirement for the establishment of the provisional standard is being waived;

"(D) describes the impacts of delaying the establishment of the standard subject to the waiver, especially the impacts on the purposes of this subchapter; and

"(E) provides specific estimates as to when the standard subject to the waiver is expected to be adopted and published by the appropriate standards-setting organization.

"(2) PROGRESS REPORTS.—

"(A) IN GENERAL.—In the case of each standard subject to a waiver by the Secretary under paragraph (1), the Secretary shall submit, in accordance with the schedule specified in subparagraph (B), a report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the progress of the adoption of a completed standard.

"(B) SCHEDULE OF REPORTS.—The Secretary shall submit a report under subparagraph (A) with respect to a standard—

"(i) not later than 180 days after the date of submission of the notice under paragraph (1) with respect to the standard; and

"(ii) at the end of each 180-day period thereafter until such time as a standard has been adopted and published by the appropriate standards-setting organization or the waiver is withdrawn under paragraph (3).

"(C) CONSULTATION.—In developing each progress report under subparagraph (A), the Secretary shall consult with the standards-setting organizations involved in the standardmaking process for the standard.

"(3) WITHDRAWAL OF WAIVER.—

"(A) IN GENERAL.—At any time, the Secretary may, through notification to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, withdraw a notice of a waiver of the requirement to establish a provisional standard.

"(B) IMPLEMENTATION.—If the Secretary submits notification under subparagraph (A) with respect to a provisional standard, not less than 30 days, but not more than 90 days, after

the date of the notification, the Secretary shall implement the provisional standard, unless, by the end of the 90-day period beginning on the date of the notification, a standard has been adopted and published by the appropriate standards-setting organization.

"(e) REQUIREMENT FOR COMPLIANCE WITH STANDARD.—

"(1) IN GENERAL.—

"(A) STANDARD IN EXISTENCE.—Funds made available from the Highway Trust Fund shall not be used to deploy an intelligent transportation system technology if the technology does not comply with each applicable provisional standard or completed standard.

"(B) NO STANDARD IN EXISTENCE.—In the absence of a provisional standard or completed standard, Federal funds shall not be used to deploy an intelligent transportation system technology if the deployment is not consistent with the interfaces to ensure interoperability that are contained in the national architecture.

"(2) APPLICABILITY.—Paragraph (1) shall not apply to—

"(A) the operation or maintenance of an intelligent transportation system in existence on the date of enactment of this subchapter; or

"(B) the upgrade or expansion of an intelligent transportation system in existence on the date of enactment of this subchapter if the Secretary determines that the upgrade or expansion—

"(i) does not adversely affect the purposes of this subchapter, especially the goal of national or regional interoperability;

"(ii) is carried out before the end of the useful life of the system; and

"(iii) is cost effective as compared to alternatives that meet the compliance requirement of paragraph (1)(A) or the consistency requirement of paragraph (1)(B).

"(f) SPECTRUM.—

"(1) CONSULTATION.—The Secretary shall consult with the Secretary of Commerce, the Secretary of Defense, and the Chairman of the Federal Communications Commission to determine the best means for securing the necessary spectrum for the near-term establishment of a dedicated short-range vehicle-to-wayside wireless standard and any other spectrum that

the Secretary determines to be critical to the implementation of this title.

"(2) PROGRESS REPORT.—After consultation under paragraph (1) and with other affected agencies, but not later than 1 year after the date of enactment of this subchapter, the Secretary shall submit a report to Congress on the progress made in securing the spectrum described in paragraph (1).

"(3) DEADLINE FOR SECURING SPECTRUM.—Notwithstanding any other provision of law, not later than 2 years after the date of enactment of this subchapter, the Secretary of Commerce shall release to the Federal Communications Commission, and the Federal Communications Commission shall allocate, the spectrum described in paragraph (1).

"(g) FUNDING.—The Secretary shall use funds made available under section 524 to carry out this section.

"§ 530. Funding limitations

"(a) CONSISTENCY WITH NATIONAL ARCHITECTURE.—The Secretary shall use funds made available under this subchapter to deploy intelligent transportation system technologies only if the technologies are consistent with the national architecture.

"(b) COMPETITION WITH PRIVATELY FUNDED PROJECTS.—To the maximum extent practicable, the Sec-

retary shall not fund any intelligent transportation system operational test or deployment project that competes with a similar privately funded project.

"(c) INFRASTRUCTURE DEVELOPMENT.—Funds made available under this subchapter for operational tests and deployment projects—

"(1) shall be used primarily for the development of intelligent transportation system infrastructure; and

"(2) to the maximum extent practicable, shall not be used for the construction of physical highway and transit infrastructure unless the construction is incidental and critically necessary to the implementation of an intelligent transportation system project.

"(d) PUBLIC RELATIONS AND TRAINING.—For each fiscal year, not more than $15,000,000 of the funds made available under this subchapter shall be used for intelligent transportation system outreach, public relations, training, mainstreaming, shareholder relations, or related activities.

"§ 531. Use of innovative financing

"(a) IN GENERAL.—The Secretary may use up to 25 percent of the funds made available under this subchapter and section 541 to make available loans, lines of credit, and loan guarantees for projects that are eligible for assistance

under this title and that have significant intelligent transportation system elements.

"(b) CONSISTENCY WITH OTHER LAW.—Credit assistance described in subsection (a) shall be made available in a manner consistent with the Transportation Infrastructure Finance and Innovation Act of 1998.

"§ 532. Advisory committees

"(a) IN GENERAL.—In carrying out this subchapter, the Secretary shall use 1 or more advisory committees.

"(b) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—Any advisory committee so used shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).".

SEC. 2104. CONFORMING AMENDMENT.

The Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking part B of title VI (23 U.S.C. 307 note; 105 Stat. 2189).

Subtitle C—Funding

SEC. 2201. FUNDING.

Chapter 5 of title 23, United States Code (as amended by section 2103), is amended by adding at the end the following:

"SUBCHAPTER III—FUNDING

"§ 541. Funding

"(a) RESEARCH, TECHNOLOGY, AND TRAINING.—There shall be available from the Highway Trust Fund

(other than the Mass Transit Account) to carry out sections 502, 507, 509, and 511 $68,000,000 for fiscal year 1998, $1,500,000 for fiscal year 1999, $4,500,000 for fiscal year 2000, $2,500,000 for fiscal year 2001, $1,500,000 for fiscal year 2002, and $4,500,000 for fiscal year 2003.

"(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

"(1) any Federal share of the cost of an activity under this chapter shall be determined in accordance with this chapter; and

"(2) the funds shall remain available for obligation for a period of 4 years after the last day of the fiscal year for which the funds are authorized.

"(c) LIMITATIONS ON OBLIGATIONS.—Notwithstanding any other provision of law, the total amount of all obligations under subsection (a) shall not exceed—

"(1) $98,000,000 for fiscal year 1998;

"(2) $101,000,000 for fiscal year 1999;

"(3) $104,000,000 for fiscal year 2000;

"(4) $107,000,000 for fiscal year 2001;

"(5) $110,000,000 for fiscal year 2002; and

"(6) $114,000,000 for fiscal year 2003.".

TITLE III—INTERMODAL TRANSPORTATION SAFETY AND RELATED MATTERS

SEC. 3001. SHORT TITLE.

This title may be cited as the "Intermodal Transportation Safety Act of 1998".

SEC. 3002. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

Subtitle A—Highway Safety

SEC. 3101. HIGHWAY SAFETY PROGRAMS.

(a) UNIFORM GUIDELINES.—Section 402(a) of title 23, United States Code, is amended by striking "section 4007" and inserting "section 4004".

(b) ADMINISTRATIVE REQUIREMENTS.—Section 402(b) of such title is amended—

(1) by striking the period at the end of subparagraph (A) and subparagraph (B) of paragraph (1) and inserting a semicolon;

(2) in paragraph (1)(C), by inserting ", including Indian tribes," after "subdivisions of such State";

(3) in paragraph (1)(C), by striking the period at the end and inserting a semicolon and "and"; and

(4) by striking paragraphs (3) and (4) and redesignating paragraph (5) as paragraph (3).

(c) APPORTIONMENT OF FUNDS.—Section 402(c) of such title is amended—

(1) by inserting "the apportionment to the Secretary of the Interior shall not be less than ¾ of 1 percent of the total apportionment and" after "except that" in the sixth sentence; and

(2) by striking the seventh sentence.

(d) APPLICATION IN INDIAN COUNTRY.—Section 402(i) of title 23, United States Code, is amended to read as follows:

"(i) APPLICATION IN INDIAN COUNTRY.—

"(1) IN GENERAL.—For the purpose of application of this section in Indian country, the terms 'State' and 'Governor of a State' include the Secretary of the Interior and the term 'political subdivision of a State' includes an Indian tribe. Notwithstanding the provisions of subsection (b)(1)(C), 95 percent of the funds apportioned to the Secretary of the Interior under this section shall be expended by Indian tribes to carry out highway safety programs within their jurisdictions. The provisions of subpara-

graph (b)(1)(D) shall be applicable to Indian tribes, except to those tribes with respect to which the Secretary determines that application of such provisions would not be practicable.

"(2) INDIAN COUNTRY DEFINED.—For the purposes of this subsection, the term 'Indian country' means—

"(A) all land within the limits of any Indian reservation under the jurisdiction of the United States, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation;

"(B) all dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof and whether within or without the limits of a State; and

"(C) all Indian allotments, the Indian titles to which have not been extinguished, including rights-of-way running through such allotments.".

(e) RULEMAKING PROCESS.—Section 402(j) of title 23, United States Code, is amended to read as follows:

"(j) RULEMAKING PROCESS.—The Secretary may from time to time conduct a rulemaking process to identify highway safety programs that are highly effective in reduc-

ing motor vehicle crashes, injuries, and deaths. Any such rulemaking shall take into account the major role of the States in implementing such programs. When a rule promulgated in accordance with this section takes effect, States shall consider these highly effective programs when developing their highway safety programs.".

(f) SAFETY INCENTIVE GRANTS.—Section 402 of title 23, United States Code, is amended by striking subsection (k) and inserting the following:

"(k) SAFETY INCENTIVE GRANTS.—

"(1) SAFETY INCENTIVE GRANTS: GENERAL AUTHORITY.—The Secretary shall make a grant to a State that takes specific actions to advance highway safety under subsection (l) or (m) or section 410. A State may qualify for more than 1 grant and shall receive a separate grant for each subsection for which it qualifies. Such grants may only be used by recipient States to implement and enforce, as appropriate, the programs for which the grants are awarded.

"(2) MAINTENANCE OF EFFORT.—No grant may be made to a State under subsection (l) or (m) in any fiscal year unless such State enters into such agreements with the Secretary as the Secretary may require to ensure that such State will maintain its aggregate expenditures from all other sources for the spe-

cific actions for which a grant is provided at or above the average level of such expenditures in its 2 fiscal years preceding the date of the enactment of this subsection.

"(3) MAXIMUM PERIOD OF ELIGIBILITY; FEDERAL SHARE FOR GRANTS.—Each grant under subsection (l) or (m) shall be available for not more than 6 fiscal years beginning in the fiscal year after September 30, 1997, in which the State becomes eligible for the grant. The Federal share payable for any grant under subsection (l) or (m) shall not exceed—

"(A) in the first and second fiscal years in which the State receives the grant, 75 percent of the cost of implementing and enforcing, as appropriate, in such fiscal year a program adopted by the State;

"(B) in the third and fourth fiscal years in which the State receives the grant, 50 percent of the cost of implementing and enforcing, as appropriate, in such fiscal year such program; and

"(C) in the fifth and sixth fiscal years in which the State receives the grant, 25 percent of the cost of implementing and enforcing, as appropriate, in such fiscal year such program.

"(l) ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES: BASIC GRANT ELIGIBILITY.—The Secretary shall make grants to those States that adopt and implement effective programs to reduce traffic safety problems resulting from persons driving under the influence of alcohol. A State shall become eligible for 1 or more of 3 basic grants under this subsection by adopting or demonstrating the following to the satisfaction of the Secretary:

"(1) BASIC GRANT A.—At least 7 of the following:

"(A) .08 BAC PER SE LAW.—A law that provides that any individual with a blood alcohol concentration of 0.08 percent or greater while operating a motor vehicle shall be deemed to be driving while intoxicated.

"(B) ADMINISTRATIVE LICENSE REVOCATION.—An administrative driver's license suspension or revocation system for persons who operate motor vehicles while under the influence of alcohol that requires that—

"(i) in the case of a person who, in any 5-year period beginning after the date of enactment of this subsection, is determined on the basis of a chemical test to have been operating a motor vehicle under

the influence of alcohol or is determined to have refused to submit to such a test as proposed by a law enforcement officer, the State agency responsible for administering drivers' licenses, upon receiving the report of the law enforcement officer—

"(I) shall suspend the driver's license of such person for a period of not less than 90 days if such person is a first offender in such 5-year period; and

"(II) shall suspend the driver's license of such person for a period of not less than 1 year, or revoke such license, if such person is a repeat offender in such 5-year period; and

"(ii) the suspension and revocation referred to under subparagraph (A)(i) shall take effect not later than 30 days after the date on which the person refused to submit to a chemical test or received notice of having been determined to be driving under the influence of alcohol, in accordance with the State's procedures.

"(C) UNDERAGE DRINKING PROGRAM.—An effective system, as determined by the Secretary, for preventing operators of motor vehicles under age 21 from obtaining alcoholic beverages. Such system shall include the issuance of drivers' licenses to individuals under age 21 that are easily distinguishable in appearance from drivers' licenses issued to individuals age 21 years of age or older.

"(D) STOPPING MOTOR VEHICLES.—Either—

"(i) a statewide program for stopping motor vehicles on a nondiscriminatory, lawful basis for the purpose of determining whether the operators of such motor vehicles are driving while under the influence of alcohol; or

"(ii) a statewide Special Traffic Enforcement Program for impaired driving that emphasizes publicity for the program.

"(E) REPEAT OFFENDERS.—Effective sanctions for repeat offenders convicted of driving under the influence of alcohol. Such sanctions, as determined by the Secretary, may include electronic monitoring; alcohol interlocks; intensive

supervision of probation; vehicle impoundment, confiscation, or forfeiture; and dedicated detention facilities.

"(F) GRADUATED LICENSING SYSTEM.—A 3-stage graduated licensing system for young drivers that includes nighttime driving restrictions during the first 2 stages, requires all vehicle occupants to be properly restrained, and makes it unlawful for a person under age 21 to operate a motor vehicle with a blood alcohol concentration of .02 percent or greater.

"(G) DRIVERS WITH HIGH BAC's.—Programs to target individuals with high blood alcohol concentrations who operate a motor vehicle. Such programs may include implementation of a system of graduated penalties and assessment of individuals convicted of driving under the influence of alcohol.

"(H) YOUNG ADULT DRINKING PROGRAMS.—Programs to reduce driving while under the influence of alcohol by individuals age 21 through 34. Such programs may include awareness campaigns; traffic safety partnerships with employers, colleges, and the hospitality in-

dustry; assessment of first time offenders; and incorporation of treatment into judicial sentencing.

"(I) TESTING FOR BAC.—An effective system for increasing the rate of testing for blood alcohol concentration of motor vehicle drivers at fault in fatal accidents.

"(2) BASIC GRANT B.—Either of the following:

"(A) ADMINISTRATIVE LICENSE REVOCATION.—An administrative driver's license suspension or revocation system for persons who operate motor vehicles while under the influence of alcohol which requires that—

"(i) in the case of a person who, in any 5-year period beginning after the date of enactment of this subsection, is determined on the basis of a chemical test to have been operating a motor vehicle under the influence of alcohol or is determined to have refused to submit to such a test as requested by a law enforcement officer, the State agency responsible for administering drivers' licenses, upon receiving the report of the law enforcement officer—

"(I) shall suspend the driver's license of such person for a period of not

less than 90 days if such person is a first offender in such 5-year period; and

"(II) shall suspend the driver's license of such person for a period of not less than 1 year, or revoke such license, if such person is a repeat offender in such 5-year period; and

"(ii) the suspension and revocation referred to under subparagraph (A)(i) shall take effect not later than 30 days after the day on which the person refused to submit to a chemical test or receives notice of having been determined to be driving under the influence of alcohol, in accordance with the State's procedures; or

"(B) .08 BAC PER SE LAW.—A law that provides that any person with a blood alcohol concentration of 0.08 percent or greater while operating a motor vehicle shall be deemed to be driving while intoxicated.

"(3) BASIC GRANT C.—Both of the following:

"(A) FATAL IMPAIRED DRIVER PERCENTAGE REDUCTION.—The percentage of fatally injured drivers with 0.10 percent or greater blood alcohol

concentration in the State has decreased in each of the 3 most recent calendar years for which statistics for determining such percentages are available; and

"(B) FATAL IMPAIRED DRIVER PERCENTAGE COMPARISON.—The percentage of fatally injured drivers with 0.10 percent or greater blood alcohol concentration in the State has been lower than the average percentage for all States in each of such calendar years.

"(4) BASIC GRANT AMOUNT.—The amount of each basic grant under this subsection for any fiscal year shall be up to 15 percent of the amount apportioned to the State for fiscal year 1997 under section 402 of this title.

"(5) ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES: SUPPLEMENTAL GRANTS.—During the period in which a State is eligible for a basic grant under this subsection, the State shall be eligible to receive a supplemental grant in no more than 2 fiscal years of up to 5 percent of the amount apportioned to the State in fiscal year 1997 under section 402. The State may receive a separate supplemental grant for meeting each of the following criteria:

"(A) OPEN CONTAINER LAWS.—The State makes unlawful the possession of any open alcoholic beverage container, or the consumption of any alcoholic beverage, in the passenger area of any motor vehicle located on a public highway or the right-of-way of a public highway, except—

"(i) as allowed in the passenger area, by a person (other than the driver), of any motor vehicle designed to transport more than 10 passengers (including the driver) while being used to provide charter transportation of passengers; or

"(ii) as otherwise specifically allowed by such State, with the approval of the Secretary, but in no event may the driver of such motor vehicle be allowed to possess or consume an alcoholic beverage in the passenger area.

"(B) MANDATORY BLOOD ALCOHOL CONCENTRATION TESTING PROGRAMS.—The State provides for mandatory blood alcohol concentration testing whenever a law enforcement officer has probable cause under State law to believe that a driver of a motor vehicle involved in a crash resulting in the loss of human life or, as

determined by the Secretary, serious bodily injury, has committed an alcohol-related traffic offense.

"(C) VIDEO EQUIPMENT FOR DETECTION OF DRUNK DRIVERS.—The State provides for a program to acquire video equipment to be used in detecting persons who operate motor vehicles while under the influence of alcohol and in prosecuting those persons, and to train personnel in the use of that equipment.

"(D) BLOOD ALCOHOL CONCENTRATION FOR PERSONS UNDER AGE 21.—The State enacts and enforces a law providing that any person under age 21 with a blood alcohol concentration of 0.02 percent or greater when driving a motor vehicle shall be deemed to be driving while intoxicated or driving under the influence of alcohol, and further provides for a minimum suspension of the person's driver's license for not less than 30 days.

"(E) SELF-SUSTAINING DRUNK DRIVING PREVENTION PROGRAM.—The State provides for a self-sustaining drunk driving prevention program under which a significant portion of the fines or surcharges collected from individuals ap-

prehended and fined for operating a motor vehicle while under the influence of alcohol are returned to those communities which have comprehensive programs for the prevention of such operations of motor vehicles.

"(F) REDUCING DRIVING WITH A SUSPENDED LICENSE.—The State enacts and enforces a law to reduce driving with a suspended license. Such law, as determined by the Secretary, may require a 'zebra' stripe that is clearly visible on the license plate of any motor vehicle owned and operated by a driver with a suspended license.

"(G) EFFECTIVE DWI TRACKING SYSTEM.—The State demonstrates an effective driving while intoxicated (DWI) tracking system. Such a system, as determined by the Secretary, may include data covering arrests, case prosecutions, court dispositions and sanctions, and provide for the linkage of such data and traffic records systems to appropriate jurisdictions and offices within the State.

"(H) ASSESSMENT OF PERSONS CONVICTED OF ABUSE OF CONTROLLED SUBSTANCES; ASSIGNMENT OF TREATMENT FOR ALL DWI/DUI OF-

FENDERS.—The State provides for assessment of individuals convicted of driving while intoxicated or driving under the influence of alcohol or controlled substances, and for the assignment of appropriate treatment.

"(I) USE OF PASSIVE ALCOHOL SENSORS.—The State provides for a program to acquire passive alcohol sensors to be used by police officers in detecting persons who operate motor vehicles while under the influence of alcohol, and to train police officers in the use of that equipment.

"(J) EFFECTIVE PENALTIES FOR PROVISION OR SALE OF ALCOHOL TO PERSONS UNDER 21.—The State enacts and enforces a law that provides for effective penalties or other consequences for the sale or provision of alcoholic beverages to any individual under 21 years of age. The Secretary shall determine what penalties are effective.

"(6) DEFINITIONS.—For the purposes of this subsection, the following definitions apply:

"(A) 'Alcoholic beverage' has the meaning such term has under section 158(c).

"(B) 'Controlled substances' has the meaning such term has under section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

"(C) 'Motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, but does not include a vehicle operated only on a rail line.

"(D) 'Open alcoholic beverage container' means any bottle, can, or other receptacle—

"(i) that contains any amount of an alcoholic beverage; and

"(ii)(I) that is open or has a broken seal, or

"(II) the contents of which are partially removed.

"(m) STATE HIGHWAY SAFETY DATA IMPROVEMENTS.—The Secretary shall make a grant to a State that takes effective actions to improve the timeliness, accuracy, completeness, uniformity, and accessibility of the State's data needed to identify priorities within State and local highway and traffic safety programs, to evaluate the effectiveness of such efforts, and to link these State data systems, including traffic records, together and with other data sys-

tems within the State, such as systems that contain medical and economic data:

"(1) FIRST-YEAR GRANT ELIGIBILITY.—A State is eligible for a first-year grant under this subsection in a fiscal year if such State either:

"(A) Demonstrates, to the satisfaction of the Secretary, that it has—

"(i) established a Highway Safety Data and Traffic Records Coordinating Committee with a multidisciplinary membership including the administrators, collectors, and users of such data (including the public health, injury control, and motor carrier communities) of highway safety and traffic records databases;

"(ii) completed within the preceding 5 years a highway safety data and traffic records assessment or audit of its highway safety data and traffic records system; and

"(iii) initiated the development of a multiyear highway safety data and traffic records strategic plan to be approved by the Highway Safety Data and Traffic Records Coordinating Committee that identifies and prioritizes its highway safety data and traf-

fic records needs and goals, and that identifies performance-based measures by which progress toward those goals will be determined; or

"(B) provides, to the satisfaction of the Secretary—

"(i) certification that it has met the provisions outlined in clauses (i) and (ii) of subparagraph (A);

"(ii) a multiyear plan that identifies and prioritizes the State's highway safety data and traffic records needs and goals, that specifies how its incentive funds for the fiscal year will be used to address those needs and the goals of the plan, and that identifies performance-based measures by which progress toward those goals will be determined; and

"(iii) certification that the Highway Safety Data and Traffic Records Coordinating Committee continues to operate and supports the multiyear plan described in clause (ii).

"(2) FIRST-YEAR GRANT AMOUNT.—The amount of a first-year grant made for State highway safety

data and traffic records improvements for any fiscal year to any State eligible for such a grant under paragraph (1)(A) shall equal $1,000,000, subject to the availability of appropriations, and for any State eligible for such a grant under paragraph (1)(B) of this subsection shall equal a proportional amount of the amount apportioned to the State for fiscal year 1997 under section 402, except that no State shall receive less than $250,000, subject to the availability of appropriations. The Secretary may award a grant of up to $25,000 for 1 year to any State that does not meet the criteria established in paragraph (1). The grant may only be used to conduct activities needed to enable that State to qualify for first-year funding to begin in the next fiscal year.

"(3) STATE HIGHWAY SAFETY DATA AND TRAFFIC RECORDS IMPROVEMENTS; SUCCEEDING-YEAR GRANTS.—A State shall be eligible for a grant in any fiscal year succeeding the first fiscal year in which the State receives a State highway safety data and traffic records grant if the State, to the satisfaction of the Secretary:

"(A) Submits or updates a multiyear plan that identifies and prioritizes the State's highway safety data and traffic records needs and

goals, that specifies how its incentive funds for the fiscal year will be used to address those needs and the goals of the plan, and that identifies performance-based measures by which progress toward those goals will be determined.

"(B) Certifies that its Highway Safety Data and Traffic Records Coordinating Committee continues to support the multiyear plan.

"(C) Reports annually on its progress in implementing the multi-year plan.

"(4) SUCCEEDING-YEAR GRANT AMOUNTS.—The amount of a succeeding-year grant made for State highway safety data and traffic records improvements for any fiscal year to any State that is eligible for such a grant shall equal a proportional amount of the amount apportioned to the State for fiscal year 1997 under section 402, except that no State shall receive less than $225,000, subject to the availability of appropriations.".

(g) OCCUPANT PROTECTION PROGRAM.—

(1) IN GENERAL.—Section 410 of title 23, United States Code, is amended to read as follows:

"§410. Safety belts and occupant protection programs

"(a) IN GENERAL.—The Secretary shall make basic grants to those States that adopt and implement effective

programs to reduce highway deaths and injuries resulting from persons riding unrestrained or improperly restrained in motor vehicles. A State may establish its eligibility for 1 or both of the grants by adopting or demonstrating the following to the satisfaction of the Secretary:

"(1) BASIC GRANT A.—At least 4 of the following:

"(A) SAFETY BELT USE LAW FOR ALL FRONT SEAT OCCUPANTS.—The State has in effect a safety belt use law that makes unlawful throughout the State the operation of a passenger motor vehicle whenever a person in the front seat of the vehicle (other than a child who is secured in a child restraint system) does not have a safety belt properly secured about the person's body.

"(B) PRIMARY SAFETY BELT USE LAW.—The State provides for primary enforcement of its safety belt use law.

"(C) CHILD PASSENGER PROTECTION LAW; PUBLIC AWARENESS PROGRAM.—The State has in effect—

"(i) a law that requires minors who are riding in a passenger motor vehicle to be properly secured in a child safety seat or other appropriate restraint system; and

"(ii) an effective public awareness program that advocates placing passengers under the age of 13 in the back seat of a motor vehicle equipped with a passenger-side air bag whenever possible.

"(D) CHILD OCCUPANT PROTECTION EDUCATION PROGRAM.—The State demonstrates implementation of a statewide comprehensive child occupant protection education program that includes education about proper seating positions for children in air bag equipped motor vehicles and instruction on how to reduce the improper use of child restraints systems. The States are to submit to the Secretary an evaluation or report on the effectiveness of the programs at least 3 years after receipt of the grant.

"(E) MINIMUM FINES.—The State requires a minimum fine of at least $25 for violations of its safety belt use law and a minimum fine of at least $25 for violations of its child passenger protection law.

"(F) SPECIAL TRAFFIC ENFORCEMENT PROGRAM.—The State demonstrates implementation of a statewide Special Traffic Enforcement Pro-

gram for occupant protection that emphasizes publicity for the program.

"(2) BASIC GRANT B.—Both of the following:

"(A) STATE SAFETY BELT USE RATE.—The State demonstrates a statewide safety belt use rate in both front outboard seating positions in all passenger motor vehicles of 80 percent or higher in each of the first 3 years a grant under this paragraph is received, and of 85 percent or higher in each of the fourth, fifth, and sixth years a grant under this paragraph is received.

"(B) SURVEY METHOD.—The State follows safety belt use survey methods which conform to guidelines issued by the Secretary ensuring that such measurements are accurate and representative.

"(3) BASIC GRANT AMOUNT.—The amount of each basic grant for which a State qualifies under this subsection for any fiscal year shall equal up to 20 percent of the amount apportioned to the State for fiscal year 1997 under section 402.

"(4) OCCUPANT PROTECTION PROGRAM: SUPPLEMENTAL GRANTS.—During the period in which a State is eligible for a basic grant under this subsection, the State shall be eligible to receive a supple-

mental grant in a fiscal year of up to 5 percent of the amount apportioned to the State in fiscal year 1997 under section 402. The State may receive a separate supplemental grant for meeting each of the following criteria:

"(A) PENALTY POINTS AGAINST A DRIVER'S LICENSE FOR VIOLATIONS OF CHILD PASSENGER PROTECTION REQUIREMENTS.—The State has in effect a law that requires the imposition of penalty points against a driver's license for violations of child passenger protection requirements.

"(B) ELIMINATION OF NONMEDICAL EXEMPTIONS TO SAFETY BELT AND CHILD PASSENGER PROTECTION LAWS.—The State has in effect safety belt and child passenger protection laws that contain no nonmedical exemptions.

"(C) SAFETY BELT USE IN REAR SEATS.—The State has in effect a law that requires safety belt use by all rear-seat passengers in all passenger motor vehicles with a rear seat.

"(5) DEFINITIONS.—As used in this subsection, the term—

"(A) 'child safety seat' means any device except safety belts, designed for use in a motor ve-

hicle to restrain, seat, or position children who weigh 50 pounds or less;

"(B) 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, but does not include a vehicle operated only on a rail line;

"(C) 'multipurpose passenger vehicle' means a motor vehicle with motive power (except a trailer), designed to carry not more than 10 individuals, that is constructed either on a truck chassis or with special features for occasional off-road operation;

"(D) 'passenger car' means a motor vehicle with motive power (except a multipurpose passenger vehicle, motorcycle, or trailer) designed to carry not more than 10 individuals.

"(E) 'passenger motor vehicle' means a passenger car or a multipurpose passenger motor vehicle; and

"(F) 'safety belt' means—

"(i) with respect to open-body passenger vehicles, including convertibles, an occupant restraint system consisting of a

lap belt or a lap belt and a detachable shoulder belt; and

"(ii) with respect to other passenger vehicles, an occupant restraint system consisting of integrated lap and shoulder belts.

"(b) CHILD OCCUPANT PROTECTION EDUCATION GRANTS.—

"(1) DEFINITIONS.—In this subsection:

"(A) COVERED CHILD OCCUPANT PROTECTION EDUCATION PROGRAM.—The term 'covered child occupant protection education program' means a program described in subsection (a)(1)(D).

"(B) COVERED STATE.—The term 'covered State' means a State that demonstrates the implementation of a program described in subsection (a)(1)(D).

"(2) CHILD PASSENGER EDUCATION.—

"(A) GRANTS.—

"(i) IN GENERAL.—Subject to the availability of appropriations, the Secretary may make a grant to a covered State that submits an application, in such form and manner as the Secretary may prescribe, that is approved by the Secretary to carry

out the activities specified in subparagraph (B) through—

"(I) the covered child occupant protection program of the State; and

"(II) at the option of the State, a grant program established by the State to provide for the carrying out of 1 or more of the activities specified in subparagraph (B) by a political subdivision of the State or an appropriate private entity.

"(ii) GRANT AWARDS.—The Secretary may make a grant under this subsection without regard to whether a covered State is eligible to receive, or has received, a grant under subsection (a).

"(B) USE OF FUNDS.—Funds provided to a State under a grant under this subsection shall be used to implement child restraint programs that—

"(i) are designed to prevent deaths and injuries to children under the age of 9; and

"(ii) educate the public concerning—

"(I) all aspects of the proper installation of child restraints using

standard seatbelt hardware, supplemental hardware, and modification devices (if needed), including special installation techniques; and

"(II)(aa) appropriate child restraint design selection and placement and; and

"(bb) harness threading and harness adjustment; and

"(iii) train and retrain child passenger safety professionals, police officers, fire and emergency medical personnel, and other educators concerning all aspects of child restraint use.

"(C) REPORTS.—

"(i) IN GENERAL.—The appropriate official of each State that receives a grant under this subsection shall prepare, and submit to the Secretary, an annual report for the period covered by the grant.

"(ii) REQUIREMENTS FOR REPORTS.—A report described in clause (i) shall—

"(I) contain such information as the Secretary may require; and

"(II) at a minimum, describe the program activities undertaken with the funds made available under the grant.

"(D) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998, and annually thereafter, the Secretary shall prepare, and submit to Congress, a report on the implementation of this subsection that includes a description of the programs undertaken and materials developed and distributed by the States that receive grants under this subsection.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Transportation to carry out this subsection, $7,500,000 for each of fiscal years 1999 and 2000.".

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 4 of that title is amended by striking the item relating to section 410 and inserting the following:

"410. Safety belts and occupant protection programs.".

(h) DRUGGED DRIVER RESEARCH AND DEMONSTRATION PROGRAM.—Section 403(b) of title 23, United States Code, is amended—

(1) by inserting "(1)" before "In addition";

(2) by striking "is authorized to" and inserting "shall";

(3) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B); and

(4) by inserting after subparagraph (B), as redesignated, the following:

"(C) Measures that may deter drugged driving.".

SEC. 3102. NATIONAL DRIVER REGISTER.

(a) TRANSFER OF SELECTED FUNCTIONS TO NON-FEDERAL MANAGEMENT.—Section 30302 is amended by adding at the end the following:

"(e) TRANSFER OF SELECTED FUNCTIONS TO NON-FEDERAL MANAGEMENT.—

"(1) The Secretary may enter into an agreement with an organization that represents the interests of the States to manage, administer, and operate the National Driver Register's computer timeshare and user assistance functions. If the Secretary decides to enter into such an agreement, the Secretary shall ensure that the management of these functions is compatible with this chapter and the regulations issued to implement this chapter.

"(2) Any transfer of the National Driver Register's computer timeshare and user assistance func-

tions to an organization that represents the interests of the States shall begin only after a determination is made by the Secretary that all States are participating in the National Driver Register's 'Problem Driver Pointer System' (the system used by the Register to effect the exchange of motor vehicle driving records), and that the system is functioning properly.

"(3) The agreement entered into under this subsection shall include a provision for a transition period sufficient to allow the States to make the budgetary and legislative changes they may need to pay fees charged by the organization representing their interests for their use of the National Driver Register's computer timeshare and user assistance functions. During this transition period, the Secretary (through the National Highway Traffic Safety Administration) shall continue to fund these transferred functions.

"(4) The total of the fees charged by the organization representing the interests of the States in any fiscal year for the use of the National Driver Register's computer timeshare and user assistance functions shall not exceed the total cost to the organization for performing these functions in such fiscal year.

"(5) Nothing in this subsection shall be construed to diminish, limit, or otherwise affect the authority of the Secretary to carry out this chapter.".

(b) ACCESS TO REGISTER INFORMATION.—Section 30305(b) is amended by—

(1) by striking "request." in paragraph (2) and inserting the following: "request, unless the information is about a revocation or suspension still in effect on the date of the request";

(2) by inserting after paragraph (6) the following:

"(7) The head of a Federal department or agency that issues motor vehicle operator's licenses may request the chief driver licensing official of a State to obtain information under subsection (a) about an individual applicant for a motor vehicle operator's license from such department or agency. The department or agency may receive the information, provided it transmits to the Secretary a report regarding any individual who is denied a motor vehicle operator's license by that department or agency for cause; whose motor vehicle operator's license is revoked, suspended, or canceled by that department or agency for cause; or about whom the department or agency has been notified of a conviction of any of the motor vehicle-relat-

ed offenses or comparable offenses listed in section 30304(a)(3) and over whom the department or agency has licensing authority. The report shall contain the information specified in section 30304(b).

"(8) The head of a Federal department or agency authorized to receive information regarding an individual from the Register under this section may request and receive such information from the Secretary.";

(3) by redesignating paragraphs (7) and (8) as paragraphs (9) and (10), respectively; and

(4) by striking "paragraph (2)" in paragraph (10), as redesignated, and inserting "subsection (a)".

SEC. 3103. AUTHORIZATIONS OF APPROPRIATIONS.

The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(1) CONSOLIDATED STATE HIGHWAY SAFETY PROGRAMS.—

(A) For carrying out the State and Community Highway Safety Program under section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration, except for the incentive programs under subsections (l) and (m) of that section—

(i) $117,858,000 for fiscal year 1998;

(ii) $123,492,000 for fiscal year 1999;

(iii) $126,877,000 for fiscal year 2000;

(iv) $130,355,000 for fiscal year 2001;

(v) $133,759,000 for fiscal year 2002; and

(vi) $141,803,000 for fiscal year 2003.

(B) To carry out the alcohol-impaired driving countermeasures incentive grant provisions of section 402(l) of title 23, United States Code, by the National Highway Traffic Safety Administration—

(i) $30,570,000 for fiscal year 1998;

(ii) $28,500,000 for fiscal year 1999;

(iii) $29,273,000 for fiscal year 2000;

(iv) $30,065,000 for fiscal year 2001;

(v) $38,743,000 for fiscal year 2002; and

(vi) $39,815,000 for fiscal year 2003.

Amounts made available to carry out section 402(l) of title 23, United States Code, are authorized to remain available until expended, provided that, in each fiscal year the Secretary may reallocate any amounts remaining available under section 402(l) of section 402 of title 23,

United States Code, as necessary to ensure, to the maximum extent possible, that States may receive the maximum incentive funding for which they are eligible under these programs.

(C) To carry out the occupant protection program incentive grant provisions of section 410 of title 23, United States Code, by the National Highway Traffic Safety Administration—

(i) $13,950,000 for fiscal year 1998;

(ii) $14,618,000 for fiscal year 1999;

(iii) $15,012,000 for fiscal year 2000;

(iv) $15,418,000 for fiscal year 2001;

(v) $17,640,000 for fiscal year 2002; and

(vi) $17,706,000 for fiscal year 2003.

Amounts made available to carry out section 410 of title 23, United States Code, are authorized to remain available until expended, provided that, in each fiscal year the Secretary may reallocate any amounts remaining available under section 410 of title 23, United States Code, to subsections (l) and (m) of section 402 of title 23, United States Code, as necessary to ensure, to the maximum extent possible, that States may

receive the maximum incentive funding for which they are eligible under these programs.

(D) To carry out the State highway safety data improvements incentive grant provisions of section 402(m) of title 23, United States Code, by the National Highway Traffic Safety Administration—

(i) $8,370,000 for fiscal year 1998;

(ii) $8,770,000 for fiscal year 1999;

(iii) $9,007,000 for fiscal year 2000; and

(iv) $9,250,000 for fiscal year 2001.

Amounts made available to carry out section 402(m) of title 23, United States Code, are authorized to remain available until expended.

(E) To carry out the drugged driving research and demonstration programs of section 403(b)(1) of title 23, United States Code, by the National Highway Traffic Safety Administration, $2,000,000 for each of fiscal years 1999, 2000, 2001, 2002, and 2003.

(2) SECTION 403 HIGHWAY SAFETY AND RESEARCH.—For carrying out the functions of the Secretary, by the National Highway Traffic Safety Administration, for highway safety under section 403 of

title 23, United States Code, there are authorized to be appropriated $60,100,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002, and $61,700,000 for fiscal year 2003.

(3) PUBLIC EDUCATION EFFORT.—Out of funds made available for carrying out programs under section 403 of title 23, United States Code, for each of fiscal years 1998, 1999, 2000, 2001, 2002, and 2003, the Secretary of Transportation shall obligate at least $500,000 to educate the motoring public on how to share the road safely with commercial motor vehicles.

(4) NATIONAL DRIVER REGISTER.—For carrying out chapter 303 (National Driver Register) of title 49, United States Code, by the National Highway Traffic Safety Administration—

(A) $1,605,000 for fiscal year 1998;

(B) $1,680,000 for fiscal year 1999;

(C) $1,726,000 for fiscal year 2000;

(D) $1,772,000 for fiscal year 2001;

(E) $1,817,000 for fiscal year 2002; and

(F) $1,872,000 for fiscal year 2003.

SEC. 3104. MOTOR VEHICLE PURSUIT PROGRAM.

(a) MOTOR VEHICLE PURSUIT PROGRAM.—

(1) TRAINING.—Section 403(b)(1) of title 23, United States Code, as amended by section 3101(h), is amended by adding at the end thereof the following:

"(D) Programs to train law enforcement officers on motor vehicle pursuits conducted by law enforcement officers.".

(2) FUNDING.—Out of amounts appropriated to carry out section 403 of title 23, United States Code, the Secretary of Transportation may use such amounts as may be necessary to carry out the motor vehicle pursuit training program of section 403(b)(1)(D) of title 23, United States Code, but not in excess of $1,000,000 for each of fiscal years 1999, 2000, 2001, 2002, and 2003.

(b) REPORT OF FEDERAL POLICIES AND PROCEDURES.—Not later than 180 days after the date of enactment of this Act, the Attorney General of the United States, the Secretary of Agriculture, the Secretary of the Interior, the Secretary of the Treasury, the Chief of Capitol Police, and the Administrator of General Services shall each transmit to Congress a report containing—

(1) the policy of the department or agency headed by that individual concerning motor vehicle pursuits by law enforcement officers of that department or agency; and

(2) a description of the procedures that the department or agency uses to train law enforcement officers in the implementation of the policy referred to in paragraph (1).

SEC. 3105. ENFORCEMENT OF WINDOW GLAZING STANDARDS FOR LIGHT TRANSMISSION.

Section 402(a) of title 23, United States Code, is amended by striking "post-accident procedures." and inserting "post-accident procedures, including the enforcement of light transmission standards of glazing for passenger motor vehicles and light trucks as necessary to improve highway safety.".

SEC. 3106. IMPROVING AIR BAG SAFETY.

(a) SUSPENSION OF UNBELTED BARRIER TESTING.—The provision in Federal Motor Vehicle Safety Standard No. 208, Occupant crash protection, 49 CFR 571.208, that requires air bag-equipped vehicles to be crashed into a barrier using unbelted 50th percentile adult male dummies is suspended until either the rule issued under subsection (b) goes into effect or, prior to the effective date of the rule, the Secretary of Transportation, after reporting to the Commerce Committee of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate, determines by rule that restoring the test is necessary to accomplish the purposes of subsection (b).

(b) RULEMAKING TO IMPROVE AIR BAGS.—

(1) NOTICE OF PROPOSED RULEMAKING.—Not later than June 1, 1998, the Secretary of Transportation shall issue a notice of proposed rulemaking to improve the occupant protection for all occupants provided by Federal Motor Vehicle Safety Standard No. 208, while minimizing the risk to infants, children, and other occupants from injuries and deaths caused by air bags, by means that include advanced air bags.

(2) FINAL RULE.—The Secretary shall complete the rulemaking required by this subsection by issuing, not later than June 1, 1999, a final rule consistent with paragraph (1). If the Secretary determines that the final rule cannot be completed by that date to meet the purposes of paragraph (1), and advises the Congress of the reasons for this determination, the Secretary may extend the date for issuing the final rule by not more than one year. The Congress may, by joint resolution, grant a further extension of the date for issuing a final rule.

(3) METHODS TO ENSURE PROTECTION.—Notwithstanding subsection (a) of this section, the rule required by paragraph (2) may include such tests, including tests with dummies of different sizes, as the

Secretary determines to be reasonable, practicable, and appropriate to meet the purposes of paragraph (1).

(4) EFFECTIVE DATE.—The final rule issued under this subsection shall become effective in phases as rapidly as practicable, beginning not earlier than September 1, 2001, and not later than September 1, 2002, and shall become effective not later than September 1, 2005, for all motor vehicles in which air bags are required to be installed. If the Secretary determines that the September 1, 2005, effective date is not practicable to meet the purposes of paragraph (1), the Secretary may extend the effective date for not more than one year. The Congress may, by joint resolution, grant a further extension of the effective date.

(c) REPORT ON AIR BAG IMPROVEMENTS.—Not later than 6 months after the enactment of this section, the Secretary of Transportation shall report to Congress on the development of technology to improve the protection given by air bags and reduce the risks from air bags. To the extent possible, the report shall describe the performance characteristics of advanced air bag devices, their estimated cost, their estimated benefits, and the time within which they could be installed in production vehicles.

SEC. 3107. ROADSIDE SAFETY TECHNOLOGIES.

(a) CRASH CUSHIONS.—

(1) GUIDANCE.—The Secretary shall initiate and issue a guidance regarding the benefits and safety performance of redirective and nonredirective crash cushions in different road applications, taking into consideration roadway conditions, operating speed limits, the location of the crash cushion in the right-of-way, and any other relevant factors. The guidance shall include recommendations on the most appropriate circumstances for utilization of redirective and nonredirective crash cushions.

(2) USE OF GUIDANCE.—States shall use the guidance issued under this subsection in evaluating the safety and cost-effectiveness of utilizing different crash cushion designs and determining whether redirective or nonredirective crash cushions or other safety appurtenances should be installed at specific highway locations.

Subtitle B—Hazardous Materials Transportation Reauthorization

SEC. 3201. FINDINGS AND PURPOSES; DEFINITIONS.

(a) FINDINGS AND PURPOSES.—Section 5101 is amended to read as follows:

"§ 5101. Findings and purposes

"(a) FINDINGS.—Congress finds with respect to hazardous materials transportation that—

"(1) approximately 4,000,000,000 tons of regulated hazardous materials are transported each year and that approximately 1,000,000 movements of hazardous materials occur each day, according to Department of Transportation estimates;

"(2) accidents involving the release of hazardous materials are a serious threat to public health and safety;

"(3) many States and localities have enacted laws and regulations that vary from Federal laws and regulations pertaining to the transportation of hazardous materials, thereby creating the potential for unreasonable hazards in other jurisdictions and confounding shippers and carriers that attempt to comply with multiple and conflicting registration, permitting, routings, notification, loading, unloading, incidental storage, and other regulatory requirements;

"(4) because of the potential risks to life, property and the environment posed by unintentional releases of hazardous materials, consistency in laws and regulations governing the transportation of hazardous materials, including loading, unloading, and incidental storage, is necessary and desirable;

"(5) in order to achieve greater uniformity and to promote the public health, welfare, and safety at all levels, Federal standards for regulating the transportation of hazardous materials in intrastate, interstate, and foreign commerce are necessary and desirable;

"(6) in order to provide reasonable, adequate, and cost-effective protection from the risks posed by the transportation of hazardous materials, a network of adequately trained State and local emergency response personnel is required;

"(7) the movement of hazardous materials in commerce is necessary and desirable to maintain economic vitality and meet consumer demands, and shall be conducted in a safe and efficient manner;

"(8) primary authority for the regulation of such transportation should be consolidated in the Department of Transportation to ensure the safe and efficient movement of hazardous materials in commerce; and

"(9) emergency response personnel have a continuing need for training on responses to releases of hazardous materials in transportation and small businesses have a continuing need for training on compliance with hazardous materials regulations.

"(b) PURPOSES.—The purposes of this chapter are—

"(1) to ensure the safe and efficient transportation of hazardous materials in intrastate, interstate, and foreign commerce, including the loading, unloading, and incidental storage of hazardous material;

"(2) to provide the Secretary with preemption authority to achieve uniform regulation of hazardous material transportation, to eliminate inconsistent rules that apply differently from Federal rules, to ensure efficient movement of hazardous materials in commerce, and to promote the national health, welfare, and safety; and

"(3) to provide adequate training for public sector emergency response teams to ensure safe responses to hazardous material transportation accidents and incidents.".

(b) DEFINITIONS.—Section 5102 is amended by—

(1) by striking paragraph (1) and inserting the following:

"(1) 'commerce' means trade or transportation in the jurisdiction of the United States—

"(A) between a place in a State and a place outside of the State;

"(B) that affects trade or transportation between a place in a State and a place outside of the State; or

"(C) on a United States-registered aircraft.";

(2) by striking paragraphs (3) and (4) and inserting the following:

"(3) 'hazmat employee' means an individual who—

"(A) is—

"(i) employed by a hazmat employer,

"(ii) self-employed, or

"(iii) an owner-operator of a motor vehicle; and

"(B) during the course of employment—

"(i) loads, unloads, or handles hazardous material;

"(ii) manufactures, reconditions, or tests containers, drums, or other packagings represented as qualified for use in transporting hazardous material;

"(iii) performs any function pertaining to the offering of hazardous material for transportation;

"(iv) is responsible for the safety of transporting hazardous material; or

"(v) operates a vehicle used to transport hazardous material.

"(4) 'hazmat employer' means a person who—

"(A) either—

"(i) is self-employed,

"(ii) is an owner-operator of a motor vehicle, or

"(iii) has at least 1 employee; and

"(B) performs a function, or uses at least 1 employee, in connection with—

"(i) transporting hazardous material in commerce;

"(ii) causing hazardous material to be transported in commerce, or

"(iii) manufacturing, reconditioning, or testing containers, drums, or other packagings represented as qualified for use in transporting hazardous material.";

(3) by striking "title." in paragraph (7) and inserting "title, except that a freight forwarder is included only if performing a function related to highway transportation.";

(4) by redesignating paragraphs (9) through (13) as paragraphs (12) through (16), respectively;

(5) by inserting after paragraph (8) the following:

"(9) 'out-of-service order' means a mandate that an aircraft, vessel, motor vehicle, train, other vehicle, or a part of any of these, not be moved until specified conditions have been met.

"(10) 'package' or 'outside package' means a packaging plus its contents.

"(11) 'packaging' means a receptacle and any other components or materials necessary for the receptacle to perform its containment function in conformance with the minimum packaging requirements established by the Secretary of Transportation."; and

(6) by striking "or transporting hazardous material to further a commercial enterprise;" in paragraph (12)(A), as redesignated by paragraph (4) of this subsection, and inserting ", and transporting hazardous material to further a commercial enterprise, or manufacturing, reconditioning, or testing containers, drums, or other packagings represented as qualified for use in transporting hazardous material".

(c) CLERICAL AMENDMENT.—The chapter analysis of chapter 51 is amended by striking the item relating to section 5101 and inserting the following:

"5101. Findings and purposes.".

SEC. 3202. HANDLING CRITERIA REPEAL.

Section 5106 is repealed and the chapter analysis of chapter 51 is amended by striking the item relating to that section.

SEC. 3203. HAZMAT EMPLOYEE TRAINING REQUIREMENTS.

Section 5107(f)(2) is amended by striking "and section 5106, and subsections (a) through (g)(1) and (h) of section 5108(a), and 5109 of this title".

SEC. 3204. REGISTRATION.

Section 5108 is amended by—

(1) by striking subsection (b)(1)(C) and inserting the following:

"(C) each State in which the person carries out any of the activities.";

(2) by striking subsection (c) and inserting the following:

"(c) FILING SCHEDULE.—Each person required to file a registration statement under subsection (a) of this section shall file that statement annually in accordance with regulations issued by the Secretary.";

(3) by striking "552(f)" in subsection (f) and inserting "552(b)";

(4) by striking "may" in subsection (g)(1) and inserting "shall"; and

(5) by inserting "or an Indian tribe," in subsection (i)(2)(B) after "State,".

SEC. 3205. SHIPPING PAPER RETENTION.

Section 5110(e) is amended by striking the first sentence and inserting "After expiration of the requirement in subsection (c), the person who provided the shipping paper and the carrier required to maintain it under subsection (a) shall retain the paper or an electronic image thereof, for a period of 1 year after the shipping paper was provided to the carrier, to be accessible through their respective principal places of business.".

SEC. 3206. PUBLIC SECTOR TRAINING CURRICULUM.

Section 5115 is amended—

(1) in subsection (a), by striking "DEVELOPMENT AND UPDATING.—Not later than November 16, 1992, in" and inserting "UPDATING.—In";

(2) in the first sentence of subsection (a), by striking "develop and";

(3) in subsection (a), by striking the second sentence;

(4) in the first sentence of subsection (b), by striking "developed";

(5) in subparagraphs (A) and (B) of subsection (b)(1), by inserting "or involving an alternative fuel vehicle" after "material"; and

(6) by striking subsection (d) and inserting the following:

"(d) DISTRIBUTION AND PUBLICATION.—With the national response team, the Secretary of Transportation may publish a list of programs that use a course developed under this section for training public sector employees to respond to an accident or incident involving the transportation of hazardous material.".

SEC. 3207. PLANNING AND TRAINING GRANTS.

Section 5116 is amended by—

(1) by striking "of" in the second sentence of subsection (e) and inserting "received by";

(2) by striking subsection (f) and inserting the following:

"(f) MONITORING AND TECHNICAL ASSISTANCE.—The Secretary of Transportation shall monitor public sector emergency response planning and training for an accident or incident involving hazardous material. Considering the results of the monitoring, the Secretary shall provide technical assistance to a State, political subdivision of a State, or Indian tribe for carrying out emergency response training and planning for an accident or incident involving hazardous material and shall coordinate the assistance using the existing coordinating mechanisms of the national response team for oil and hazardous substances and, for radioactive material, the Federal Radiological Preparedness Coordinating Committee."; and

(3) by adding at the end thereof the following:

"(l) SMALL BUSINESSES.—The Secretary may authorize a State or Indian tribe receiving a grant under this section to use up to 25 percent of the amount of the grant to assist small businesses in complying with regulations issued under this chapter.".

SEC. 3208. SPECIAL PERMITS, PILOT PROGRAMS, AND EXCLUSIONS.

(a) Section 5117 is amended—

(1) by striking the section heading and inserting the following:

"§5117. Special permits, pilot programs, exemptions, and exclusions"*;*

(2) by striking "2 years" in subsection (a)(2) and inserting "4 years";

(3) by redesignating subsection (e) as subsection (f); and

(4) by inserting after subsection (d) the following:

"(e) AUTHORITY TO CARRY OUT PILOT PROGRAMS.—

"(1) IN GENERAL.—The Secretary is authorized to carry out pilot programs to examine innovative approaches or alternatives to regulations issued under this chapter for private motor carriage in intrastate

transportation of an agricultural production material from—

"(A) a source of supply to a farm;

"(B) a farm to another farm;

"(C) a field to another field on a farm; or

"(D) a farm back to the source of supply.

"(2) LIMITATION.—The Secretary may not carry out a pilot program under paragraph (1) if the Secretary determines that the program would pose an undue risk to public health and safety.

"(3) SAFETY LEVELS.—In carrying out a pilot project under this subsection, the Secretary shall require, as a condition of approval of the project, that the safety measures in the project are designed to achieve a level of safety that is equivalent to, or greater than, the level of safety that would otherwise be achieved through compliance with the standards prescribed under this chapter.

"(4) TERMINATION OF PROJECT.—The Secretary shall immediately terminate any project entered into under this subsection if the motor carrier or other entity to which it applies fails to comply with the terms and conditions of the pilot project or the Secretary determines that the project has resulted in a lower level

of safety than was maintained before the project was initiated.

"(5) NONAPPLICATION.—This subsection does not apply to the application of regulations issued under this chapter to vessels or aircraft.".

(b) Section 5119(c) is amended by adding at the end the following:

"(4) Pending promulgation of regulations under this subsection, States may participate in a program of uniform forms and procedures recommended by the working group under subsection (b).".

(c) The chapter analysis for chapter 51 is amended by striking the item related to section 5117 and inserting the following:

"5117. Special permits, pilot programs, exemptions, and exclusions.".

SEC. 3209. ADMINISTRATION.

(a) Section 5121 is amended by striking subsections (a), (b), and (c) and redesignating subsections (d) and (e) as subsections (a) and (b), respectively.

(b) Section 5122 is amended by redesignating subsections (a), (b), and (c) as subsections (d), (e), and (f), and by inserting before subsection (d), as redesignated, the following:

"(a) GENERAL AUTHORITY.—To carry out this chapter, the Secretary of Transportation may investigate, make reports, issue subpoenas, conduct hearings, require the pro-

duction of records and property, take depositions, and conduct research, development, demonstration, and training activities. After notice and an opportunity for a hearing, the Secretary may issue an order requiring compliance with this chapter or a regulation prescribed under this chapter.

"(b) RECORDS, REPORTS, AND INFORMATION.—A person subject to this chapter shall—

"(1) maintain records, make reports, and provide information the Secretary by regulation or order requires; and

"(2) make the records, reports, and information available when the Secretary requests.

"(c) INSPECTION.—

"(1) The Secretary may authorize an officer, employee, or agent to inspect, at a reasonable time and in a reasonable way, records and property related to—

"(A) manufacturing, fabricating, marking, maintaining, reconditioning, repairing, testing, or distributing a packaging or a container for use by a person in transporting hazardous material in commerce; or

"(B) the transportation of hazardous material in commerce.

"(2) An officer, employee, or agent under this subsection shall display proper credentials when requested.".

SEC. 3210. COOPERATIVE AGREEMENTS.

Section 5121, as amended by section 3209(a), is further amended by adding at the end thereof the following:

"(f) AUTHORITY FOR COOPERATIVE AGREEMENTS.—To carry out this chapter, the Secretary may enter into grants, cooperative agreements, and other transactions with a person, agency or instrumentality of the United States, a unit of State or local government, an Indian tribe, a foreign government (in coordination with the State Department), an educational institution, or other entity to further the objectives of this chapter. The objectives of this chapter include the conduct of research, development, demonstration, risk assessment, emergency response planning and training activities.".

SEC. 3211. ENFORCEMENT.

Section 5122, as amended by section 3209(b), is further amended—

(1) in the first sentence of subsection (a), by inserting "inspect," after "may";

(2) by striking the last sentence of subsection (a) and inserting: "Except as provided in subsection (e) of this section, the Secretary shall provide notice and

an opportunity for a hearing prior to issuing an order requiring compliance with this chapter or a regulation, order, special permit, or approval issued under this chapter.”; and

(3) by redesignating subsections (d), (e) and (f) as subsections (f), (g) and (h), and inserting after subsection (c) the following:

“(d) OTHER AUTHORITY.—

“(1) INSPECTION.—During inspections and investigations, officers, employees, or agents of the Secretary may—

“(A) open and examine the contents of a package offered for, or in, transportation when—

“(i) the package is marked, labeled, certified, placarded, or otherwise represented as containing a hazardous material, or

“(ii) there is an objectively reasonable and articulable belief that the package may contain a hazardous material;

“(B) take a sample, sufficient for analysis, of material marked or represented as a hazardous material or for which there is an objectively reasonable and articulable belief that the material may be a hazardous material, and analyze that material;

"(C) when there is an objectively reasonable and articulable belief that an imminent hazard may exist, prevent the further transportation of the material until the hazardous qualities of that material have been determined; and

"(D) when safety might otherwise be compromised, authorize properly qualified personnel to conduct the examination, sampling, or analysis of a material.

"(2) NOTIFICATION.—No package opened pursuant to this subsection shall continue its transportation until the officer, employee, or agent of the Secretary—

"(A) affixes a label to the package indicating that the package was inspected pursuant to this subsection; and

"(B) notifies the shipper that the package was opened for examination.

"(e) EMERGENCY ORDERS.—

"(1) If, through testing, inspection, investigation, or research carried out under this chapter, the Secretary decides that an unsafe condition or practice, or a combination of them, causes an emergency situation involving a hazard of death, personal injury, or significant harm to the environment, the Secretary may

immediately issue or impose restrictions, prohibitions, recalls, or out-of-service orders, without notice or the opportunity for a hearing, that may be necessary to abate the situation.

"(2) The Secretary's action under this subsection must be in a written order describing the condition or practice, or combination of them, that causes the emergency situation; stating the restrictions, prohibitions, recalls, or out-of-service orders being issued or imposed; and prescribing standards and procedures for obtaining relief from the order.

"(3) After taking action under this subsection, the Secretary shall provide an opportunity for review of that action under section 554 of title 5.

"(4) If a petition for review is filed and the review is not completed by the end of the 30-day period beginning on the date the petition was filed, the action will cease to be effective at the end of that period unless the Secretary determines in writing that the emergency situation still exists.".

SEC. 3212. PENALTIES.

(a) IN GENERAL.—Section 5123(a)(1) is amended by striking the first sentence and inserting the following: "A person that knowingly violates this chapter or a regulation, order, special permit, or approval issued under this chapter

is liable to the United States Government for a civil penalty of at least $250 but not more than $27,500 for each violation.".

(b) DEGREE OF CULPABILITY.—Section 5123(c)(2) is amended to read as follows:

"(2) with respect to the violator, the degree of culpability, any good-faith efforts to comply with the applicable requirements, any history of prior violations, any economic benefit resulting from the violation, the ability to pay, and any effect on the ability to continue to do business; and".

(c) CRIMINAL PENALTY.—Section 5124 is amended to read as follows:

"§ 5124. Criminal penalty

"(a) IN GENERAL.—A person knowingly violating section 5104(b) of this title or willfully violating this chapter or a regulation, order, special permit, or approval issued under this chapter, shall be fined under title 18, imprisoned for not more than 5 years, or both.

"(b) AGGRAVATED VIOLATIONS.—A person knowingly violating section 5104(b) of this title or willfully violating this chapter or a regulation, order, special permit, or approval issued under this chapter, and thereby causing the release of a hazardous material, shall be fined under title 18, imprisoned for not more than 20 years, or both.".

SEC. 3213. PREEMPTION.

(a) REQUIREMENTS CONTRARY TO PURPOSES OF CHAPTER.—Section 5125(a)(2) is amended by inserting ", the purposes of this chapter," after "this chapter" the first place it appears.

(b) DEADWOOD.—Section 5125(b)(2) is amended by striking "prescribes after November 16, 1990." and inserting "prescribes.".

(c) INDEPENDENT APPLICATION OF PREEMPTION STANDARDS.—Section 5125 is amended by adding at the end thereof the following:

"(h) INDEPENDENT APPLICATION OF EACH STANDARD.—Each preemption standard in subsections (a), (b)(1), (c), and (g) of this section and section 5119(c)(2) is independent in its application to a requirement of any State, political subdivision of a State, or Indian tribe.".

SEC. 3214. JUDICIAL REVIEW.

(a) IN GENERAL.—Chapter 51 is amended by redesignating section 5127 as section 5128, and by inserting after section 5126 the following new section:

"§ 5127. Judicial review

"(a) FILING AND VENUE.—Except as provided in section 20114(c), a person disclosing a substantial interest in a final order issued, under the authority of section 5122 or 5123, by the Secretary of Transportation, the Administrators of the Research and Special Programs Administra-

tion, the Federal Aviation Administration, or the Federal Highway Administration, or the Commandant of the United States Coast Guard ('modal Administrator'), with respect to the duties and powers designated to be carried out by the Secretary under this chapter, may apply for review in the United States Court of Appeals for the District of Columbia or in the court of appeals for the United States for the circuit in which the person resides or has its principal place of business. The petition must be filed not more than 60 days after the order is issued. The court may allow the petition to be filed after the 60th day only if there are reasonable grounds for not filing by the 60th day.

"(b) JUDICIAL PROCEDURES.—When a petition is filed under subsection (a) of this section, the clerk of the court immediately shall send a copy of the petition to the Secretary or the modal Administrator, as appropriate. The Secretary or the modal Administrator shall file with the court a record of any proceeding in which the order was issued, as provided in section 2112 of title 28.

"(c) AUTHORITY OF COURT.—When the petition is sent to the Secretary or the modal Administrator, the court has exclusive jurisdiction to affirm, amend, modify, or set aside any part of the order and may order the Secretary or the modal Administrator to conduct further proceedings. After reasonable notice to the Secretary or the modal Adminis-

trator, the court may grant interim relief by staying the order or taking other appropriate action when good cause for its action exists. Findings of fact by the Secretary or the modal Administrator, if supported by substantial evidence, are conclusive.

"(d) REQUIREMENT FOR PRIOR OBJECTION.—In reviewing a final order under this section, the court may consider an objection to a final order of the Secretary or the modal Administrator only if the objection was made in the course of a proceeding or review conducted by the Secretary, the modal Administrator, or an administrative law judge, or if there was a reasonable ground for not making the objection in the proceeding.

"(e) SUPREME COURT REVIEW.—A decision by a court under this section may be reviewed only by the Supreme Court under section 1254 of title 28, United States Code.".

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 51 is amended by striking the item related to section 5127 and inserting the following:

"5127. Judicial review.
"5128. Authorization of appropriations.".

SEC. 3215. HAZARDOUS MATERIAL TRANSPORTATION REAUTHORIZATION.

(a) IN GENERAL.—Chapter 51, as amended by section 3214 of this Act, is amended by redesignating section 5128

as section 5129 and by inserting after section 5127 the following:

"§ 5128. High risk hazardous material and hazardous waste; motor carrier safety study

"(a) STUDY.—The Secretary of Transportation shall conduct a study—

"(1) to determine the safety benefits and administrative efficiency of implementing a Federal permit program for high risk hazardous material and hazardous waste carriers;

"(2) to identify and evaluate alternative regulatory methods and procedures that may improve the safety of high risk hazardous material and hazardous waste carriers and shippers, including evaluating whether an annual safety fitness determination that is linked to permit renewals for hazardous material and hazardous waste carriers is warranted;

"(3) to examine the safety benefits of increased monitoring of high risk hazardous material and hazardous waste carriers, and the costs, benefits, and procedures of existing State permit programs;

"(4) to make such recommendations as may be appropriate for the improvement of uniformity among existing State permit programs; and

"(5) to assess the potential of advanced technologies for improving the assessment of high risk hazardous material and hazardous waste carriers' compliance with motor carrier safety regulations.

"(b) TIMEFRAME.—The Secretary shall begin the study required by subsection (a) within 6 months after the date of enactment of the Intermodal Transportation Safety Act of 1998 and complete it within 30 months after the date of enactment of that Act.

"(c) REPORT.—The Secretary shall report the findings of the study required by subsection (a), together with such recommendations as may be appropriate, within 36 months after the date of enactment of the Intermodal Transportation Safety Act of 1998.".

(b) SECTION 5109 REGULATIONS TO REFLECT STUDY FINDINGS.—Section 5109(h) is amended by striking "not later than November 16, 1991." and inserting "based upon the findings of the study required by section 5128(a).".

(c) CONFORMING AMENDMENT.—The chapter analysis for chapter 51, as amended by section 3214, is amended by striking the item relating to section 5128 and inserting the following:

"5128. High risk hazardous material and hazardous waste; motor carrier safety study.
"5129. Authorization of appropriations.".

SEC. 3216. AUTHORIZATION OF APPROPRIATIONS.

Section 5129, as redesignated, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) GENERAL.—There are authorized to be appropriated to the Secretary of Transportation to carry out this chapter (except sections 5107(e), 5108(g)(2), 5113, 5115, and 5116) not more than—

"(1) $15,492,000 for fiscal year 1998;

"(2) $16,000,000 for fiscal year 1999;

"(3) $16,500,000 for fiscal year 2000;

"(4) $17,000,000 for fiscal year 2001;

"(5) $17,500,000 for fiscal year 2002; and

"(6) $18,000,000 for fiscal year 2003."; and

(2) by striking subsections (c) and (d) and inserting the following:

"(c) TRAINING CURRICULUM.—Not more than $200,000 is available to the Secretary of Transportation from the account established under section 5116(i) for each of the fiscal years ending September 30, 1999–2003, to carry out section 5115.

"(d) PLANNING AND TRAINING.—

(1) Not more than $2,444,000 is available to the Secretary of Transportation from the account established under section 5116(i) for the fiscal year ending September 30, 1998, and such sums as may be nec-

essary for fiscal years 1999–2003, to carry out section 5116(a).

"(2) Not more than $3,666,000 is available to the Secretary of Transportation from the account established under section 5116(i) for the fiscal year ending September 30, 1998, and such sums as may be necessary for fiscal years 1999–2003, to carry out section 5116(b).

"(3) Not more than $600,000 is available to the Secretary of Transportation from the account established under section 5116(i) for the fiscal year ending September 30, 1998, and such sums as may be necessary for fiscal years 1999–2003, to carry out section 5116(f).".

Subtitle C—Comprehensive One-Call Notification

SEC. 3301. FINDINGS.

Congress finds that—

(1) unintentional damage to underground facilities during excavation is a significant cause of disruptions in telecommunications, water supply, electric power, and other vital public services, such as hospital and air traffic control operations, and is a leading cause of natural gas and hazardous liquid pipeline accidents;

(2) excavation that is performed without prior notification to an underground facility operator or with inaccurate marking of such a facility prior to excavation can cause damage that results in fatalities, serious injuries, harm to the environment and disruption of vital services to the public; and

(3) protection of the public and the environment from the consequences of underground facility damage caused by excavations will be enhanced by a coordinated national effort to improve one-call notification programs in each State and the effectiveness and efficiency of one-call notification systems that operate under such programs.

SEC. 3302. ESTABLISHMENT OF ONE-CALL NOTIFICATION PROGRAMS.

(a) IN GENERAL.—Subtitle III is amended by adding at the end thereof the following:

"CHAPTER 61—ONE-CALL NOTIFICATION PROGRAMS

"Sec.
"6101. Purposes.
"6102. Definitions.
"6103. Minimum standards for State one-call notification programs.
"6104. Compliance with minimum standards.
"6105. Review of one-call system best practices.
"6106. Grants to States.
"6107. Authorization of appropriations.

"§ 6101. Purposes

"The purposes of this chapter are—

"(1) to enhance public safety;

"(2) to protect the environment;

"(3) to minimize risks to excavators; and

"(4) to prevent disruption of vital public services,

by reducing the incidence of damage to underground facilities during excavation through the adoption and efficient implementation by all States of State one-call notification programs that meet the minimum standards set forth under section 6103.

"§ 6102. Definitions

"For purposes of this chapter:

"(1) ONE-CALL NOTIFICATION SYSTEM.—The term "one-call notification system" means a system operated by an organization that has as 1 of its purposes to receive notification from excavators of intended excavation in a specified area in order to disseminate such notification to underground facility operators that are members of the system so that such operators can locate and mark their facilities in order to prevent damage to underground facilities in the course of such excavation.

"(2) STATE ONE-CALL NOTIFICATION PROGRAM.—The term "State one-call notification program" means the State statutes, regulations, orders,

judicial decisions, and other elements of law and policy in effect in a State that establish the requirements for the operation of one-call notification systems in such State.

"(3) STATE.—The term 'State' means a State, the District of Columbia, and Puerto Rico.

"(4) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"§ 6103. Minimum standards for State one-call notification programs

"(a) MINIMUM STANDARDS.—A State one-call notification program shall, at a minimum, provide for—

"(1) appropriate participation by all underground facility operators;

"(2) appropriate participation by all excavators; and

"(3) flexible and effective enforcement under State law with respect to participation in, and use of, one-call notification systems.

"(b) APPROPRIATE PARTICIPATION.—In determining the appropriate extent of participation required for types of underground facilities or excavators under subsection (a), a State shall assess, rank, and take into consideration the risks to the public safety, the environment, excavators, and vital public services associated with—

"(1) damage to types of underground facilities; and

"(2) activities of types of excavators.

"(c) IMPLEMENTATION.—A State one-call notification program also shall, at a minimum, provide for—

"(1) consideration of the ranking of risks under subsection (b) in the enforcement of its provisions;

"(2) a reasonable relationship between the benefits of one-call notification and the cost of implementing and complying with the requirements of the State one-call notification program; and

"(3) voluntary participation where the State determines that a type of underground facility or an activity of a type of excavator poses a de minimis risk to public safety or the environment.

"(d) PENALTIES.—To the extent the State determines appropriate and necessary to achieve the purposes of this chapter, a State one-call notification program shall, at a minimum, provide for—

"(1) administrative or civil penalties commensurate with the seriousness of a violation by an excavator or facility owner of a State one-call notification program;

"(2) increased penalties for parties that repeatedly damage underground facilities because they fail

to use one-call notification systems or for parties that repeatedly fail to provide timely and accurate marking after the required call has been made to a one-call notification system;

"(3) reduced or waived penalties for a violation of a requirement of a State one-call notification program that results in, or could result in, damage that is promptly reported by the violator;

"(4) equitable relief; and

"(5) citation of violations.

"§ 6104. Compliance with minimum standards

"(a) REQUIREMENT.—In order to qualify for a grant under section 6106, each State shall, within 2 years after the date of the enactment of the Intermodal Transportation Safety Act of 1998, submit to the Secretary a grant application under subsection (b).

"(b) APPLICATION.—

"(1) Upon application by a State, the Secretary shall review that State's one-call notification program, including the provisions for the implementation of the program and the record of compliance and enforcement under the program.

"(2) Based on the review under paragraph (1), the Secretary shall determine whether the State's one-call notification program meets the minimum stand-

ards for such a program set forth in section 6103 in order to qualify for a grant under section 6106.

"(3) In order to expedite compliance under this section, the Secretary may consult with the State as to whether an existing State one-call notification program, a specific modification thereof, or a proposed State program would result in a positive determination under paragraph (2).

"(4) The Secretary shall prescribe the form of, and manner of filing, an application under this section that shall provide sufficient information about a State's one-call notification program for the Secretary to evaluate its overall effectiveness. Such information may include the nature and reasons for exceptions from required participation, the types of enforcement available, and such other information as the Secretary deems necessary.

"(5) The application of a State under paragraph (1) and the record of actions of the Secretary under this section shall be available to the public.

"(c) ALTERNATIVE PROGRAM.—A State may maintain an alternative one-call notification program if that program provides protection for public safety, the environment, or excavators that is equivalent to, or greater than, protec-

tion under a program that meets the minimum standards set forth in section 6103.

"(d) REPORT.—Within 3 years after the date of the enactment of the Intermodal Transportation Safety Act of 1998, the Secretary shall begin to include the following information in reports submitted under section 60124 of this title—

"(1) a description of the extent to which each State has adopted and implemented the minimum Federal standards under section 6103 or maintains an alternative program under subsection (c);

"(2) an analysis by the Secretary of the overall effectiveness of the State's one-call notification program and the one-call notification systems operating under such program in achieving the purposes of this chapter;

"(3) the impact of the State's decisions on the extent of required participation in one-call notification systems on prevention of damage to underground facilities; and

"(4) areas where improvements are needed in one-call notification systems in operation in the State.

The report shall also include any recommendations the Secretary determines appropriate. If the Secretary determines

that the purposes of this chapter have been substantially achieved, no further report under this section shall be required.

"§ 6105. Review of one-call system best practices

"(a) STUDY OF EXISTING ONE-CALL SYSTEMS.—Except as provided in subsection (d), the Secretary, in consultation with other appropriate Federal agencies, State agencies, one-call notification system operators, underground facility operators, excavators, and other interested parties, shall undertake a study of damage prevention practices associated with existing one-call notification systems.

"(b) PURPOSE OF STUDY OF DAMAGE PREVENTION PRACTICES.—The purpose of the study is to assemble information in order to determine which existing one-call notification systems practices appear to be the most effective in preventing damage to underground facilities and in protecting the public, the environment, excavators, and public service disruption. As part of the study, the Secretary shall at a minimum consider—

"(1) the methods used by one-call notification systems and others to encourage participation by excavators and owners of underground facilities;

"(2) the methods by which one-call notification systems promote awareness of their programs, includ-

ing use of public service announcements and educational materials and programs;

"(3) the methods by which one-call notification systems receive and distribute information from excavators and underground facility owners;

"(4) the use of any performance and service standards to verify the effectiveness of a one-call notification system;

"(5) the effectiveness and accuracy of mapping used by one-call notification systems;

"(6) the relationship between one-call notification systems and preventing intentional damage to underground facilities;

"(7) how one-call notification systems address the need for rapid response to situations where the need to excavate is urgent;

"(8) the extent to which accidents occur due to errors in marking of underground facilities, untimely marking or errors in the excavation process after a one-call notification system has been notified of an excavation;

"(9) the extent to which personnel engaged in marking underground facilities may be endangered;

"(10) the characteristics of damage prevention programs the Secretary believes could be relevant to

the effectiveness of State one-call notification programs; and

"(11) the effectiveness of penalties and enforcement activities under State one-call notification programs in obtaining compliance with program requirements.

"(c) REPORT.—Within 1 year after the date of the enactment of the Intermodal Transportation Safety Act of 1998, the Secretary shall publish a report identifying those practices of one-call notification systems that are the most and least successful in—

"(1) preventing damage to underground facilities; and

"(2) providing effective and efficient service to excavators and underground facility operators.

The Secretary shall encourage States and operators of one-call notification programs to adopt and implement the most successful practices identified in the report.

"(d) SECRETARIAL DISCRETION.—Prior to undertaking the study described in subsection (a), the Secretary shall determine whether timely information described in subsection (b) is readily available. If the Secretary determines that such information is readily available, the Secretary is not required to carry out the study.

"§ 6106. Grants to States

"(a) IN GENERAL.—The Secretary may make a grant of financial assistance to a State that qualifies under section 6104(b) to assist in improving—

"(1) the overall quality and effectiveness of one-call notification systems in the State;

"(2) communications systems linking one-call notification systems;

"(3) location capabilities, including training personnel and developing and using location technology;

"(4) record retention and recording capabilities for one-call notification systems;

"(5) public information and education;

"(6) participation in one-call notification systems; or

"(7) compliance and enforcement under the State one-call notification program.

"(b) STATE ACTION TAKEN INTO ACCOUNT.—In making grants under this section the Secretary shall take into consideration the commitment of each State to improving its State one-call notification program, including legislative and regulatory actions taken by the State after the date of enactment of the Intermodal Transportation Safety Act of 1998.

"(c) FUNDING FOR ONE-CALL NOTIFICATION SYSTEMS.—A State may provide funds received under this section directly to any one-call notification system in such State that substantially adopts the best practices identified under section 6105.

"§ 6107. Authorization of appropriations

"(a) FOR GRANTS TO STATES.—There are authorized to be appropriated to the Secretary in fiscal year 1999 no more than $1,000,000 and in fiscal year 2000 no more than $5,000,000, to be available until expended, to provide grants to States under section 6106.

"(b) FOR ADMINISTRATION.—There are authorized to be appropriated to the Secretary such sums as may be necessary during fiscal years 1998, 1999, and 2000 to carry out sections 6103, 6104, and 6105.

"(c) GENERAL REVENUE FUNDING.—Any sums appropriated under this section shall be derived from general revenues and may not be derived from amounts collected under section 60301 of this title.".

(b) CONFORMING AMENDMENTS.—

(1) The table of chapters for subtitle III is amended by adding at the end thereof the following:

"61. One-Call Notification Program ..... 6101".

(2) Chapter 601 is amended—

(A) by striking "sections 60114 and" in section 60105(a) of that chapter and inserting "section";

(B) by striking section 60114 and the item relating to that section in the table of sections for that chapter;

(C) by striking "60114(c), 60118(a)," in section 60122(a)(1) of that chapter and inserting "60118(a),";

(D) by striking "60114(c) or" in section 60123(a) of that chapter;

(E) by striking "sections 60107 and 60114(b)" in subsections (a) and (b) of section 60125 and inserting "section 60107" in each such subsection; and

(F) by striking subsection (d) of section 60125, and redesignating subsections (e) and (f) of that section as subsections (d) and (e), respectively.

Subtitle D—Motor Carrier Safety

SEC. 3401. STATEMENT OF PURPOSES.

Chapter 311 is amended—

(1) by inserting before section 31101 the following:

"§ 31100. Purpose

"The purposes of this subchapter are—

"(1) to improve commercial motor vehicle and driver safety;

"(2) to facilitate efforts by the Secretary, States, and other political jurisdictions, working in partnership, to focus their resources on strategic safety investments;

"(3) to increase administrative flexibility;

"(4) to improve enforcement activities;

"(5) to invest in activities related to areas of the greatest crash reduction;

"(6) to identify high risk carriers and drivers; and

"(7) to improve information and analysis systems."; and

(2) by inserting before the item relating to section 31101 in the chapter analysis for chapter 311 the following:

"31100. Purposes.".

SEC. 3402. GRANTS TO STATES.

(a) PERFORMANCE-BASED GRANTS.—Section 31102 is amended—

(1) in subsection (a), by inserting "improving motor carrier safety and" after "programs for"; and

(2) in the first sentence of subsection (b)(1), by striking "adopt and assume responsibility for enforcing" and inserting "assume responsibility for improving motor carrier safety and to adopt and enforce".

(b) HAZARDOUS MATERIALS.—Section 31102 is amended—

(1) in subsection (a), by inserting a comma and "hazardous materials transportation safety," after "commercial motor vehicle safety"; and

(2) in the first sentence of subsection (b), by inserting ", hazardous materials transportation safety," after "commercial motor vehicle safety".

(c) CONTENTS OF STATE PLANS.—Section 31102(b)(1) is amended—

(1) by redesignating subparagraphs (A) through (Q) as subparagraphs (B) through (R), respectively;

(2) by inserting before subparagraph (B), as redesignated, the following:

"(A) implements performance-based activities by fiscal year 2000;"

(3) by inserting "(1)" in subparagraph (K), as redesignated, after "(c)";

(4) by striking subparagraphs (L), (M), and (N) as redesignated, and inserting the following:

"(L) ensures consistent, effective, and reasonable sanctions;

"(M) ensures that the State agency will coordinate the plan, data collection, and information systems with the State highway safety programs under title 23;

"(N) ensures participation in SAFETYNET by all jurisdictions receiving funding;";

(5) in subparagraph (P), as redesignated, by striking "activities—" and inserting "activities in support of national priorities and performance goals including—";

(6) in clause (i) of subparagraph (P), as redesignated, by striking "to remove" and inserting "activities aimed at removing"; and

(7) in clause (ii) of subparagraph (P), as redesignated, by striking "to provide" and inserting "activities aimed at providing".

SEC. 3403. FEDERAL SHARE.

Section 31103 is amended—

(1) by inserting before "The Secretary of Transportation" the following:

"(a) COMMERCIAL MOTOR VEHICLE SAFETY PROGRAMS AND ENFORCEMENT.—";

(2) by inserting "improve commercial motor vehicle safety and" in the first sentence before "enforce"; and

(3) by adding at the end the following:

"(b) OTHER ACTIVITIES.—The Secretary may reimburse State agencies, local governments, or other persons up to 100 percent for those activities identified in 31104(f)(2).".

SEC. 3404. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 31104(a) is amended to read as follows:

"(a) IN GENERAL.—Subject to section 9503(c)(1) of the Internal Revenue Code of 1986, there are available from the Highway Trust Fund (except the Mass Transit Account) for the Secretary of Transportation to incur obligations to carry out section 31102 of this title, not more than—

"(1) $80,000,000 for the fiscal year ending September 30, 1998;

"(2) $100,000,000 for the fiscal year ending September 30, 1999;

"(3) $97,000,000 for the fiscal year ending September 30, 2000;

"(4) $94,000,000 for the fiscal year ending September 30, 2001;

"(5) $90,500,000 for the fiscal year ending September 30, 2002; and

"(6) $90,500,000 for the fiscal year ending September 30, 2003.".

(b) AVAILABILITY AND REALLOCATION.—Section 31104(b)(2) is amended to read as follows:

"(2) Amounts made available under section 4002(e)(1) and (2) of the Intermodal Surface Transportation Efficiency Act of 1991 before October 1, 1996, that are not obligated on October 1, 1997, are available for obligation under paragraph (1).".

(c) ALLOCATION CRITERIA.—Section 31104(f) is amended to read as follows:

"(f) ALLOCATION CRITERIA AND ELIGIBILITY.—

"(1) On October 1 of each fiscal year or as soon after that date as practicable, the Secretary, after making the deduction described in subsection (e) of this section, shall allocate, under criteria the Secretary prescribes through regulation, the amounts available for that fiscal year among the States with plans approved under section 31102 of this title.

"(2) The Secretary may designate—

"(A) not less than 5 percent of such amounts for activities and projects of national

priority for the improvement of commercial motor vehicle safety; and

"(B) not less than 5 percent of such amounts to reimburse States for border commercial motor vehicle safety programs and enforcement activities and projects.

The amounts referred to in subparagraph (B) shall be allocated by the Secretary to State agencies and local governments that use trained and qualified officers and employees in coordination with State motor vehicle safety agencies.".

(d) OTHER AMENDMENTS.—

(1) Section 31104 is amended by striking subsection (g) and redesignating subsection (h) as subsection (g).

(2) Section 31104 is amended by striking subsection (i) and redesignating subsection (j) as subsection (h).

SEC. 3405. INFORMATION SYSTEMS AND STRATEGIC SAFETY INITIATIVES.

Section 31106 is amended to read as follows:

"§31106. Information systems and strategic safety initiatives

"(a) INFORMATION SYSTEMS.—

"(1) IN GENERAL.—The Secretary is authorized to establish motor carrier information systems and data analysis programs to support motor carrier regulatory and enforcement activities required under this title. In cooperation with the States, the information systems shall be coordinated into a network providing accurate identification of motor carriers and drivers, registration and licensing tracking, and motor carrier and driver safety performance. The Secretary shall develop and maintain data analysis capacity and programs to provide the means to develop strategies to address safety problems and to use data analysis to measure the effectiveness of these strategies and related programs; to determine the cost effectiveness of Federal and State safety compliance, enforcement programs, and other countermeasures; to evaluate the safety fitness of motor carriers and drivers; to identify and collect necessary data; and to adapt, improve, and incorporate other information and information systems as deemed appropriate by the Secretary.

"(2) PERFORMANCE AND REGISTRATION INFORMATION SYSTEMS MANAGEMENT.—

"(A) The Secretary shall include, as part of the motor carrier safety information network

system of the Department of Transportation, an information system, to be called the Performance and Registration Information Systems Management, to serve as a clearinghouse and repository of information related to State registration and licensing of commercial motor vehicles and the safety system of the commercial motor vehicle registrants or the motor carriers operating the vehicles. The Secretary may include in the system information on the safety fitness of each of the motor carriers and registrants and other information the Secretary considers appropriate, including information on vehicle, driver, and motor carrier safety performance.

"(B) The Secretary shall prescribe technical and operational standards to ensure—

"(i) uniform, timely and accurate information collection and reporting by the States necessary to carry out this system;

"(ii) uniform Federal and State procedures and policies necessary to operate the Commercial Vehicle Information System; and

"(iii) the availability and reliability of the information to the States and the Secretary from the information system.

"(C) The system shall link the Federal motor carrier safety systems with State driver and commercial vehicle registration and licensing systems, and shall be designed—

"(i) to enable a State, when issuing license plates or throughout the registration period for a commercial motor vehicle, to determine, through the use of the information system, the safety fitness of the registrant or motor carrier;

"(ii) to allow a State to decide, in cooperation with the Secretary, the types of sanctions that may be imposed on the registrant or motor carrier, or the types of conditions or limitations that may be imposed on the operations of the registrant or motor carrier that will ensure the safety fitness of the registrant or motor carrier;

"(iii) to monitor the safety fitness of the registrant or motor carrier during the registration period; and

"(iv) to require the State, as a condition of participation in the system, to implement uniform policies, procedures, and standards, and to possess or seek authority to impose commercial motor vehicle registration sanctions on the basis of a Federal safety fitness determination.

"(D) Of the amounts available for expenditure under this section, up to 50 percent in each of fiscal years 1998, 1999, 2000, 2001, 2002, and 2003 may be made available to carry out this paragraph. The Secretary may authorize the operation of the information system by contract, through an agreement with 1 or more States, or by designating, after consultation with the States, a third party that represents the interests of the States. Of the amounts made available to carry out this paragraph, the Secretary is encouraged to direct no less than 80 percent to States that have not previously received financial assistance to develop or implement the Performance and Registration Information Systems Management system.

"(b) COMMERCIAL MOTOR VEHICLE DRIVER SAFETY PROGRAM.—The Secretary is authorized to establish a pro-

gram focusing on improving commercial motor vehicle driver safety. The objectives of the program shall include—

"(1) enhancing the exchange of driver licensing information among employers, the States, the Federal Government, and foreign countries;

"(2) providing information to the judicial system on the commercial motor vehicle driver licensing program; and

"(3) evaluating any aspect of driver performance and safety that the Secretary deems appropriate.

"(c) COOPERATIVE AGREEMENTS, GRANTS, AND CONTRACTS.—The Secretary may carry out this section either independently or in cooperation with other Federal departments, agencies, and instrumentalities, or by making grants to and entering into contracts and cooperative agreements with States, localities, associations, institutions, corporations (profit or nonprofit) or other persons.".

SEC. 3406. IMPROVED FLOW OF DRIVER HISTORY PILOT PROGRAM.

The Secretary of Transportation shall carry out a pilot program in cooperation with 1 or more States to improve upon the timely exchange of pertinent driver performance and safety records data to motor carriers. The program shall—

(1) determine to what extent driver performance records data, including relevant fines, penalties, and failures to appear for a hearing or trial, should be included as part of any information systems under the Department of Transportation's oversight;

(2) assess the feasibility, costs, safety impact, pricing impact, and benefits of record exchanges; and

(3) assess methods for the efficient exchange of driver safety data available from existing State information systems and sources.

SEC. 3407. MOTOR CARRIER AND DRIVER SAFETY RESEARCH.

Of the funds made available to carry out programs established by the amendments made by title II of the Intermodal Surface Transportation Efficiency Act of 1998, no less than $10,000,000 shall be made available for each of fiscal years 1998, 1999, 2000, 2001, 2002, and 2003 for activities designed to advance commercial motor vehicle and driver safety. Any obligation, contract, cooperative agreement, or support granted under this section in excess of $250,000 shall be awarded on a competitive basis. The Secretary shall submit annually a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the research activities carried

out under this section, including the amount, purpose, recipient and nature of each contract, cooperative agreement or award and results of such research activities carried out under this section, including benefits to motor carrier safety.".

SEC. 3408. AUTHORIZATION OF APPROPRIATIONS.

Section 31107 is amended to read as follows:

"§ 31107. Authorization of appropriations for information systems and strategic safety initiatives

"(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) for the Secretary to incur obligations to carry out section 31106—

"(1) $10,000,000 for fiscal year 1998;

"(2) $9,620,000 for fiscal year 1999;

"(3) $9,620,000 for fiscal year 2000;

"(4) $9,620,000 for fiscal year 2001;

"(5) $9,320,000 for fiscal year 2002; and

"(6) $9,320,000 for fiscal year 2003.

"(b) AVAILABILITY.—The amounts made available under this subsection shall remain available until expended.".

SEC. 3409. CONFORMING AMENDMENTS.

The chapter analysis for chapter 311 is amended—

(1) by striking the heading for subchapter I and inserting the following:

"SUBCHAPTER I—STATE GRANTS AND OTHER COMMERCIAL MOTOR VEHICLE PROGRAMS";

and

(2) by striking the items relating to sections 31106 and 31107 and inserting the following:

"31106. Information systems and strategic safety initiatives.
"31107. Authorization of appropriations for information systems and strategic safety initiatives.".

SEC. 3410. AUTOMOBILE TRANSPORTER DEFINED.

Section 31111(a) is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(2) by inserting before paragraph (2), as redesignated, the following:

"(1) 'automobile transporter' means any vehicle combination designed and used specifically for the transport of assembled highway vehicles, including truck camper units.".

SEC. 3411. REPEAL OF REVIEW PANEL; REVIEW PROCEDURE.

(a) REPEAL.—Subchapter III of chapter 311 is amended—

(1) by striking sections 31134 and 31140; and

(2) by striking the items relating to sections 31134 and 31140 in the chapter analysis for that chapter.

(b) REVIEW PROCEDURE.—

(1) IN GENERAL.—Section 31141 is amended—

(A) by striking subsection (b) and redesignating subsections (c), (d), (e), (f), (g), and (h) as subsections (b), (c), (d), (e), (f), and (g), respectively;

(B) by striking so much of subsection (b), as redesignated, as precedes paragraph (2) and inserting the following:

"(b) REVIEW AND DECISIONS BY THE SECRETARY.—

"(1) The Secretary shall review the laws and regulations on commercial motor vehicle safety in effect in each State, and decide—

"(A) whether the State law or regulation—

"(i) has the same effect as a regulation prescribed by the Secretary under section 31136 of this title;

"(ii) is less stringent than that regulation; or

"(iii) is additional to or more stringent than that regulation; and

"(B) for each State law or regulation which is additional to or more stringent than the regulation prescribed by the Secretary, whether—

"(i) the State law or regulation has no safety benefit;

"(ii) the State law or regulation is incompatible with the regulation prescribed by the Secretary under section 31136 of this title; or

"(iii) enforcement of the State law or regulation would cause an unreasonable burden on interstate commerce.";

(C) by striking paragraph (5) of subsection (b)(5), as redesignated, and inserting the following:

"(5) In deciding under paragraph (4) of this subsection whether a State law or regulation will cause an unreasonable burden on interstate commerce, the Secretary may consider the effect on interstate commerce of implementation of all similar laws and regulations of other States.";

(D) by striking subsections (d) and (e), as redesignated, and inserting the following:

"(d) WRITTEN NOTICE OF DECISIONS.—The Secretary shall give written notice of the decision under subsection (b) of this section to the State concerned."; and

(E) by redesignating subsections (f) and (g), as redesignated, as subsections (e) and (f), respectively.

(2) CONFORMING CHANGES.—

(A) The heading of section 31141 of such title is amended to read as follows:

"§31141. Preemption of State laws and regulations".

(B) The chapter analysis of chapter 311 of such title is amended by striking the item relating to section 31141 and inserting the following:

"31141. Preemption of State laws and regulations.".

(c) INSPECTION OF VEHICLES.—

(1) Section 31142 is amended—

(A) in subsection (a), by striking "part 393 of title 49, Code of Federal Regulations" and inserting "regulations issued pursuant to section 31135 of this title"; and

(B) by striking subsection (c)(1)(C) and inserting the following:

"(C) prevent a State from participating in the activities of a voluntary group of States enforcing a program for inspection of commercial motor vehicles; or".

(2) Subchapter IV of chapter 311 is amended—

(A) by striking sections 31161 and 31162; and

(B) by striking the items relating to sections 31161 and 31162 in the chapter analysis for that chapter.

(3) Section 31102(b)(1), as amended by section 3402(c)(1), is amended—

(A) by striking "and" at the end of subparagraph (Q);

(B) by striking "thereunder." in subparagraph (R) and inserting "thereunder; and"; and

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

"(S) provides that the State will establish a program (i) to ensure the proper and timely correction of commercial motor vehicle safety violations noted during an inspection carried out with funds authorized under section 31104 of this title; and (ii) to ensure that information is exchanged among the States in a timely manner.".

(d) SAFETY FITNESS OF OWNERS AND OPERATORS.—Section 31144 is amended to read as follows:

"§ 31144. Safety fitness of owners and operators

"(a) PROCEDURE.—The Secretary of Transportation shall maintain in regulation a procedure for determining the safety fitness of owners and operators of commercial motor vehicles, including persons seeking new or additional operating authority as motor carriers under section 13902 of this title. The procedure shall include—

"(1) specific initial and continuing requirements to be met by the owners, operators, and other persons to demonstrate safety fitness;

"(2) a means of deciding whether the owners, operators, or other persons meet the safety requirements under paragraph (1); and

"(3) specific time deadlines for action by the Secretary in making fitness decisions.

"(b) PROHIBITED TRANSPORTATION.—Except as provided in sections 521(b)(5)(A) and 5113, a motor carrier that fails to meet the safety fitness requirements established under subsection (a) may not operate in interstate commerce beginning on the 61st day after the date of the determination by the Secretary that the motor carrier fails to meet the safety fitness requirements and until the motor carrier meets the safety fitness requirements. The Secretary may, for good cause shown, provide a carrier with up to an additional 60 days to meet the safety fitness requirements.

"(c) RATING REVIEW.—The Secretary shall review the factors that resulted in a motor carrier failing to meet the safety fitness requirements not later than 45 days after the motor carrier requests a review.

"(d) GOVERNMENT USE PROHIBITED.—A department, agency, or instrumentality of the United States Government may not use a motor carrier that does not meet the safety fitness requirements.

"(e) PUBLIC AVAILABILITY; UPDATING OF FITNESS DETERMINATIONS.—The Secretary shall amend the motor carrier safety regulations in subchapter B of chapter III of title 49, Code of Federal Regulations, to establish a system to make readily available to the public, and to update periodically, the final safety fitness determinations of motor carriers made by the Secretary.

"(f) PENALTIES.—The Secretary shall prescribe regulations setting penalties for violations of this section consistent with section 521 of this title.".

(e) SAFETY FITNESS OF PASSENGER AND HAZARDOUS MATERIAL CARRIERS.—

(1) IN GENERAL.—Section 5113 is amended—

(A) by striking subsection (a) and inserting the following:

"(a) PROHIBITED TRANSPORTATION.—

"(1) A motor carrier that fails to meet the safety fitness requirements established under subsection 31144(a) of this title may not operate a commercial motor vehicle (as defined in section 31132 of this title)—

"(A) to transport hazardous material for which placarding of a motor vehicle is required under regulations prescribed under this chapter; or

"(B) to transport more than 15 individuals.

"(2) The prohibition in paragraph (1) of this subsection applies beginning on the 46th day after the date on which the Secretary determines that a motor carrier fails to meet the safety fitness requirements and applies until the motor carrier meets the safety fitness requirements.";

(B) by striking "RATING" in the heading of subsection (b) and inserting "FITNESS";

(C) by striking "receiving an unsatisfactory rating" in subsection (b) and inserting "failing to meet the safety fitness requirements";

(D) by striking "has an unsatisfactory rating from the Secretary" in subsection (c) and inserting "failed to meet the safety fitness requirements"; and

(E) by striking "RATINGS" in the heading of subsection (d) and inserting "FITNESS DETERMINATIONS";

(F) by striking ", in consultation with the Interstate Commerce Commission," in subsection (d); and

(G) by striking "ratings of motor carriers that have unsatisfactory ratings from" in subsection (d) and inserting "fitness determinations of motor carriers made by".

(2) CONFORMING AMENDMENTS.—

(A) The heading of section 5113 of such chapter is amended to read as follows:

"§5113. Safety fitness of passenger and hazardous material carriers".

(B) The chapter analysis for chapter 51 is amended by striking the item relating to section 5113 and inserting the following:

"5113. Safety fitness of passenger and hazardous material carriers.".

(f) DEFINITIONS.—

(1) Section 31101(1) is amended—

(A) in subparagraph (A)—

(i) by inserting "or gross vehicle weight, whichever is greater," after "rating"; and

(ii) by striking "10,000" and inserting "10,001";

(B) in subparagraph (B), by striking "driver; or" and inserting "driver, or a smaller number of passengers including the driver as determined under regulations implementing sections 31132(1)(B) or 31301(4)(B)";

(C) in subparagraph (C), by inserting "and transported in a quantity requiring placarding under regulations prescribed by the Secretary under section 5103" after "title".

(2) Section 31132 is amended—

(A) in paragraph (1)(A), by inserting "or gross vehicle weight, whichever is greater," after "rating"; and

(B) by adding at the end of paragraph (3) the following:

"For purposes of this paragraph, the term 'business affecting interstate commerce' means a business predominantly engaged in employing commercial motor vehicles in interstate commerce and includes all operations of the business in intrastate commerce which use vehicles otherwise defined as commercial motor vehicles under paragraph (1) of this section.".

(g) EMPLOYEE PROTECTIONS.—Not later than 2 years after the date of enactment of this Act, the Secretary of Transportation, in conjunction with the Secretary of Labor, shall report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the effectiveness of existing statutory employee protections provided for under section 31105 of title 49, United States Code. The report shall include recommendations to address any statutory changes as may be necessary to strengthen the enforcement of such employee protection provisions.

(h) INSPECTIONS AND REPORTS.—

(1) GENERAL POWERS OF THE SECRETARY.—Section 31133(a)(1) is amended by inserting "and make contracts for" after "conduct".

(2) REPORTS AND RECORDS.—Section 504(c) is amended by inserting "(and, in the case of a motor carrier, a contractor)" before the second comma.

SEC. 3412. COMMERCIAL MOTOR VEHICLE OPERATORS.

(a) REPEAL OF OBSOLETE GRANT PROGRAMS.—Chapter 313 is amended—

(1) by striking sections 31312 and 31313; and

(2) by striking the items relating to sections 31312 and 31313 in the chapter analysis for that chapter.

(b) COMMERCIAL DRIVER'S LICENSE REQUIREMENT.—

(1) IN GENERAL.—Section 31302 is amended to read as follows:

"§ 31302. Commercial driver's license requirement

"No individual shall operate a commercial motor vehicle without a commercial driver's license issued according to section 31308 of this title.".

(2) CONFORMING AMENDMENTS.—

(A) The chapter analysis for that chapter is amended by striking the item relating to section 31302 and inserting the following:

"31302. Commercial driver's license requirement.".

(B) Section 31305(a) is amended by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively, and by inserting after paragraph (1) the following:

"(2) may establish performance-based testing and licensing standards that more accurately measure and reflect an individual's knowledge and skills as an operator;".

(c) COMMERCIAL DRIVER'S LICENSE INFORMATION SYSTEM.—Section 31309 is amended—

(1) in subsection (a), by striking "make an agreement under subsection (b) of this section for the operation of, or establish under subsection (c) of this section," and inserting "maintain";

(2) by striking subsections (b) and (c) and redesignating subsections (d), (e), and (f) as subsections (b), (c), and (d), respectively;

(3) by striking "Not later than December 31, 1990, the" in paragraph (2) of subsection (b), as redesignated, and inserting "The"; and

(4) in subsection (c), as redesignated—

(A) by inserting after the heading the following: "Information about a driver in the information system may be made available under the following circumstances:"; and

(B) by starting a new paragraph with "(1) On request" and indenting the paragraph 2 ems from the lefthand margin.

(d) REQUIREMENTS FOR STATE PARTICIPATION.—Section 31311(a) is amended—

(1) by striking "31310(b)-(e)" in paragraph (15) and inserting "31310 (b)-(e), and (g)(1)(A) and (2)";

(2) by striking paragraph (17); and

(3) by redesignating paragraph (18) as paragraph (17).

(e) WITHHOLDING AMOUNTS FOR STATE NONCOMPLIANCE.—Section 31314 is amended—

(1) in subsection (a), by striking ", (2), (5), and (6)" and inserting "(3), and (5)";

(2) in subsections (a) and (b), by striking "1992" each place it appears and inserting "1995";

(3) in subsection (c), by striking paragraph (1);

(4) in subsection (c)(2), by striking "(2)";

(5) by striking subsection (d); and

(6) by redesignating subsection (e) as subsection (d).

(f) COMMERCIAL MOTOR VEHICLE DEFINED.—Section 31301 is amended—

(1) in paragraph (4)(A), by inserting "or gross vehicle weight, whichever is greater," after "rating" each place it appears; and

(2) in paragraph (4)(C)(ii), by inserting "is" before "transporting" each place it appears and before "not otherwise".

(g) SAFETY PERFORMANCE HISTORY OF NEW DRIVERS; LIMITATION ON LIABILITY.—

(1) IN GENERAL.—Chapter 5 is amended by adding at the end the following:

"§ 508. Safety performance history of new drivers; limitation on liability

"(a) LIMITATION ON LIABILITY.—No action or proceeding for defamation, invasion of privacy, or interference with a contract that is based on the furnishing or use of safety performance records in accordance with regulations issued by the Secretary may be brought against—

"(1) a motor carrier requesting the safety performance records of an individual under consideration for employment as a commercial motor vehicle driver as required by and in accordance with regulations issued by the Secretary;

"(2) a person who has complied with such a request; or

"(3) the agents or insurers of a person described in paragraph (1) or (2).

"(b) RESTRICTIONS.—

"(1) Subsection (a) does not apply unless—

"(A) the motor carrier requesting the safety performance records at issue, the person complying with such a request, and their agents have taken all precautions reasonably necessary to ensure the accuracy of the records and have fully complied with the regulations issued by the Secretary in using and furnishing the records, including the requirement that the individual who

is the subject of the records be afforded a reasonable opportunity to review and comment on the records;

"(B) the motor carrier requesting the safety performance records, the person complying with such a request, their agents, and their insurers, have taken all precautions reasonably necessary to protect the records from disclosure to any person, except for their insurers, not directly involved in forwarding the records or deciding whether to hire that individual; and

"(C) the motor carrier requesting the safety performance records has used those records only to assess the safety performance of the individual who is the subject of those records in deciding whether to hire that individual.

"(2) Subsection (a) does not apply to persons who knowingly furnish false information.

"(c) PREEMPTION OF STATE AND LOCAL LAW.—No State or political subdivision thereof may enact, prescribe, issue, continue in effect, or enforce any law (including any regulation, standard, or other provision having the force and effect of law) that prohibits, penalizes, or imposes liability for furnishing or using safety performance records in accordance with regulations issued by the Secretary. Not-

withstanding any provision of law, written authorization shall not be required to obtain information on the motor vehicle driving record of an individual under consideration for employment with a motor carrier.".

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 5 is amended by inserting after the item relating to section 507 the following:

"508. Safety performance history of new drivers; limitation on liability.".

SEC. 3413. PENALTIES.

(a) NOTIFICATION OF VIOLATIONS AND ENFORCEMENT PROCEDURES.—Section 521(b)(1) is amended—

(1) by inserting: "with the exception of reporting and recordkeeping violations," in the first sentence of subparagraph (A) after "under any of those provisions,";

(2) by striking "fix a reasonable time for abatement of the violation," in the third sentence of subparagraph (A);

(3) by striking "(A)" in subparagraph (A); and

(4) by striking subparagraph (B).

(b) CIVIL PENALTIES.—Section 521(b)(2) is amended—

(1) by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—Except as otherwise provided in this subsection, any person who is

determined by the Secretary, after notice and opportunity for a hearing, to have committed an act that is a violation of regulations issued by the Secretary under subchapter III of chapter 311 (except sections 31137 and 31138) or section 31502 of this title shall be liable to the United States for a civil penalty in an amount not to exceed $10,000 for each offense. Notwithstanding any other provision of this section (except subparagraph (C)), no civil penalty shall be assessed under this section against an employee for a violation in an amount exceeding $2,500.";

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(3) by inserting after subparagraph (A) the following:

"(B) RECORDKEEPING AND REPORTING VIOLATIONS.—

"(i) A person required to make a report to the Secretary, answer a question, or make, prepare, or preserve a record under section 504 of this title or under any regulation issued by the Secretary pursuant to subchapter III of chapter 311 (except sections 31137 and 31138) or section 31502 of

this title about transportation by motor carrier, motor carrier of migrant workers, or motor private carrier, or an officer, agent, or employee of that person, who—

"(I) does not make that report;

"(II) does not specifically, completely, and truthfully answer that question in 30 days from the date the Secretary requires the question to be answered; or

"(III) does not make, prepare, or preserve that record in the form and manner prescribed by the Secretary,

shall be liable to the United States for a civil penalty in an amount not to exceed $500 for each offense, and each day of the violation shall constitute a separate offense, except that the total of all civil penalties assessed against any violator for all offenses related to any single violation shall not exceed $5,000.

"(ii) Any such person, or an officer, agent, or employee of that person, who—

"(I) knowingly falsifies, destroys, mutilates, or changes a required report or record;

"(II) knowingly files a false report with the Secretary;

"(III) knowingly makes or causes or permits to be made a false or incomplete entry in that record about an operation or business fact or transaction; or

"(IV) knowingly makes, prepares, or preserves a record in violation of a regulation or order of the Secretary,

shall be liable to the United States for a civil penalty in an amount not to exceed $5,000 for each violation, provided that any such action can be shown to have misrepresented a fact that constitutes a violation other than a reporting or recordkeeping violation.".

SEC. 3414. INTERNATIONAL REGISTRATION PLAN AND INTERNATIONAL FUEL TAX AGREEMENT.

Chapter 317 is amended—

(1) by striking sections 31702, 31703, and 31708; and

(2) by striking the items relating to sections 31702, 31703, and 31708 in the chapter analysis for that chapter.

SEC. 3415. STUDY OF ADEQUACY OF PARKING FACILITIES.

The Secretary shall conduct studies to determine the location and quantity of parking facilities at commercial truck stops and travel plazas and public rest areas that could be used by motor carriers to comply with Federal hours-of-service rules. Each study shall include an inventory of current facilities serving corridors of the National Highway System, analyze where specific shortages exist or are projected to exist, and propose a specific plan to reduce the shortages. The studies may be carried out in cooperation with research entities representing the motor carrier and travel plaza industry. The studies shall be completed not later than 36 months after the date of enactment of this Act.

SEC. 3416. APPLICATION OF REGULATIONS.

(a) APPLICATION OF REGULATIONS TO CERTAIN COMMERCIAL MOTOR VEHICLES.—Section 31135 as redesignated, is amended by adding at the end the following:

"(g) APPLICATION TO CERTAIN VEHICLES.—Effective 12 months after the date of enactment of the Intermodal Transportation Safety Act of 1998, regulations prescribed under this section shall apply to operators of commercial

motor vehicles described in section 31132(1)(B) to the extent that those regulations did not apply to those operators before the day that is 12 months after such date of enactment, except to the extent that the Secretary determines, through a rulemaking proceeding, that it is appropriate to exempt such operations of commercial motor vehicles from the application of those regulations.".

(b) DEFINITION.—Section 31301(4)(B) is amended to read as follows:

"(B) is designed or used to transport—

"(i) passengers for compensation, but does not include a vehicle providing taxicab service and having a capacity of not more than 6 passengers and not operated on a regular route or between specified places; or

"(ii) more than 15 passengers, including the driver, and not used to transport passengers for compensation; or".

(c) APPLICATION OF REGULATIONS TO CERTAIN OPERATORS.—

(1) Chapter 313 is amended by adding at the end the following:

"§ 31318. Application of regulations to certain operators

"Effective 12 months after the date of enactment of the Intermodal Transportation Safety Act of 1998, regulations prescribed under this chapter shall apply to operators of commercial motor vehicles described in section 31301(4)(B) to the extent that those regulations did not apply to those operators before the day that is 1 year after such date of enactment, except to the extent that the Secretary determines, after notice and opportunity for public comment, that it is appropriate to exempt such operators of commercial motor vehicles from the application of those regulations.".

(2) The analysis for chapter 313 is amended by adding at the end the following:

"31318. Application of regulations to certain operators.".

(d) DEADLINE FOR CERTAIN DEFINITIONAL REGULATIONS.—The Secretary shall issue regulations implementing the definition of commercial motor vehicles under section 31132(1)(B) and section 31301(4)(B) of title 49, United States Code, as amended by this Act within 12 months after the date of enactment of this Act.

SEC. 3417. AUTHORITY OVER CHARTER BUS TRANSPORTATION.

Section 14501(a) is amended—

(1) by striking "route or relating" and inserting "route;"; and

(2) by striking "required." and inserting "required; or to the authority to provide intrastate or interstate charter bus transportation.".

SEC. 3418. FEDERAL MOTOR CARRIER SAFETY INVESTIGATIONS.

The Department of Transportation shall maintain the level of Federal motor carrier safety investigators for international border commercial vehicle inspections as in effect on September 30, 1997, or provide for alternative resources and mechanisms to ensure an equivalent level of commercial motor vehicle safety inspections. Such funds as are necessary to carry out this section shall be made available within the limitation on general operating expenses of the Department of Transportation.

SEC. 3419. FOREIGN MOTOR CARRIER SAFETY FITNESS.

(a) IN GENERAL.—No later than 90 days after enactment of this Act, the Secretary of Transportation shall make a determination regarding the willingness and ability of any foreign motor carrier, the application for which has not been processed due to the moratorium on the granting of authority to foreign carriers to operate in the United States, to meet the safety fitness and other regulatory requirements under this title.

(b) REPORT.—Not later than 120 days after the date of enactment this Act, the Secretary of Transportation shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the application of section 13902(c)(9) of title 49, United States Code. The report shall include—

(1) any findings made by the Secretary under subsection (a);

(2) information on which carriers have applied to the Department of Transportation under that section; and

(3) a description of the process utilized to respond to such applications and to certify the safety fitness of those carriers.

SEC. 3420. COMMERCIAL MOTOR VEHICLE SAFETY ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary of Transportation may establish a Commercial Motor Vehicle Safety Advisory Committee to provide advice and recommendations on a range of regulatory issues. The members of the advisory committee shall be appointed by the Secretary from among individuals affected by rulemakings under consideration by the Department of Transportation.

(b) FUNCTION.—The Advisory Committee established under subsection (a) shall provide advice to the Secretary on commercial motor vehicle safety regulations and safety review procedures and findings, and may assist the Secretary in timely completion of ongoing rulemakings by utilizing negotiated rulemaking procedures.

SEC. 3421. WAIVERS; EXEMPTIONS; PILOT PROGRAMS.

(a) WAIVERS, EXEMPTIONS, AND PILOT PROGRAMS FOR CHAPTERS 311 AND 315.—Section 31136(e) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (5) and (6), respectively; and

(2) by striking the subsection heading and paragraph (1) and inserting the following:

"(e) WAIVERS, EXEMPTIONS, AND PILOT PROGRAMS.—

"(1) IN GENERAL.—The Secretary shall, by regulation promulgated after notice and an opportunity for public comment and within 180 days after the date of enactment of the Intermodal Transportation Safety Act of 1998, establish procedures by which waivers, exemptions, and pilot programs under this section may be initiated. The regulation shall provide—

"(A) a process for the issuance of waivers or exemptions from any part of a regulation prescribed under this subchapter or chapter 315; and

"(B) procedures for the conduct of pilot projects or demonstration programs to support the appropriateness of regulations, enforcement policies, waivers, or exemptions under this section.

"(2) WAIVERS.—The Secretary may grant a waiver that relieves a person from compliance in whole or in part with a regulation issued under this subchapter or chapter 315 if the Secretary determines that it is in the public interest to grant the waiver and that the waiver is likely to achieve a level of safety that is equivalent to, or greater than, the level of safety that would be obtained in the absence of the waiver—

"(A) for a period not in excess of 3 months;

"(B) limited in scope and circumstances;

"(C) for nonemergency and unique events; and

"(D) subject to such conditions as the Secretary may impose.

"(3) EXEMPTIONS.—The Secretary may grant an exemption in whole or in part from a regulation issued under this subchapter or chapter 315 to a class of persons, vehicles, or circumstances if the Secretary determines, after notice and opportunity for public comment, that it is in the public interest to grant the exemption and that the exemption is likely to achieve a level of safety that is equivalent to, or greater than, the level of safety that would be obtained in the absence of the exemption. An exemption granted under this paragraph shall be in effect for a period of not more than 2 years, but may be renewed by the Secretary after notice and opportunity for public comment if the Secretary determines, based on the safety impact and results of the first 2 years of an exemption, that the extension is in the public interest and that the extension of the exemption is likely to achieve a level of safety that is equivalent to, or greater than, the level of safety that would be obtained in the absence of the extension.

"(4) PILOT PROGRAMS.—

"(A) IN GENERAL.—In carrying out this section, the Secretary is authorized to carry out pilot programs to examine innovative ap-

proaches or alternatives to regulations issued under this chapter or chapter 315.

"(B) REQUIREMENT FOR APPROVAL.—In carrying out a pilot project under this paragraph, the Secretary shall require, as a condition of approval of the project, that the safety measures in the project are designed to achieve a level of safety that is equivalent to, or greater than, the level of safety that would otherwise be achieved through compliance with the standards prescribed under this subchapter or chapter 315.

"(C) EXEMPTIONS.—A pilot project under this paragraph—

"(i) may exempt a motor carrier under the project from any requirement (or portion thereof) imposed under this subchapter or chapter 315; and

"(ii) shall preempt any State or local regulation that conflicts with the pilot project during the time the pilot project is in effect.

"(D) REVOCATION OF EXEMPTION.—The Secretary shall revoke an exemption granted under subparagraph (C) if—

"(i) the motor carrier to which it applies fails to comply with the terms and conditions of the exemption; or

"(ii) the Secretary determines that the exemption has resulted in a lower level of safety than was maintained before the exemption was granted.".

(b) WAIVERS, EXEMPTIONS, AND PILOT PROGRAMS FOR CHAPTER 313.—Section 31315 is amended—

(1) by inserting "(a) IN GENERAL.—" before "After notice"; and

(2) by adding at the end the following:

"(b) WAIVERS, EXEMPTIONS, AND PILOT PROGRAMS.—

"(1) IN GENERAL.—The Secretary shall, by regulation promulgated after notice and an opportunity for public comment and within 180 days after the date of enactment of the Intermodal Transportation Safety Act of 1998, establish procedures by which waivers, exemptions, and pilot programs under this section may be initiated. The regulation shall provide—

"(A) a process for the issuance of waivers or exemptions from any part of a regulation prescribed under this chapter; and

"(B) procedures for the conduct of pilot projects or demonstration programs to support the appropriateness of regulations, enforcement policies, or exemptions under this section.

"(2) WAIVERS.—The Secretary may grant a waiver that relieves a person from compliance in whole or in part with a regulation issued under this chapter if the Secretary determines that it is in the public interest to grant the waiver and that the waiver is likely to achieve a level of safety that is equivalent to, or greater than, the level of safety that would be obtained in the absence of the waiver—

"(A) for a period not in excess of 3 months;

"(B) limited in scope and circumstances;

"(C) for nonemergency and unique events; and

"(D) subject to such conditions as the Secretary may impose.

"(3) EXEMPTIONS.—The Secretary may grant an exemption in whole or in part from a regulation issued under this chapter to a class of persons, vehicles, or circumstances if the Secretary determines, after notice and opportunity for public comment, that it is in the public interest to grant the exemption and that the exemption is likely to achieve a level of safety

that is equivalent to, or greater than, the level of safety that would be obtained in the absence of the exemption. An exemption granted under this paragraph shall be in effect for a period of not more than 2 years, but may be renewed by the Secretary after notice and opportunity for public comment if the Secretary determines, based on the safety impact and results of the first 2 years of an exemption, that the extension is in the public interest and that the extension of the exemption is likely to achieve a level of safety that is equivalent to, or greater than, the level of safety that would be obtained in the absence of the extension.

"(4) PILOT PROGRAMS.—

"(A) IN GENERAL.—In carrying out this section, the Secretary is authorized to carry out pilot programs to examine innovative approaches or alternatives to regulations issued under this chapter.

"(B) REQUIREMENT FOR APPROVAL.—In carrying out a pilot project under this paragraph, the Secretary shall require, as a condition of approval of the project, that the safety measures in the project are designed to achieve a level of safety that is equivalent to, or greater than,

the level of safety that would otherwise be achieved through compliance with the standards prescribed under this chapter.

"(C) EXEMPTIONS.—A pilot project under this paragraph—

"(i) may exempt a motor carrier under the project from any requirement (or portion thereof) imposed under this chapter; and

"(ii) shall preempt any State or local regulation that conflicts with the pilot project during the time the pilot project is in effect.

"(D) REVOCATION OF EXEMPTION.—The Secretary shall revoke an exemption granted under subparagraph (C) if—

"(i) the motor carrier to which it applies fails to comply with the terms and conditions of the exemption; or

"(ii) the Secretary determines that the exemption has resulted in a lower level of safety than was maintained before the exemption was granted.".

SEC. 3422. COMMERCIAL MOTOR VEHICLE SAFETY STUDIES.

(a) IN GENERAL.—The Secretary shall conduct a study of the impact on safety and infrastructure of tandem axle commercial motor vehicle operations in States that permit the operation of such vehicles in excess of the weight limits established by section 127 of title 23, United States Code.

(b) COOPERATIVE AGREEMENTS WITH STATES.—The Secretary shall enter into cooperative agreements with States described in subsection (a) under which the States participate in the collection of weight-in-motion data necessary to achieve the purpose of the study. If the Secretary determines that additional weight-in-motion sites, on or off the Dwight D. Eisenhower System of Interstate and Defense Highways, are necessary to carry out the study, and requests assistance from the States in choosing appropriate locations, the States shall identify the industries or transportation companies operating within their borders that regularly utilize the 35,000-pound tandem axle.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study, together with any related legislative or administrative recommendations. Until the Secretary transmits the report to Congress, the Secretary may not withhold funds under section 104 of title 23, United States Code, from any State for violation of the

grandfathered tandem axle weight limits under section 127 of that title.

SEC. 3423. INCREASED MCSAP PARTICIPATION IMPACT STUDY.

(a) IN GENERAL.—If a State that did not receive its full allocation of funding under the Motor Carrier Safety Assistance Program during fiscal years 1996 and 1997 agrees to enter into a cooperative agreement with the Secretary to evaluate the safety impact, costs, and benefits of allowing such State to continue to participate fully in the Motor Carrier Safety Assistance Program, then the Secretary of Transportation shall allocate to that State the full amount of funds to which it would otherwise be entitled for fiscal years 1998, 1999, 2000, 2001, 2002, and 2003. The Secretary may not add conditions to the cooperative agreement other than those directly relating to the accurate and timely collection of inspection and crash data sufficient to ascertain the safety and effectiveness of such State's program.

(b) REQUIREMENTS.—

(1) REPORT.—The State shall submit to the Secretary each year the results of such safety evaluations.

(2) TERMINATION BY SECRETARY.—If the Secretary finds such an agreement not in the public interest based on the results of such evaluations after 2

years of full participation, the Secretary may terminate the agreement entered into under this section.

(c) PROHIBITION OF ADOPTION OF LESSER STANDARDS.—No State may enact or implement motor carrier safety regulations that are determined by the Secretary to be less strict than those in effect as of September 30, 1997.

SEC. 3424. EXEMPTION FROM CERTAIN REGULATIONS FOR UTILITY SERVICE COMMERCIAL MOTOR VEHICLE DRIVERS.

(a) IN GENERAL.—Section 31502 is amended by adding at the end the following new subsection:

"(e) EXCEPTION.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, regulations promulgated under this section or section 31136 regarding—

"(A) maximum driving and on-duty times applicable to operators of commercial motor vehicles;

"(B) physical testing, reporting, or recordkeeping; and

"(C) the installation of automatic recording devices associated with establishing the maximum driving and on-duty times referred to in subparagraph (A),

shall not apply to any driver of a utility service vehicle during an emergency period of not more than 30 days declared by an elected State or local government official under paragraph (2) in the area covered by the declaration.

"(2) DECLARATION OF EMERGENCY.—The regulations described in subparagraphs (A), (B), and (C) of paragraph (1) do not apply to the driver of a utility service vehicle operated—

"(A) in the area covered by an emergency declaration under this paragraph; and

"(B) for a period of not more than 30 days designated in that declaration,

issued by an elected State or local government official (or jointly by elected officials of more than one State or local government), after notice to the Regional Director of the Federal Highway Administration with jurisdiction over the area covered by the declaration.

"(3) INCIDENT REPORT.—Within 30 days after the end of the declared emergency period the official who issued the emergency declaration shall file with the Regional Director a report of each safety-related incident or accident that occurred during the emergency period involving—

"(A) a utility service vehicle driver to which the declaration applied; or

"(B) a utility service vehicle to the driver of which the declaration applied.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) DRIVER OF A UTILITY SERVICE VEHICLE.—The term 'driver of a utility service vehicle' means any driver who is considered to be a driver of a utility service vehicle for purposes of section 345(a)(4) of the National Highway System Designation Act of 1995 (49 U.S.C. 31136 note).

"(B) UTILITY SERVICE VEHICLE.—The term 'utility service vehicle' has the meaning given that term in section 345(e)(6) of the National Highway System Designation Act of 1995 (49 U.S.C. 31136 note).".

(b) CONTINUED APPLICATION OF SAFETY AND MAINTENANCE REQUIREMENTS.—

(1) IN GENERAL.—The amendment made by subsection (a) may not be construed—

(A) to exempt any utility service vehicle from compliance with any applicable provision

of law relating to vehicle mechanical safety, maintenance requirements, or inspections; or

(B) to exempt any driver of a utility service vehicle from any applicable provision of law (including any regulation) established for the issuance, maintenance, or periodic renewal of a commercial driver's license for that driver.

(2) DEFINITIONS.—For purposes of this subsection—

(A) COMMERCIAL DRIVER'S LICENSE.—The term "commercial driver's license" has the meaning given that term in section 31301(3) of title 49, United States Code.

(B) DRIVER OF A UTILITY SERVICE VEHICLE.—The term "driver of a utility service vehicle" has the meaning given that term in section 31502(e)(2)(A) of title 49, United States Code, as added by subsection (a).

(C) REGULATION.—The term "regulation" has the meaning given that term in section 31132(6) of title 49, United States Code.

(D) UTILITY SERVICE VEHICLE.—The term "utility service vehicle" has the meaning given that term in section 345(e)(6) of the National

Highway System Designation Act of 1995 (49 U.S.C. 31136 note).

SEC. 3425. SCHOOL TRANSPORTATION SAFETY.

(a) STUDY.—Not later than 3 months after the date of enactment of this Act, the Secretary shall offer to enter into an agreement with the Transportation Research Board of the National Academy of Sciences to conduct, subject to the availability of appropriations, a study of the safety issues attendant to the transportation of school children to and from school and school-related activities by various transportation modes.

(b) TERMS OF AGREEMENT.—The agreement under subsection (a) shall provide that—

(1) the Transportation Research Board, in conducting the study, shall consider—

(A) in consultation with the National Transportation Safety Board, the Bureau of Transportation Statistics, and other relevant entities, available crash injury data;

(B) vehicle design and driver training requirements, routing, and operational factors that affect safety; and

(C) other factors that the Secretary considers to be appropriate;

(2) if the data referred to in paragraph (1)(A) is unavailable or insufficient, the Transportation Research Board shall recommend a new data collection regimen and implementation guidelines; and

(3) a panel shall conduct the study and shall include—

(A) representatives of—

(i) highway safety organizations;

(ii) school transportation; and

(iii) mass transportation operators;

(B) academic and policy analysts; and

(C) other interested parties.

(c) REPORT.—Not later than 12 months after the Secretary enters into an agreement under subsection (a), the Secretary shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that contains the results of the study.

(d) AUTHORIZATION.—There are authorized to be appropriated to the Department of Transportation to carry out this section—

(1) $200,000 for fiscal year 1999; and

(2) $200,000 for fiscal year 2000.

Subtitle E—Rail and Mass Transportation Anti-Terrorism; Safety

SEC. 3501. PURPOSE.

The purpose of this subtitle is to protect the passengers and employees of railroad carriers and mass transportation systems and the movement of freight by railroad from terrorist attacks.

SEC. 3502. AMENDMENTS TO THE "WRECKING TRAINS" STATUTE.

(a) Section 1992 of title 18, United States Code, is amended to read as follows:

"§ 1992. Terrorist attacks against railroads

"(a) GENERAL PROHIBITIONS.—Whoever willfully—

"(1) wrecks, derails, sets fire to, or disables any train, locomotive, motor unit, or freight or passenger car used, operated, or employed by a railroad carrier;

"(2) brings, carries, possesses, places or causes to be placed any destructive substance, or destructive device in, upon, or near any train, locomotive, motor unit, or freight or passenger car used, operated, or employed by a railroad carrier, without previously obtaining the permission of the carrier, and with intent to endanger the safety of any passenger or employee of the carrier, or with a reckless disregard for the safety of human life;

"(3) sets fire to, or places any destructive substance, or destructive device in, upon or near, or undermines any tunnel, bridge, viaduct, trestle, track, signal, station, depot, warehouse, terminal, or any other way, structure, property, or appurtenance used in the operation of, or in support of the operation of, a railroad carrier, or otherwise makes any such tunnel, bridge, viaduct, trestle, track, station, depot, warehouse, terminal, or any other way, structure, property, or appurtenance unworkable or unusable or hazardous to work or use, knowing or having reason to know such activity would likely derail, disable, or wreck a train, locomotive, motor unit, or freight or passenger car used, operated, or employed by a railroad carrier;

"(4) removes appurtenances from, damages, or otherwise impairs the operation of any railroad signal system, including a train control system, centralized dispatching system, or highway-railroad grade crossing warning signal on a railroad line used, operated, or employed by a railroad carrier;

"(5) interferes with, disables, or incapacitates any locomotive engineer, conductor, or other person while they are operating or maintaining a train, locomotive, motor unit, or freight or passenger car used,

operated, or employed by a railroad carrier, with intent to endanger the safety of any passenger or employee of the carrier, or with a reckless disregard for the safety of human life;

"(6) commits an act intended to cause death or serious bodily injury to an employee or passenger of a railroad carrier while on the property of the carrier;

"(7) causes the release of a hazardous material being transported by a rail freight car, with the intent to endanger the safety of any person, or with a reckless disregard for the safety of human life;

"(8) conveys or causes to be conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act that would be a crime prohibited by this subsection; or

"(9) attempts, threatens, or conspires to do any of the aforesaid acts,

shall be fined under this title or imprisoned not more than 20 years, or both, if such act is committed, or in the case of a threat or conspiracy such act would be committed, within the United States on, against, or affecting a railroad carrier engaged in or affecting interstate or foreign commerce, or if in the course of committing such acts, that per-

son travels or communicates across a State line in order to commit such acts, or transports materials across a State line in aid of the commission of such acts; except that whoever is convicted of any crime prohibited by this subsection shall be—

"(A) imprisoned for not less than 30 years or for life if the railroad train involved carried high-level radioactive waste or spent nuclear fuel at the time of the offense;

"(B) imprisoned for life if the railroad train involved was carrying passengers at the time of the offense; and

"(C) imprisoned for life or sentenced to death if the offense has resulted in the death of any person.

"(b) PROHIBITIONS ON THE USE OF FIREARMS AND DANGEROUS WEAPONS.—

"(1) Except as provided in paragraph (4), whoever knowingly possesses or causes to be present any firearm or other dangerous weapon on board a passenger train of a railroad carrier, or attempts to do so, shall be fined under this title or imprisoned not more than 1 year, or both, if such act is committed on a railroad carrier that is engaged in or affecting interstate or foreign commerce, or if in the course of

committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act.

"(2) Whoever, with intent that a firearm or other dangerous weapon be used in the commission of a crime, knowingly possesses or causes to be present such firearm or dangerous weapon on board a passenger train or in a passenger terminal facility of a railroad carrier, or attempts to do so, shall be fined under this title or imprisoned not more than 5 years, or both, if such act is committed on a railroad carrier that is engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act.

"(3) A person who kills or attempts to kill a person in the course of a violation of paragraphs (1) or (2), or in the course of an attack on a passenger train or a passenger terminal facility of a railroad carrier involving the use of a firearm or other dangerous weapon, shall be punished as provided in sections 1111, 1112, and 1113.

"(4) Paragraph (1) shall not apply to—

"(A) the possession of a firearm or other dangerous weapon by an officer, agent, or employee of the United States, a State, or a political subdivision thereof, while engaged in the lawful performance of official duties, who is authorized by law to engage in the transportation of people accused or convicted of crimes, or supervise the prevention, detection, investigation, or prosecution of any violation of law;

"(B) the possession of a firearm or other dangerous weapon by an officer, agent, or employee of the United States, a State, or a political subdivision thereof, while off duty, if such possession is authorized by law;

"(C) the possession of a firearm or other dangerous weapon by a Federal official or a member of the Armed Forces if such possession is authorized by law;

"(D) the possession of a firearm or other dangerous weapon by a railroad police officer employed by a rail carrier and certified or commissioned as a police officer under the laws of a State, whether on or off duty; or

"(E) an individual transporting a firearm on board a railroad passenger train (except a loaded firearm) in baggage not accessible to any passenger on board the train, if the railroad carrier was informed of the presence of the weapon prior to the firearm being placed on board the train.

"(c) PROHIBITION AGAINST PROPELLING OBJECTS.—Whoever willfully or recklessly throws, shoots, or propels a rock, stone, brick, or piece of iron, steel, or other metal or any deadly or dangerous object or destructive substance at any locomotive or car of a train, knowing or having reason to know such activity would likely cause personal injury, shall be fined under this title or imprisoned for not more than 5 years, or both, if such act is committed on or against a railroad carrier engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act. Whoever is convicted of any crime prohibited by this subsection shall also be subject to imprisonment for not more than 20 years if the offense has resulted in the death of any person.

"(d) DEFINITIONS.—In this section—

"(1) 'dangerous device' has the meaning given that term in section 921(a)(4) of this title;

"(2) 'dangerous weapon" has the meaning given that term in section 930 of this title;

"(3) 'destructive substance" has the meaning given that term in section 31 of this title, except that (A) the term 'radioactive device' does not include any radioactive device or material used solely for medical, industrial, research, or other peaceful purposes, and (B) 'destructive substance' includes any radioactive device or material that can be used to cause a harm listed in subsection (a) and that is not in use solely for medical, industrial, research, or other peaceful purposes;

"(4) 'firearm' has the meaning given that term in section 921 of this title;

"(5) 'hazardous material' has the meaning given that term in section 5102(2) of title 49, United States Code;

"(6) 'high-level radioactive waste' has the meaning given that term in section 10101(12) of title 42, United States Code;

"(7) 'railroad' has the meaning given that term in section 20102(1) of title 49, United States Code;

"(8) 'railroad carrier' has the meaning given that term in section 20102(2) of title 49, United States Code;

"(9) 'serious bodily injury' has the meaning given that term in section 1365 of this title;

"(10) 'spent nuclear fuel' has the meaning given that term in section 10101(23) of title 42, United States Code; and

"(11) 'State' has the meaning given that term in section 2266 of this title.".

(b) In the analysis of chapter 97 of title 18, United States Code, item "1992" is amended to read as follows:

"1992. Terrorist attacks against railroads.".

SEC. 3503. TERRORIST ATTACKS AGAINST MASS TRANSPORTATION.

(a) Chapter 97 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1994. Terrorist attacks against mass transportation

"(a) GENERAL PROHIBITIONS.—Whoever willfully—

"(1) wrecks, derails, sets fire to, or disables a mass transportation vehicle or vessel;

"(2) places or causes to be placed any destructive substance in, upon, or near a mass transportation vehicle or vessel, without previously obtaining the permission of the mass transportation provider, and

with intent to endanger the safety of any passenger or employee of the mass transportation provider, or with a reckless disregard for the safety of human life;

"(3) sets fire to, or places any destructive substance in, upon, or near any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, a mass transportation vehicle, knowing or having reason to know such activity would likely derail, disable, or wreck a mass transportation vehicle used, operated, or employed by a mass transportation provider;

"(4) removes appurtenances from, damages, or otherwise impairs the operation of a mass transportation signal system, including a train control system, centralized dispatching system, or rail grade crossing warning signal;

"(5) interferes with, disables, or incapacitates any driver or person while that driver or person is employed in operating or maintaining a mass transportation vehicle or vessel, with intent to endanger the safety of any passenger or employee of the mass transportation provider, or with a reckless disregard for the safety of human life;

"(6) commits an act intended to cause death or serious bodily injury to an employee or passenger of

a mass transportation provider on the property of a mass transportation provider;

"(7) conveys or causes to be conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this subsection; or

"(8) attempts, threatens, or conspires to do any of the aforesaid acts, shall be fined under this title or imprisoned not more than 20 years, or both, if such act is committed, or in the case of a threat or conspiracy such act would be committed, within the United States on, against, or affecting a mass transportation provider engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act. Whoever is convicted of a crime prohibited by this section shall also be subject to imprisonment for life if the mass transportation vehicle or vessel was carrying a passenger at the time of the offense, and imprisonment for life or sentenced to death if the offense has resulted in the death of any person.

"(b) PROHIBITIONS ON THE USE OF FIREARMS AND DANGEROUS WEAPONS.—

"(1) Except as provided in paragraph (4), whoever knowingly possesses or causes to be present any firearm or other dangerous weapon on board a mass transportation vehicle or vessel, or attempts to do so, shall be fined under this title or imprisoned not more than 1 year, or both, if such act is committed on a mass transportation provider engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act.

"(2) Whoever, with intent that a firearm or other dangerous weapon be used in the commission of a crime, knowingly possesses or causes to be present such firearm or dangerous weapon on board a mass transportation vehicle or vessel, or in a mass transportation passenger terminal facility, or attempts to do so, shall be fined under this title, or imprisoned not more than 5 years, or both, if such act is committed on a mass transportation provider engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or

communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act.

"(3) A person who kills or attempts to kill a person in the course of a violation of paragraphs (1) or (2), or in the course of an attack on a mass transportation vehicle or vessel, or a mass transportation passenger terminal facility involving the use of a firearm or other dangerous weapon, shall be punished as provided in sections 1111, 1112, and 1113 of this title.

"(4) Paragraph (1) shall not apply to—

"(A) the possession of a firearm or other dangerous weapon by an officer, agent, or employee of the United States, a State, or a political subdivision thereof, while engaged in the lawful performance of official duties, who is authorized by law to engage in the transportation of people accused or convicted of crimes, or supervise the prevention, detection, investigation, or prosecution of any violation of law;

"(B) the possession of a firearm or other dangerous weapon by an officer, agent, or employee of the United States, a State, or a political subdivision thereof, while off duty, if such possession is authorized by law;

"(C) the possession of a firearm or other dangerous weapon by a Federal official or a member of the Armed Forces if such possession is authorized by law;

"(D) the possession of a firearm or other dangerous weapon by a railroad police officer employed by a rail carrier and certified or commissioned as a police officer under the laws of a State, whether on or off duty; or

"(E) an individual transporting a firearm on board a mass transportation vehicle or vessel (except a loaded firearm) in baggage not accessible to any passenger on board the vehicle or vessel, if the mass transportation provider was informed of the presence of the weapon prior to the firearm being placed on board the vehicle or vessel.

"(c) PROHIBITION AGAINST PROPELLING OBJECTS.—Whoever willfully or recklessly throws, shoots, or propels a rock, stone, brick, or piece of iron, steel, or other metal or any deadly or dangerous object or destructive substance at any mass transportation vehicle or vessel, knowing or having reason to know such activity would likely cause personal injury, shall be fined under this title or imprisoned for not more than 5 years, or both, if such act is committed

on or against a mass transportation provider engaged in or substantially affecting interstate or foreign commerce, or if in the course of committing such acts, that person travels or communicates across a State line in order to commit such acts, or transports materials across a State line in aid of the commission of such acts. Whoever is convicted of any crime prohibited by this subsection shall also be subject to imprisonment for not more than 20 years if the offense has resulted in the death of any person.

"(d) DEFINITIONS.—In this section—

"(1) 'dangerous device' has the meaning given that term in section 921(a)(4) of this title;

"(2) 'dangerous weapon' has the meaning given that term in section 930 of this title;

"(3) 'destructive substance' has the meaning given that term in section 31 of this title, except that (A) the term 'radioactive device' does not include any radioactive device or material used solely for medical, industrial, research, or other peaceful purposes, and (B) 'destructive substance' includes any radioactive device or material that can be used to cause a harm listed in subsection (a) and that is not in use solely for medical, industrial, research, or other peaceful purposes;

"(4) 'firearm' has the meaning given that term in section 921 of this title;

"(5) 'mass transportation' has the meaning given that term in section 5302(a)(7) of title 49, United States Code, except that the term shall include schoolbus, charter, and sightseeing transportation;

"(6) 'serious bodily injury' has the meaning given that term in section 1365 of this title; and

"(7) 'State' has the meaning given that term in section 2266 of this title.".

(b) The analysis of chapter 97 of title 18, United States Code, is amended by adding at the end thereof:

"1994. Terrorist attacks against mass transportation.".

SEC. 3504. INVESTIGATIVE JURISDICTION.

The Federal Bureau of Investigation shall lead the investigation of all offenses under sections 1192 and 1994 of title 18, United States Code. The Federal Bureau of Investigation shall cooperate with the National Transportation Safety Board and with the Department of Transportation in safety investigations by these agencies, and with the Treasury Department's Bureau of Alcohol, Tobacco and Firearms concerning an investigation regarding the possession of firearms and explosives.

SEC. 3505. SAFETY CONSIDERATIONS IN GRANTS OR LOANS TO COMMUTER RAILROADS.

Section 5329 is amended by adding at the end the following:

"(c) COMMUTER RAILROAD SAFETY CONSIDERATIONS.—In making a grant or loan under this chapter that concerns a railroad subject to the Secretary's railroad safety jurisdiction under section 20102 of this title, the Federal Transit Administrator shall consult with the Federal Railroad Administrator concerning relevant safety issues. The Secretary may use appropriate authority under this chapter, including the authority to prescribe particular terms or covenants under section 5334 of this title, to address any safety issues identified in the project supported by the loan or grant.".

SEC. 3506. RAILROAD ACCIDENT AND INCIDENT REPORTING.

Section 20901(a) is amended to read as follows:

"(a) GENERAL REQUIREMENTS.—On a periodic basis, not more frequently than monthly, as specified by the Secretary of Transportation, a railroad carrier shall file a report with the Secretary on all accidents and incidents resulting in injury or death to an individual, or damage to equipment or a roadbed arising from the carrier's operations during that period. The report shall state the nature, cause, and circumstances of each reported accident or inci-

dent. If a railroad carrier assigns human error as a cause, the report shall include, at the option of each employee whose error is alleged, a statement by the employee explaining any factors the employee alleges contributed to the accident or incident.".

SEC. 3507. MASS TRANSPORTATION BUSES.

Section 1023(h)(1) of the Intermodal Surface Transportation Efficiency Act of 1991, as amended (23 U.S.C. 127 note), is amended by striking "the date on which" and all that follows through "1995" and inserting "January 1, 2003".

Subtitle F—Sportfishing and Boating Safety

SEC. 3601. AMENDMENT OF 1950 ACT.

Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision of the 1950 Act, the reference shall be considered to be made to a section or other provision of the Act entitled "An Act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes," approved August 9, 1950 (16 U.S.C. 777 et seq.).

SEC. 3602. OUTREACH AND COMMUNICATIONS PROGRAMS.

(a) DEFINITIONS.—Section 2 of the 1950 Act (16 U.S.C. 777a) is amended—

(1) by indenting the left margin of so much of the text as precedes "(a)" by 2 ems;

(2) by inserting "For purposes of this Act—" after the section heading;

(3) by striking "For the purpose of this Act the" in the first paragraph and inserting "(1) the";

(4) by indenting the left margin of so much of the text as follows "include—" by 4 ems;

(5) by striking "(a)", "(b)", "(c)", and "(d)" and inserting "(A)", "(B)", "(C)", and "(D)", respectively;

(6) by striking "department." and inserting "department;"; and

(7) by adding at the end the following:

"(2) the term 'outreach and communications program' means a program to improve communications with anglers, boaters, and the general public regarding angling and boating opportunities, to reduce barriers to participation in these activities, to advance adoption of sound fishing and boating practices, to promote conservation and the responsible use of the Nation's aquatic resources, and to further safety in fishing and boating; and

"(3) the term 'aquatic resource education program' means a program designed to enhance the

public's understanding of aquatic resources and sportfishing, and to promote the development of responsible attitudes and ethics toward the aquatic environment.".

(b) FUNDING FOR OUTREACH AND COMMUNICATIONS PROGRAM.—Section 4 of the 1950 Act (16 U.S.C. 777c) is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively;

(2) by inserting after subsection (b) the following:

"(c) NATIONAL OUTREACH AND COMMUNICATIONS PROGRAM.—Of the balance of each such annual appropriation remaining after making the distribution under subsections (a) and (b), respectively, an amount equal to—

"(1) $5,000,000 for fiscal year 1999;

"(2) $6,000,000 for fiscal year 2000;

"(3) $7,000,000 for fiscal year 2001;

"(4) $8,000,000 for fiscal year 2002; and

"(5) $10,000,000 for fiscal year 2003;

shall be used for the National Outreach and Communications Program under section 8(d). Such amounts shall remain available for 3 fiscal years, after which any portion thereof that is unobligated by the Secretary of the Interior

for that program may be expended by the Secretary under subsection (e).";

(3) in subsection (d), as redesignated, by inserting ", for an outreach and communications program" after "Act";

(4) in subsection (d), as redesignated, by striking "subsections (a) and (b)," and inserting "subsections (a), (b), and (c),";

(5) by adding at the end of subsection (d), as redesignated, the following: "Of the sum available to the Secretary of the Interior under this subsection for any fiscal year, up to $2,500,000 may be used for the National Outreach and Communications Program under section 8(d) in addition to the amount available for that program under subsection (c). No funds available to the Secretary under this subsection may be used to replace funding traditionally provided through general appropriations, nor for any purposes except those purposes authorized by this Act. The Secretary shall publish a detailed accounting of the projects, programs, and activities funded under this subsection annually in the Federal Register."; and

(6) in subsection (e), as redesignated, by striking "subsections (a), (b), and (c)," and inserting "subsections (a), (b), (c), and (d),".

(c) INCREASE IN STATE ALLOCATION.—Section 8 of the 1950 Act (16 U.S.C. 777g) is amended—

(1) by striking "12 1/2 percentum" each place it appears in subsection (b) and inserting "15 percent";

(2) by striking "10 percentum" in subsection (c) and inserting "15 percent";

(3) by inserting "and communications" in subsection (c) after "outreach"; and

(4) by redesignating subsection (d) as subsection (f); and by inserting after subsection (c) the following:

"(d) NATIONAL OUTREACH AND COMMUNICATIONS PROGRAM.—

"(1) IMPLEMENTATION.—Within 1 year after the date of enactment of the Intermodal Transportation Safety Act of 1998, the Secretary of the Interior shall develop and implement, in cooperation and consultation with the Sport Fishing and Boating Partnership Council, a national plan for outreach and communications.

"(2) CONTENT.—The plan shall provide—

"(A) guidance, including guidance on the development of an administrative process and funding priorities, for outreach and communications programs; and

"(B) for the establishment of a national program.

"(3) SECRETARY MAY MATCH OR FUND PROGRAMS.—Under the plan, the Secretary may obligate amounts available under subsection (c) or (d) of section 4 of this Act—

"(A) to make grants to any State or private entity to pay all or any portion of the cost of carrying out any outreach or communications program under the plan; or

"(B) to fund contracts with States or private entities to carry out such a program.

"(4) REVIEW.—The plan shall be reviewed periodically, but not less frequently than once every 3 years.

"(e) STATE OUTREACH AND COMMUNICATIONS PROGRAM.—Within 12 months after the completion of the national plan under subsection (d)(1), a State shall develop a plan for an outreach and communications program and submit it to the Secretary. In developing the plan, a State shall—

"(1) review the national plan developed under subsection (d);

"(2) consult with anglers, boaters, the sportfishing and boating industries, and the general public; and

"(3) establish priorities for the State outreach and communications program proposed for implementation.".

SEC. 3603. CLEAN VESSEL ACT FUNDING.

Section 4(b) of the 1950 Act (16 U.S.C. 777c(b)) is amended to read as follows:

"(b) USE OF BALANCE AFTER DISTRIBUTION.—

"(1) FISCAL YEAR 1998.—In fiscal year 1998, an amount equal to $20,000,000 of the balance remaining after the distribution under subsection (a) shall be transferred to the Secretary of Transportation and shall be expended for State recreational boating safety programs under section 13106(a)(1) of title 46, United States Code.

"(2) FISCAL YEARS 1999–2003.—For each of fiscal years 1999 through 2003, the balance of each annual appropriation remaining after making the distribution under subsection (a), an amount equal to $84,000,000, reduced by 82 percent of the amount appropriated for that fiscal year from the Boat Safety Account of the Aquatic Resources Trust Fund established by section 9504 of the Internal Revenue Code

of 1986 to carry out the purposes of section 13106(a) of title 46, United States Code, shall be used as follows:

"(A) $10,000,000 shall be available for each fiscal year to the Secretary of the Interior for 3 years for obligation for qualified projects under section 5604(c) of the Clean Vessel Act of 1992 (33 U.S.C. 1322 note);

"(B) $10,000,000 shall be available for each fiscal year to the Secretary of the Interior for 3 years for obligation for qualified projects under section 3604(d) of the Intermodal Transportation Safety Act of 1998; and

"(C) the balance shall be transferred for each such fiscal year to the Secretary of Transportation and shall be expended for State recreational boating safety programs under section 13106 of title 46, United States Code.

"(3) TRANSFER OF CERTAIN FUNDS.—Amounts available under subparagraphs (A) and (B) of paragraphs (1) and (2) that are unobligated by the Secretary of the Interior after 3 years shall be transferred to the Secretary of Transportation and shall be expended for State recreational boating safety programs

under section 13106(a) of title 46, United States Code.".

SEC. 3604. BOATING INFRASTRUCTURE.

(a) PURPOSE.—The purpose of this section is to provide funds to States for the development and maintenance of public facilities for transient nontrailerable recreational vessels.

(b) SURVEY.—Section 8 of the 1950 Act (16 U.S.C. 777g), as amended by section 3602, is amended by adding at the end thereof the following:

"(g) SURVEYS.—

"(1) NATIONAL FRAMEWORK.—Within 6 months after the date of enactment of the Intermodal Transportation Safety Act of 1998, the Secretary, in consultation with the States, shall adopt a national framework for a public boat access needs assessment which may be used by States to conduct surveys to determine the adequacy, number, location, and quality of facilities providing access to recreational waters for all sizes of recreational boats.

"(2) STATE SURVEYS.—Within 18 months after such date of enactment, each State that agrees to conduct a public boat access needs survey following the recommended national framework shall report its findings to the Secretary for use in the development

of a comprehensive national assessment of recreational boat access needs and facilities.

"(3) EXCEPTION.—Paragraph (2) does not apply to a State if, within 18 months after such date of enactment, the Secretary certifies that the State has developed and is implementing a plan that ensures there are and will be public boat access adequate to meet the needs of recreational boaters on its waters.

"(4) FUNDING.—A State that conducts a public boat access needs survey under paragraph (2) may fund the costs of conducting that assessment out of amounts allocated to it as funding dedicated to motorboat access to recreational waters under subsection (b)(1) of this section.".

(c) PLAN.—Within 6 months after submitting a survey to the Secretary under section 8(g) of the Act entitled "An Act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes," approved August 9, 1950 (16 U.S.C. 777g(g)), as added by subsection (b) of this section, a State may develop and submit to the Secretary a plan for the construction, renovation, and maintenance of public facilities, and access to those facilities, for transient nontrailerable recreational vessels to meet the needs of nontrailerable recreational vessels operating on navigable waters in the State.

(d) GRANT PROGRAM.—

(1) MATCHING GRANTS.—The Secretary of the Interior shall obligate amounts made available under section 4(b)(2)(B) of the Act entitled "An Act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes," approved August 9, 1950 (16 U.S.C. 777c(b)(2)(B)) to make grants to any State to pay not more than 75 percent of the cost to a State of constructing, renovating, or maintaining public facilities for transient nontrailerable recreational vessels.

(2) PRIORITIES.—In awarding grants under paragraph (1), the Secretary shall give priority to projects that—

(A) consist of the construction, renovation, or maintenance of public facilities for transient nontrailerable recreational vessels in accordance with a plan submitted by a State under subsection (c);

(B) provide for public/private partnership efforts to develop, maintain, and operate facilities for transient nontrailerable recreational vessels; and

(C) propose innovative ways to increase the availability of facilities for transient nontrailerable recreational vessels.

(e) DEFINITIONS.—For purposes of this section, the term—

(1) "nontrailerable recreational vessel" means a recreational vessel 26 feet in length or longer—

(A) operated primarily for pleasure; or

(B) leased, rented, or chartered to another for the latter's pleasure;

(2) "public facilities for transient nontrailerable recreational vessels" includes mooring buoys, day-docks, navigational aids, seasonal slips, or similar structures located on navigable waters, that are available to the general public and designed for temporary use by nontrailerable recreational vessels; and

(3) "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

SEC. 3605. BOAT SAFETY FUNDS.

(a) AVAILABILITY OF ALLOCATIONS.—Section 13104(a) of title 46, United States Code, is amended—

(1) in paragraph (1), by striking "3 years" and inserting "2 years"; and

(2) in paragraph (2), by striking "3-year" and inserting "2-year".

(b) EXPENDITURES.—Section 13106 of title 46, United States Code, is amended—

(1) by striking the first sentence of subsection (a)(1) and inserting the following: "Subject to paragraph (2) and subsection (c), the Secretary shall expend in each fiscal year for State recreational boating safety programs, under contracts with States under this chapter, an amount equal to the sum of (A) the amount appropriated from the Boat Safety Account for that fiscal year and (B) the amount transferred to the Secretary under section 4(b) of the Act of August 9, 1950 (16 U.S.C. 777c(b)).''; and

(2) by striking subsection (c) and inserting the following:

"(c) Of the amount transferred for each fiscal year to the Secretary of Transportation under section 4(b)(2) of the Act of August 9, 1950 (16 U.S.C. 777c(b)), $5,000,000 is available to the Secretary for payment of expenses of the Coast Guard for personnel and activities directly related to coordinating and carrying out the national recreational boating safety program under this title. No funds available

to the Secretary under this subsection may be used to replace funding traditionally provided through general appropriations, nor for any purposes except those purposes authorized by this section. Amounts made available by this subsection shall remain available until expended. The Secretary shall publish annually in the Federal Register a detailed accounting of the projects, programs, and activities funded under this subsection.".

(c) CONFORMING AMENDMENTS.—

(1) The heading for section 13106 of title 46, United States Code, is amended to read as follows:

"§ 13106. Authorization of appropriations".

(2) The chapter analysis for chapter 131 of title 46, United States Code, is amended by striking the item relating to section 13106 and inserting the following:

"13106. Authorization of appropriations.".

Subtitle G—Miscellaneous

SEC. 3701. LIGHT DENSITY RAIL LINE PILOT PROJECTS.

(a) IN GENERAL.—Part B of subtitle V is amended by adding at the end the following new chapter:

"CHAPTER 223—LIGHT DENSITY RAIL LINE PILOT PROJECTS

"Sec.
"22301. Light density rail line pilot projects.

"§ 22301. Light density rail line pilot projects

"(a) GRANTS.—The Secretary of Transportation may make grants to States that have State rail plans described in section 22102 (1) and (2) to fund pilot projects that demonstrate the relationship of light density railroad services to the statutory responsibilities of the Secretary, including those under title 23.

"(b) LIMITATIONS.—Grants under this section may be made only for pilot projects for making capital improvements to, and rehabilitating, publicly and privately owned rail line structures, and may not be used for providing operating assistance.

"(c) PRIVATE OWNER CONTRIBUTIONS.—Grants made under this section for projects on privately owned rail line structures shall include contributions by the owner of the rail line structures, based on the benefit to those structures, as determined by the Secretary.

"(d) STUDY.—The Secretary shall conduct a study of the pilot projects carried out with grant assistance under this section to determine the public interest benefits associated with the light density railroad networks in the States and their contribution to a multimodal transportation system. Not later than March 31, 2003, the Secretary shall report to Congress any recommendations the Secretary considers appropriate regarding the eligibility of light density rail networks for Federal infrastructure financing.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $10,000,000 for each of the fiscal years 1998, 1999, 2000, 2001, 2002, and 2003. Such funds shall remain available until expended.".

(b) CLERICAL AMENDMENT.—The table of chapters for subtitle V is amended by inserting after the item relating to chapter 221 the following new item:

"223. Light Density Rail Line Pilot Projects .....22301.".

SEC. 3702. SECTION 1407.

(a) Strike section 1407 of the bill.

(b) In the table of sections for the bill, strike the item relating to section 1407.

SEC. 3703. DESIGNATION OF NEW MEXICO COMMERCIAL ZONE.

(a) COMMERCIAL ZONE DEFINED.—Notwithstanding the provisions of section 13902(c)(4)(A) of title 49, United States Code, in this section, for the transportation of property only, the term "commercial zone" means a zone containing lands adjacent to, and commercially a part of, one or more municipalities with respect to which the exception described in section 13506(b)(1) of title 49, United States Code, applies.

(b) DESIGNATION OF ZONE.—

(1) IN GENERAL.—The area described in paragraph (2) is designated as a commercial zone, to be known as the "New Mexico Commercial Zone".

(2) DESCRIPTION OF AREA.—The area described in this paragraph is the area that is comprised of Dona Ana County and Luna County in New Mexico.

(c) SAVINGS PROVISION.—Nothing in this section shall affect any action commenced or pending before the Secretary of Transportation or Surface Transportation Board before the date of enactment of this Act.

TITLE IV—OZONE AND PARTICULATE MATTER STANDARDS

SEC. 4101. FINDINGS AND PURPOSE.

(a) The Congress finds that—

(1) there is a lack of air quality monitoring data for fine particle levels, measured as $PM_{2.5}$, in the United States and the States should receive full funding for the monitoring efforts;

(2) such data would provide a basis for designating areas as attainment or nonattainment for any $PM_{2.5}$ national ambient air quality standards pursuant to the standards promulgated in July 1997;

(3) the President of the United States directed the Administrator in a memorandum dated July 16, 1997, to complete the next periodic review of the par-

ticulate matter national ambient air quality standards by July 2002 in order to determine "whether to revise or maintain the standards";

(4) the Administrator has stated that 3 years of air quality monitoring data for fine particle levels, measured as $PM_{2.5}$ and performed in accordance with any applicable Federal reference methods, is appropriate for designating areas as attainment or nonattainment pursuant to the July 1997 promulgated standards; and

(5) the Administrator has acknowledged that in drawing boundaries for attainment and nonattainment areas for the July 1997 ozone national air quality standards, Governors would benefit from considering implementation guidance from EPA on drawing area boundaries.

(b) The purposes of this title are—

(1) to ensure that 3 years of air quality monitoring data regarding fine particle levels are gathered for use in the determination of area attainment or nonattainment designations respecting any $PM_{2.5}$ national ambient air quality standards;

(2) to ensure that the Governors have adequate time to consider implementation guidance from EPA on drawing area boundaries prior to submitting area

designations respecting the July 1997 ozone national ambient air quality standards;

(3) to ensure that implementation of the July 1997 revisions of the ambient air quality standards are consistent with the purposes of the President's Implementation Memorandum dated July 16, 1997.

SEC. 4102. PARTICULATE MATTER MONITORING PROGRAM.

(a) Through grants under section 103 of the Clean Air Act the Administrator of the Environmental Protection Agency shall use appropriated funds no later than fiscal year 2000 to fund 100 percent of the cost of the establishment, purchase, operation and maintenance of a $PM_{2.5}$ *monitoring network necessary to implement the national ambient air quality standards for* $PM_{2.5}$ *under section 109 of the Clean Air Act. This implementation shall not result in a diversion or reprogramming of funds from other Federal, State or local Clean Air Act activities. Any funds previously diverted or reprogrammed from section 105 Clean Air Act grants for* $PM_{2.5}$ *monitors must be restored to State or local air programs in fiscal year 1999.*

(b) EPA and the States shall ensure that the national network (designated in subsection (a)) which consists of the $PM_{2.5}$ *monitors necessary to implement the national ambient air quality standards is established by December 31, 1999.*

(c) The Governors shall be required to submit designations for each area following promulgation of the July 1997 $PM_{2.5}$ national ambient air quality standard within 1 year after receipt of 3 years of air quality monitoring data performed in accordance with any applicable Federal reference methods for the relevant areas. Only data from the monitoring network designated in subsection (a) and other Federal reference method $PM_{2.5}$ monitors shall be considered for such designations. In reviewing the State Implementation Plans the Administrator shall consider all relevant monitoring data regarding transport of $PM_{2.5}$.

(d) The Administrator shall promulgate designations of nonattainment areas no later than 1 year after the initial designations required under subsection (c) are required to be submitted. Notwithstanding the previous sentence, the Administrator shall promulgate such designations not later than December 31, 2005.

(e) The Administrator shall conduct a field study of the ability of the $PM_{2.5}$ Federal Reference Method to differentiate those particles that are larger than 2.5 micrograms in diameter. This study shall be completed and provided to Congress no later than 2 years from the date of enactment of this legislation.

SEC. 4103. OZONE DESIGNATION REQUIREMENTS.

(a) The Governors shall be required to submit designations of nonattainment areas within 2 years following the promulgation of the July 1997 ozone national ambient air quality standards.

(b) The Administrator shall promulgate final designations no later than 1 year after the designations required under subsection (a) are required to be submitted.

SEC. 4104. ADDITIONAL PROVISIONS.

Nothing in sections 4101–4103 shall be construed by the Administrator of Environmental Protection Agency or any court, State, or person to affect any pending litigation or to be a ratification of the ozone or $PM_{2.5}$ standards.

TITLE V—MASS TRANSIT

SEC. 5001. SHORT TITLE.

This title may be cited as the "Federal Transit Act of 1998".

SEC. 5002. AUTHORIZATIONS.

(a) IN GENERAL.—Section 5338 of title 49, United States Code, is amended to read as follows:

"§ 5338. Authorizations

"(a) SECTIONS 5303–5308, 5310, 5311, 5313, 5314, 5317, 5320, 5320a, 5327, AND 5334 (a) AND (c).—

"(1) MASS TRANSIT ACCOUNT AMOUNTS.—Not more than the following amounts are available to the Secretary from the Account to carry out sections 5303

through 5308, 5310, 5311, 5313, 5314, 5317, 5320, 5320a, 5327, and subsections (a) and (c) of section 5334:

"(A) $2,698,790,000 for fiscal year 1998.

"(B) $2,773,934,000 for fiscal year 1999.

"(C) $2,849,079,000 for fiscal year 2000.

"(D) $2,925,965,000 for fiscal year 2001.

"(E) $3,004,667,000 for fiscal year 2002.

"(F) $3,085,725,000 for fiscal year 2003.

"(2) OTHER AMOUNTS.—In addition to amounts made available under paragraph (1), not more than the following amounts may be appropriated to the Secretary to carry out section 5303 through 5308, 5310, 5311, 5313, 5314, 5317, 5320, 5320a, 5327, and subsections (a) and (c) of section 5334:

"(A) $738,000,000 for fiscal year 1998.

"(B) $756,000,000 for fiscal year 1999.

"(C) $774,000,000 for fiscal year 2000.

"(D) $793,000,000 for fiscal year 2001.

"(E) $812,000,000 for fiscal year 2002.

"(F) $832,000,000 for fiscal year 2003.

"(b) SECTION 5309.—Not more than the following amounts are available to the Secretary from the Account to carry out section 5309:

"(1) $2,221,210,000 for fiscal year 1998.

"(2) $2,278,770,000 for fiscal year 1999.

"(3) $2,340,501,000 for fiscal year 2000.

"(4) $2,403,661,000 for fiscal year 2001.

"(5) $2,468,315,000 for fiscal year 2002.

"(6) $2,534,904,000 for fiscal year 2003.

"(c) SECTION 5315.—

"(1) IN GENERAL.—The Secretary shall make available in equal amounts from amounts provided under paragraphs (3) and (4) of subsection (g) of this section, not more than $4,000,000 for each of fiscal years 1998 through 2003, to carry out section 5315.

"(2) WORKPLACE SAFETY.—Not more than $1,000,000 shall be appropriated to the Secretary for each of fiscal years 1998 through 2003, to carry out section 5315(a)(15).

"(d) SECTION 5316.—Not more than the following amounts may be appropriated to the Secretary from the Fund (other than from the Account) for each of fiscal years 1998 through 2003:

"(1) $250,000 to carry out section 5316(a).

"(2) $3,000,000 to carry out section 5316(b).

"(3) $1,000,000 to carry out section 5316(c).

"(4) $1,000,000 to carry out section 5316(d).

"(5) $1,000,000 to carry out section 5316(e).

"(e) SECTION 5317.—Not more than $6,000,000 is available to the Secretary from the Fund (other than from the Account) for each of fiscal years 1998 through 2003, to carry out section 5317.

"(f) SECTION 5307.—Amounts remaining available for each fiscal year under subsection (a) of this section, after allocation under subsections (g), (h), and (i)(2) of this section, are available to carry out section 5307.

"(g) PLANNING, PROGRAMMING, AND RESEARCH.—In each fiscal year, before apportioning amounts made available or appropriated under subsection (a) of this section, an amount equal to 3 percent of amounts made available or appropriated under subsections (a) and (b), less the amounts authorized for purposes of section 5320a, of this section is available as follows:

"(1) 45 percent for metropolitan planning activities under section 5303(g).

"(2) 5 percent to carry out section 5311(b)(2).

"(3) 20 percent to carry out State programs under section 5313.

"(4) 30 percent to carry out the national program under section 5314.

"(h) OTHER SET-ASIDES.—In each fiscal year, before apportioning amounts made available or appropriated under subsection (a) of this section, of amounts made avail-

able or appropriated under subsections (a) and (b), less the amounts authorized for purposes of section 5320a, of this section—

"(1) not more than 0.96 percent is available for administrative expenses to carry out subsections (a) and (c) through (f) of section 5334;

"(2) not more than 1.34 percent is available for transportation services to elderly individuals and individuals with disabilities under the formula under section 5310(a); and

"(3) $6,000,000 is available to carry out section 5317 for each of fiscal years 1998 through 2003.

"(i) LIMITATIONS.—Of amounts made available—

"(1) under subsection (a)(2), less the amounts authorized for purposes of section 5320a, of this section—

"(A) 3.5 percent may be used to finance programs and activities, including administrative costs, under section 5310;

"(B) to finance research, development, and demonstration projects under section 5312(a), 1.5 percent may be used to increase the information and technology available to provide improved mass transportation service and facilities planned and designed to meet the special needs

of elderly individuals and individuals with disabilities; and

"(C) not more than 12.5 percent may be used for grants to any 1 State under section 5312(c)(2);

"(2) under subsection (a) of this section, less the amounts authorized for purposes of section 5320a, 5.5 percent of the amount remaining available each year, after allocation under subsections (g) and (h) of this section, is available under the formula under section 5311; and

"(3) under section 5309(m)(1)(C), the lesser of $3,000,000 or an amount that the Secretary determines is necessary for each fiscal year is available to carry out section 5318 for each of fiscal years 1998 through 2003.

"(j) GRANTS AS CONTRACTUAL OBLIGATIONS.—

"(1) FEDERAL OBLIGATIONS.—A grant or contract approved by the Secretary that is financed with amounts made available under subsection (a)(1), (b), (c), (d), or (e) of this section, is a contractual obligation of the United States Government to pay the Government's share of the cost of the project.

"(2) APPROPRIATIONS LIMITATION.—A grant or contract approved by the Secretary that is financed

with amounts made available under subsection (a)(2) of this section, is a contractual obligation of the United States Government to pay the Government's share of the cost of the project, only to the extent that amounts are provided in advance in an appropriations Act.

"(k) EARLY APPROPRIATIONS AND AVAILABILITY OF AMOUNTS.—

"(1) EARLY APPROPRIATION.—Amounts appropriated under subsection (a)(2) of this section to carry out section 5311 may be appropriated in the fiscal year before the fiscal year in which the appropriation is available for obligation.

"(2) AVAILABILITY OF AMOUNTS.—Amounts made available or appropriated under subsections (a), (b), and (g), paragraphs (1) and (2) of subsection (h), and subsection (i)(2) of this section shall remain available until expended.

"(l) SECTION 5308.—In each fiscal year, before apportioning or allocating amounts made available or appropriated under subsections (a) and (b), of amounts made available or appropriated under subsections (a) or (b) of this section, not more than $200,000,000 is available to carry out section 5308, with $100,000,000 made available from amounts made available from amounts provided

under subsection (a)(2) of this section and $100,000,000 made available from amounts provided under subsection (b) of this section.

"(m) SECTION 5320a.—In each fiscal year, before apportioning amounts made available or appropriated under subsection (a), of amounts appropriated under subsection (a)(2) of this section, not more than $250,000,000 is available to carry out section 5320a.

"(n) TRANSIT EQUITY PROGRAM.—

"(1) IN GENERAL.—The purpose of this subsection is to further the national interest by providing proportional increases in funding for national mass transit programs, commensurate with increases in national highway programs, in order to ensure balanced improvement in the national intermodal transportation system.

"(2) FUNDING.—There are authorized to be appropriated to carry out this subsection, from the General Fund of the Treasury of the United States, the following amounts:

"(A) $1,000,000,000 for fiscal year 1999.

"(B) $1,000,000,000 for fiscal year 2000.

"(C) $1,000,000,000 for fiscal year 2001.

"(D) $1,000,000,000 for fiscal year 2002.

"(E) $1,000,000,000 for fiscal year 2003.

"(3) ELIGIBLE USES.—Amounts made available to carry out this subsection shall be available for capital projects eligible under sections 5307, 5309, 5310, and 5311, including meeting obligations of the United States associated with multiyear funding commitments, full funding grant agreements under section 5309, and innovative financing activities.

"(4) CONTINGENT COMMITMENT AUTHORITY.—Notwithstanding subsection (g)(4) of section 5309, the total estimated amount of future obligations of the Government and contingent commitments to incur obligations covered by all outstanding letters of intent and full financing grant agreements may be greater than the amounts authorized under subsection (b) of this section by an amount equal to not more than the amount authorized to be appropriated under paragraph (6) of this subsection as of the end of fiscal year 2003.

"(5) FIXED GUIDEWAY MODERNIZATION.—In addition to amounts authorized in section 5338(b), the following amounts are authorized to be appropriated to the Secretary, to be added to amounts allocated under section 5309(m)(1)(A) for fixed guideway modernization:

"(A) $100,000,000 for fiscal year 1999.

"(B) $100,000,000 for fiscal year 2000.

"(C) $100,000,000 for fiscal year 2001.

"(D) $100,000,000 for fiscal year 2002.

"(E) $100,000,000 for fiscal year 2003.

"(6) CAPITAL PROJECTS FOR FIXED GUIDEWAY SYSTEMS.—

"(A) IN GENERAL.—In addition to amounts authorized in under subsection (b) of this section, the following amounts are authorized to be appropriated to the Secretary, to be added to amounts allocated under section 5309(m)(1)(B) for capital projects for new fixed guideway systems and extensions to existing fixed guideway systems:

"(i) $470,000,000 for fiscal year 1999.

"(ii) $470,000,000 for fiscal year 2000.

"(iii) $470,000,000 for fiscal year 2001.

"(iv) $470,000,000 for fiscal year 2002.

"(v) $470,000,000 for fiscal year 2003.

"(B) FERRY BOAT SYSTEMS.—Not less than 2.8 percent of the amount made available under subparagraph (A) in any fiscal year shall be available for capital projects for existing and new fixed guideway systems that are ferry boats,

ferry terminal facilities, that are approaches to ferry terminal facilities in the noncontiguous States.

"(7) BUSES AND RELATED EQUIPMENT.—In addition to amounts authorized in section 5338(b), the following amounts are authorized to be appropriated to the Secretary, to be added to amounts allocated under section 5309(m)(1)(C) to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities:

"(A) $80,000,000 for fiscal year 1999.

"(B) $80,000,000 for fiscal year 2000.

"(C) $80,000,000 for fiscal year 2001.

"(D) $80,000,000 for fiscal year 2002.

"(E) $80,000,000 for fiscal year 2003.

"(8) URBANIZED AREAS; ELDERLY INDIVIDUALS AND DISABLED INDIVIDUALS.—

"(A) IN GENERAL.—In addition to amounts authorized in section 5338(a) for activities under sections 5307 and 5310, the following amounts are authorized to be appropriated to the Secretary, to be added to amounts made available for activities under section 5307 for urbanized areas and for activities under section 5310 for

elderly individuals and individuals with disabilities:

"(i) $250,000,000 for fiscal year 1999.

"(ii) $250,000,000 for fiscal year 2000.

"(iii) $250,000,000 for fiscal year 2001.

"(iv) $250,000,000 for fiscal year 2002.

"(v) $250,000,000 for fiscal year 2003.

"(B) ALLOCATION.—Of the amount appropriated under this paragraph for each fiscal year—

"(i) 97 percent is available for activities under section 5307; and

"(ii) 3 percent is available for activities under section 5310.

"(9) OTHER THAN URBANIZED AREAS.—In addition to amounts authorized in section 5338(a) for areas other than urbanized areas, the following amounts are authorized to be appropriated to the Secretary, to be added to amounts made available for assistance for areas other than urbanized areas under section 5311:

"(A) $100,000,000 for fiscal year 1999.

"(B) $100,000,000 for fiscal year 2000.

"(C) $100,000,000 for fiscal year 2001.

"(D) $100,000,000 for fiscal year 2002.

"(E) $100,000,000 for fiscal year 2003.

"(o) DEFINITIONS.—In this section—

"(1) the term 'Account' means the Mass Transit Account of the Highway Trust Fund;

"(2) the term 'Fund' means the Highway Trust Fund established under section 9503 of the Internal Revenue Code of 1986; and

"(3) the term 'Secretary' means the Secretary of Transportation.".

(b) WORK AGREEMENTS AS OBLIGATIONS.—

Section 5309(g)(3)(B) of title 49, United States Code, is amended by adding at the end the following: "The work agreement shall state that the work agreement is not an obligation of the Government.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Chapter 53 of title 49, United States Code, is amended—

(1) in section 5318(d), by striking "5338(j)(5)" and inserting "5338(i)(3)"; and

(2) in section 5333(b)(1), by striking "5338(j)(5)" each place that term appears and inserting "5338(i)(3)".

SEC. 5003. CAPITAL PROJECTS AND SMALL AREA FLEXIBILITY.

(a) IN GENERAL.—Section 5302 of title 49, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A), by inserting "intelligent transportation systems," after "rights agreements,";

(B) in subparagraph (C), by striking "or" at the end;

(C) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

"(E) preventive maintenance;

"(F) the leasing of equipment and facilities for use in mass transportation;

"(G) the introduction of new technology, through innovative and improved products, into mass transportation; or

"(H) a mass transportation improvement that enhances economic development or incorporates private investment, including commercial and residential development, pedestrian and bicycle access to a mass transportation facility, and the renovation and improvement of historic

transportation facilities, because the improvement—

"(i) enhances the effectiveness of a mass transportation project and is related physically or functionally to that mass transportation project or establishes new or enhanced coordination between mass transportation and other transportation;

"(ii) provides a fair share of revenue for mass transportation that will be used for mass transportation; and

"(iii) provides nonfixed route paratransit transportation services in accordance with section 223 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12143);"; and

(2) by adding at the end the following:

"(c) ELIGIBLE COSTS OF PROJECTS THAT ENHANCE URBAN ECONOMIC DEVELOPMENT OR INCORPORATE PRIVATE INVESTMENT.—Eligible costs for a capital project described in subsection (a)(1)(H)—

"(1) include property acquisition, demolition of existing structures, site preparation, utilities, building foundations, walkways, open space, safety elements (such as lighting, surveillance, and community

police and security services) that protect a transit project eligible under this chapter, and a capital project for, and improving, equipment or a facility for an intermodal transfer facility or transportation mall; and

"(2) do not include construction of a commercial revenue-producing facility or a part of a public facility not related to mass transportation, except that, if such facilities incorporate community services such as daycare, health care, and public safety, the portion of the facilities related to such community services are eligible costs under this chapter.".

(b) SMALL AREA FLEXIBILITY.—Section 5307(b)(1) of title 49, United States Code, is amended by adding at the end the following: "The Secretary may also make grants under this section to finance the operating cost of equipment and facilities for use in mass transportation in an urbanized area with a population of less than 200,000.".

(c) DISCRETIONARY GRANTS AND LOANS.—Section 5309 of title 49, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking subparagraphs (D) and (E); and

(B) by redesignating subparagraphs (F) and (G) as subparagraphs (D) and (E), respectively; and

(2) in subsection (f)—

(A) by striking "(f)" and all that follows through "(1) Each" and inserting the following: "(f) REQUIRED PAYMENTS.—Each"; and

(B) by striking paragraph (2).

SEC. 5004. METROPOLITAN PLANNING.

(a) IN GENERAL.—Section 5303 of title 49, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following:

"(a) DEVELOPMENT REQUIREMENTS.—

"(1) IN GENERAL.—To carry out section 5301(a), metropolitan planning organizations designated under subsection (c) of this section, in cooperation with the States and mass transportation operators, shall develop transportation plans and programs for urbanized areas of the State.

"(2) PLAN CONTENTS.—The plans and programs developed under paragraph (1) for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including pedestrian walkways and bi-

cycle transportation facilities) that will function as an intermodal transportation system for the metropolitan area and as an integral part of an intermodal transportation system for the State and the United States.

"(3) DEVELOPMENT PROCESS.—The development process for the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

"(b) SCOPE OF PLANNING PROCESS.—

"(1) IN GENERAL.—The metropolitan transportation planning process for a metropolitan area under this section and sections 5304 through 5306 shall provide for consideration of—

"(A) supporting the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency;

"(B) increasing the safety and security of the transportation system for motorized and nonmotorized users;

"(C) increasing the accessibility and mobility options available to people and for freight;

"(D) protecting and enhancing the environment, promoting energy conservation and improved quality of life, and coordinating land-use and transportation plans and programs;

"(E) enhancing the integration and connectivity of the transportation system, across and between modes, for people and freight;

"(F) promoting efficient system management and operation; and

"(G) emphasizing the preservation of the existing transportation system.

"(2) GOALS.—In cooperation with the State and mass transportation operators, and with opportunity for public review and comment, the metropolitan planning organization shall establish goals that relate to the factors described in paragraph (1), and propose projects, programs, and strategies to achieve those goals.";

(2) in subsection (c)—

(A) in paragraph (1), by striking subparagraph (A) and inserting the following:

"(A) by agreement between the chief executive officer of the State and units of general purpose local government that together represent not less than 60 percent of the affected population (including the cen-

tral city, as defined by the Bureau of the Census) and 60 percent of such units of government; or";

(B) in paragraph (2)—

(i) by striking "In a metropolitan area" and all that follows through "shall include" and inserting "Each policy board of a metropolitan planning organization that serves an area designated as a transportation management area when designated or redesignated under this subsection shall consist of"; and

(ii) by striking "officials of authorities" and inserting "officials of public agencies";

(C) in paragraph (3), by striking "in an urbanized area" and all that follows through "officer decides" and inserting "within an existing metropolitan planning area only if the chief executive officer of the State and the existing metropolitan organization determine"; and

(D) in paragraph (5)—

(i) in subparagraph (A)—

(I) by striking "75" and inserting "60"; and

(II) by striking "as defined by the Secretary of Commerce)" and inserting "or cities, as defined by the Bureau of the Census) and 60 percent of such units of government"; and

(ii) by adding at the end the following:

"(D) Designations of metropolitan planning organizations, whether made under this section or under any other provision of law, shall remain in effect until redesignation under this paragraph.";

(3) in subsection (d)—

(A) by inserting "(1)" before "To carry out this section";

(B) by striking "Secretary of Commerce" and inserting "Bureau of the Census";

(C) by inserting "in existence as of the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998" after "at least the boundaries of the nonattainment area";

(D) by inserting ", in the manner described in subsection (c)(5)" before the period at the end; and

(E) by adding at the end the following:

"(2) In the case of an urbanized area classified as a nonattainment area for ozone or carbon monoxide under

the Clean Air Act (42 U.S.C. 7401 et seq.) after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1998—

"(A) the boundaries of the metropolitan planning area shall be established by agreement between the appropriate units of general purpose local government (including the central city) and the chief executive officer of the State; and

"(B) the area shall include at least the urbanized area and the contiguous area expected to become urbanized within the 20-year forecast period, and may include the Metropolitan Statistical Area or Consolidated Metropolitan Statistical Area, as determined by the Bureau of the Census, and any area identified as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.).";

(4) in subsection (e)—

(A) in paragraph (2)—

(i) by inserting "or compact" after "agreement" the first place that term appears"; and

(ii) by striking "making the agreement effective" and inserting "making the agreements and compacts effective"; and

(B) by adding at the end the following:

"(4) To the maximum extent practicable, each metropolitan planning organization shall coordinate with governmental agencies and nonprofit organizations operating within an existing metropolitan planning area that receive assistance from governmental sources (other than the Department of Transportation) to provide nonemergency transportation services. Such governmental agencies and nonprofit organizations shall participate and coordinate with recipients of assistance under this chapter in the design and delivery of transportation services. The purpose of such coordination is to maximize the efficient use of resources and to integrate all such services to ensure accessibility and mobility."; and

(5) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "United States and regional functions" and inserting "national, regional, and metropolitan transportation functions";

(ii) in subparagraph (B), by striking clause (iii) and inserting the following:

"(iii) recommends any additional financing strategies for needed projects and programs;"; and

(iii) by striking subparagraph (C) and inserting the following:

"(C) identify transportation strategies necessary—

"(i) to ensure preservation, including requirements for management, operation, modernization, and rehabilitation, of the existing and future transportation system; and

"(ii) to use existing transportation facilities most efficiently to relieve congestion, to efficiently serve the mobility needs of people and goods, and to enhance access within the metropolitan planning area; and";

(B) in paragraph (2), by striking "as they are related to a 20-year forecast period" and inserting "and any State or local goals developed within the cooperative metropolitan planning process as they relate to a 20-year forecast period and to other forecast periods as determined by the participants in the planning process. In developing long-range plans, the metropolitan planning organization shall take into account the impact of all transportation projects and development plans that will affect the transportation system in the metropolitan area, without

regard to whether such projects are financed with Federal funds";

(C) in paragraph (4), by inserting "freight shippers," after "employees,"; and

(D) in paragraph (5)(A), by inserting "published or otherwise" before "made readily available".

(b) METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM.—Section 5304 of title 49, United States Code, is amended—

(1) in subsection (a), in the second sentence, by striking "the organization" and inserting "the metropolitan planning organization, in cooperation with the chief executive officer of the State and any affected mass transportation operator,";

(2) in subsection (b)(2), by striking subparagraph (C) and inserting the following:

"(C) identifies innovative financing techniques to finance projects, programs, and strategies."; and

(3) in subsection (c)—

(A) in paragraph (1), by inserting "and the designated recipient under this chapter" after "metropolitan planning organization"; and

(B) by adding at the end the following:

"(3) Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project of higher priority in the program, except where the project is relevant to conformity with the Clean Air Act (42 U.S.C. 7401 et seq.).

"(4) A transportation improvement program and the annual selection of projects involving Government participation shall be published or otherwise made readily available for public review, identifying federally funded projects, and the estimated costs and locations of those projects.

"(5) Regionally significant projects proposed for funding under chapter 2 of title 23 shall be identified individually in the transportation improvement program. All other projects funded under chapter 2 of title 23 shall be grouped in 1 line item or identified individually in the transportation improvement program.".

(c) TRANSPORTATION MANAGEMENT AREAS.—Section 5305 of title 49, United States Code, is amended—

(1) in subsection (a), by striking paragraph (2) and inserting the following:

"(2) any other area, if requested by the chief executive officer and the metropolitan planning organization designated for the area.";

(2) in subsection (b), by inserting "affected" before "mass transportation operators";

(3) in subsection (c), by striking "The Secretary" and all that follows through the final period;

(4) in subsection (d)(1)(A)—

(A) by inserting "and any affected mass transportation operator" after "the State"; and

(B) by striking "or under the Bridge and Interstate Maintenance programs";

(5) in subsection (d)(1)(B), by striking "or under the Bridge and Interstate Maintenance programs"; and

(6) in subsection (e), by striking paragraph (2) and inserting the following:

"(2)(A) If a metropolitan planning process is not certified or is certified conditionally, the Secretary may withhold not more than 20 percent of the apportioned funds attributable to the transportation management area under this chapter and title 23, or may establish such other conditions as the Secretary determines to be appropriate.

"(B) Any apportionments withheld under subparagraph (A) shall be restored to the metropolitan area at such time as the metropolitan planning organization is certified by the Secretary.".

(d) STATEWIDE PLANNING.—

(1) IN GENERAL.—Chapter 53 of title 49, United States Code, is amended by inserting after section 5305 the following:

"§ 5305a. Statewide planning

"(a) DEVELOPMENT REQUIREMENTS.—

"(1) IN GENERAL.—To carry out sections 5303 through 5305 of this chapter and section 134 of title 23, each State shall develop transportation plans and programs for all areas of the State, which shall provide for the development and integrated management and operation of transportation systems (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal State transportation system and an integral part of the intermodal transportation system of the United States.

"(2) SPECIFIC REQUIREMENTS.—The development of the plans and programs under paragraph (1) shall—

"(A) provide for consideration of all modes of transportation; and

"(B) be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

"(b) SCOPE OF PLANNING PROCESS.—

"(1) IN GENERAL.—Each State shall carry out a transportation planning process under this section, which shall provide for consideration of—

"(A) supporting the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency;

"(B) increasing the safety and security of the transportation system for motorized and non-motorized users;

"(C) increasing the accessibility and mobility options available to people and for freight;

"(D) protecting and enhancing the environment, promoting energy conservation and improved quality of life, and coordinating land-use and transportation plans and programs;

"(E) enhancing the integration and connectivity of the transportation system, across and between modes, for people and freight;

"(F) promoting efficient system management and operation; and

"(G) emphasizing the preservation of the existing transportation system.

"(2) GOALS.—In cooperation with the metropolitan planning organization and mass transportation

operators, and with opportunity for public review and comment, the State shall establish goals that relate to the factors described in paragraph (1), and propose projects, programs, and strategies to achieve those goals.

"(c) COORDINATION WITH METROPOLITAN PLANNING; STATE IMPLEMENTATION PLAN.—

"(1) IN GENERAL.—In carrying out the planning under this section, a State shall—

"(A) coordinate the planning with the transportation planning activities carried out under sections 5303 through 5305 of this chapter and section 134 of title 23, for metropolitan areas of the State;

"(B) carry out the responsibilities of the State for the development of the transportation portion of the State air quality implementation plan, to the extent required by the Clean Air Act (42 U.S.C. 7401 et seq.); and

"(C) to the maximum extent practicable, coordinate with all other governmental agencies and nonprofit organizations operating within the State planning area that receive assistance from governmental sources (other than the De-

partment of Transportation) to provide non-emergency transportation services.

"(2) PARTICIPATION.—The governmental agencies and nonprofit organizations described in paragraph (1)(C) shall participate and coordinate with recipients of assistance under this chapter in the design and delivery of transportation services.

"(3) PURPOSE OF COORDINATION.—The purpose of coordination under this subsection is to maximize the efficient use of resources and to integrate all such services to ensure accessibility and mobility.

"(d) ADDITIONAL REQUIREMENTS.—In carrying out planning under this section, each State shall, at a minimum, consider—

"(1) with respect to nonmetropolitan areas, the concerns of local elected officials representing units of general purpose local government;

"(2) the concerns of Indian tribal governments and Federal land management agencies that have jurisdiction over land within the boundaries of the State; and

"(3) coordination of transportation plans, programs, and planning activities with related planning activities being carried out outside of metropolitan planning areas.

"(e) LONG-RANGE TRANSPORTATION PLAN.—

"(1) IN GENERAL.—Each State shall develop a long-range transportation plan, with a minimum 20-year forecast period, for all areas of the State, that provides for the development and implementation of the intermodal transportation system of the State.

"(2) COOPERATION.—With respect to each metropolitan area in the State, the long-range transportation plan referred to in paragraph (1) shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 5303 and section 134 of title 23. With respect to each nonmetropolitan area, the long-range transportation plan shall be developed in consultation with local elected officials representing units of general purpose local government. With respect to each area of the State under the jurisdiction of an Indian tribal government, the long-range transportation plan shall be developed in consultation with the tribal government and the Secretary of the Interior.

"(3) OPPORTUNITY FOR COMMENT.—In developing the long-range transportation plan under this subsection, the State shall provide citizens, affected public agencies, representatives of transportation authority employees, other affected employee representa-

tives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed plan.

"(4) TRANSPORTATION STRATEGIES.—The long-range transportation plan developed under this subsection shall identify transportation strategies necessary to efficiently serve the mobility needs of individuals.

"(f) STATE TRANSPORTATION IMPROVEMENT PROGRAM.—

"(1) IN GENERAL.—The State shall develop a transportation improvement program for all areas of the State.

"(2) COOPERATION.—With respect to each metropolitan area in the State, the transportation improvement program under this subsection shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 5303 and section 134 of title 23. With respect to each nonmetropolitan area, the program shall be developed in consultation with local elected officials representing units of general purpose local government. With respect to each area of the State under the jurisdiction of an Indian tribal government, the pro-

gram shall be developed in consultation with the tribal government and the Secretary of the Interior.

"(3) OPPORTUNITY FOR COMMENT.—In developing the transportation improvement program under this subsection, the State shall provide citizens, affected public agencies, representatives of transportation authority employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

"(4) REQUIRED INFORMATION.—A transportation improvement program developed for a State under this subsection shall include federally supported surface transportation expenditures within the boundaries of the State. Regionally significant projects proposed for funding under chapter 2 of title 23 shall be identified individually. All other projects funded under chapter 2 of title 23 shall be grouped in 1 line item or identified individually in the transportation improvement program.

"(5) SPECIFIC REQUIREMENTS.—Each project shall—

"(A) be consistent with the long-range transportation plan developed under this section for the State;

"(B) be identical to the project described in an approved metropolitan transportation improvement program; and

"(C) be in conformance with the applicable State air quality implementation plan developed under the Clean Air Act (42 U.S.C. 7401 et seq.), if the project is carried out in an area designated as nonattainment for ozone or carbon monoxide under that Act.

"(6) PROJECTS.—The transportation improvement program developed under this subsection shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

"(7) PRIORITIES.—The transportation improvement program developed under this subsection shall reflect the priorities for programming and expenditures of funds, including transportation enhancements, required by this chapter.

"(8) SMALL AREAS.—Projects carried out in areas with populations of less than 50,000—

"(A) excluding projects carried out on the National Highway System, shall be selected from the approved statewide transportation improvement program by the State in cooperation with the affected local officials; and

"(B) on the National Highway System, shall be selected from the approved statewide transportation improvement program by the State, in consultation with the affected local officials.

"(9) REVIEW.—A transportation improvement program developed under this subsection shall be reviewed and, on a finding that the planning process through which the program was developed is consistent with this section and section 5303, approved not less frequently than biennially by the Secretary. Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved statewide transportation improvement program in place of another project of higher priority in the program, except where the project is relevant to conformity with the Clean Air Act (42 U.S.C. 7401 et seq.).

"(g) AVAILABLE FUNDS.—Amounts set aside under section 5313(b) of this chapter and section 505 of title 23 shall be available to carry out this section.".

(2) CONFORMING AMENDMENT.—The analysis for chapter 53 of title 49, United States Code, is amended by inserting after the item relating to section 5305 the following:

"5305a. Statewide planning.".

SEC. 5005. METROPOLITAN PLANNING ORGANIZATIONS.

Section 5303(c)(2) of title 49, United States Code, is amended by striking "and appropriate State officials" and inserting "appropriate State officials, and a representative of the users of public transit".

SEC. 5006. FARE BOX REVENUES.

(a) BLOCK GRANTS.—Section 5307(e) of title 49, United States Code, is amended—

(1) in the first sentence, by striking "A grant of" and inserting the following:

"(1) IN GENERAL.—A grant of";

(2) in the fourth sentence, by striking "or revenues from" and all that follows through "1985)";

(3) in the last sentence, by inserting "proceeds from a local issuance of debt," after "cash fund or reserve,"; and

(4) by adding at the end the following:

"(2) MAINTENANCE OF EFFORT.—The credit given for the use of proceeds from a local issuance of debt in meeting the non-Federal share under paragraph (1) shall not reduce or replace State monies required to match Federal funds for any program pursuant to this chapter. In receiving a credit for non-Federal capital expenditures under this section, a State shall enter into such agreements as the Secretary may require to ensure that the State will maintain its non-Federal transportation capital expenditures at or above the average level of such expenditures for the preceding 3 fiscal years.".

(b) DISCRETIONARY GRANTS AND LOANS.—Section 5309(h) of title 49, United States Code, is amended in the fourth sentence, by inserting "proceeds from a local issuance of debt," after "cash fund or reserve.".

SEC. 5007. CLEAN FUELS FORMULA GRANT PROGRAM.

(a) IN GENERAL.—Section 5308 of title 49, United States Code, is amended to read as follows:

"§ 5308. Clean fuels formula grant program

"(a) DEFINITIONS.—In this section—

"(1) the term 'designated recipient' has the same meaning as in section 5307(a);

"(2) the term 'eligible project'—

"(A) means a project for the—

"(i) purchase or lease of clean fuel vehicles or hybrid transit vehicles, including clean fuel vehicles that employ a lightweight composite primary structure;

"(ii) construction or leasing of clean fuel vehicle fueling or electrical recharging facilities and related equipment;

"(iii) improvement of existing transit facilities to accommodate clean fuel vehicles; or

"(iv) incremental costs of biodiesel fuel; and

"(B) in the discretion of the Secretary, may include projects relating to clean fuel, biodiesel, hybrid electric, or zero emissions technology vehicles that exhibit equivalent or superior emissions reductions to existing clean fuel or hybrid electric technologies; and

"(3) the term 'Secretary' means the Secretary of Transportation.

"(b) AUTHORITY.—The Secretary shall make grants in accordance with this section to designated recipients to finance eligible projects.

"(c) APPLICATION.—Not later than January 1 of each year, any designated recipient seeking to apply for a grant

under this section for an eligible project shall submit an application to the Secretary, in such form and in accordance with such requirements as the Secretary shall establish by regulation.

"(d) APPORTIONMENT OF FUNDS.—

"(1) FORMULA.—Not later than February 1 of each year, the Secretary shall apportion amounts made available under this section to designated recipients submitting applications under subsection (c) in accordance with the following:

"(A) Two-thirds of the amount made available under this section shall be apportioned to designated recipients with eligible projects in urban areas with a population of not less than 1,000,000 as follows:

"(i) 50 percent shall be apportioned, such that each such designated recipient receives a grant in an amount equal to the ratio between—

"(I) the number of vehicles in the bus fleet of the eligible project of the designated recipient, weighted by severity of nonattainment for the area in which the eligible project is located, as provided in paragraph (2); and

"(II) the total number of vehicles in the bus fleets of all eligible projects in areas with a population of not less than 1,000,000 funded under this section, weighted by severity of nonattainment for all areas in which those eligible projects are located, as provided in paragraph (2).

"(ii) 50 percent of the amount made available under this section shall be apportioned, such that each such designated recipient receives a grant in an amount equal to the ratio between—

"(I) the number of bus passenger miles (as that term is defined in section 5336(c)) of the eligible project of the designated recipient, weighted by severity of nonattainment of the area in which the eligible project is located, as provided in paragraph (2); and

"(II) the total number of bus passenger miles of all eligible projects in areas with a population of not less than 1,000,000 funded under this section, weighted by severity of nonattain-

ment of all areas in which those eligible projects are located, as provided in paragraph (2).

"(B) One-third of the amount made available under this section shall be apportioned to designated recipients with eligible projects in urban areas with a population of less than 1,000,000 as follows:

"(i) 50 percent shall be apportioned, such that each such designated recipient receives a grant in an amount equal to the ratio between—

"(I) the number of vehicles in the bus fleet of the eligible project of the designated recipient, weighted by severity of nonattainment for the area in which the eligible project is located, as provided in paragraph (2); and

"(II) the total number of vehicles in the bus fleets of all eligible projects in areas with a population of less than 1,000,000 funded under this section, weighted by severity of nonattainment for all areas in which those eligible

projects are located, as provided in paragraph (2).

"(ii) 50 percent of the amount made available under this section shall be apportioned, such that each such designated recipient receives a grant in an amount equal to the ratio between—

"(I) the number of bus passenger miles (as that term is defined in section 5336(c)) of the eligible project of the designated recipient, weighted by severity of nonattainment of the area in which the eligible project is located, as provided in paragraph (2); and

"(II) the total number of bus passenger miles of all eligible projects in areas with a population of less than 1,000,000 funded under this section, weighted by severity of nonattainment of all areas in which those eligible projects are located, as provided in paragraph (2).

"(2) WEIGHTING OF SEVERITY OF NONATTAINMENT.—

"(A) IN GENERAL.—For purposes of paragraph (1), subject to subparagraph (B) of this paragraph, the number of clean fuel vehicles in the fleet, or the number of passenger miles, shall be multiplied by a factor of—

"(i) 1.0 if, at the time of the apportionment, the area is a maintenance area (as that term is defined in section 101 of title 23) for ozone or carbon monoxide;

"(ii) 1.1 if, at the time of the apportionment, the area is classified as—

"(I) a marginal ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.); or

"(II) a marginal carbon monoxide nonattainment area under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.);

"(iii) 1.2 if, at the time of the apportionment, the area is classified as—

"(I) a moderate ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.); or

"(II) a moderate carbon monoxide nonattainment area under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.);

"(iv) 1.3 if, at the time of the apportionment, the area is classified as—

"(I) a serious ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.); or

"(II) a serious carbon monoxide nonattainment area under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.);

"(v) 1.4 if, at the time of the apportionment, the area is classified as—

"(I) a severe ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.); or

"(II) a severe carbon monoxide nonattainment area under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.); or

"(vi) 1.5 if, at the time of the apportionment, the area is classified as—

"(I) an extreme ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.); or

"(II) an extreme carbon monoxide nonattainment area under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.).

"(B) ADDITIONAL ADJUSTMENT FOR CARBON MONOXIDE AREAS.—If, in addition to being classified as a nonattainment or maintenance area (as that term is defined in section 101 of title 23) for ozone under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.), the area was also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area for carbon monoxide, the weighted nonattainment or maintenance area fleet and passenger miles for the eligible project, as calculated under subparagraph (A), shall be further multiplied by a factor of 1.2.

"(3) MAXIMUM GRANT AMOUNT.—

"(A) IN GENERAL.—The amount of a grant made to a designated recipient under this section shall not exceed the lesser of—

"(i) for an eligible project in an area—

"(I) with a population of less than 1,000,000, $15,000,000; and

"(II) with a population of not less than 1,000,000, $25,000,000; or

"(ii) 80 percent of the total cost of the eligible project.

"(B) REAPPORTIONMENT.—Any amounts that would otherwise be apportioned to a designated recipient under this subsection that exceed the amount described in subparagraph (A) shall be reapportioned among other designated recipients in accordance with paragraph (1).

"(e) AUTHORIZATION.—

"(1) IN GENERAL.—Subject to paragraph (2), in each fiscal year, $200,000,000 shall be made available or appropriated under subsections (a) and (b) of section 5338 to carry out this section.

"(2) ADDITIONAL REQUIREMENT.—Notwithstanding any other provision of this section, not less than 5 percent of the amount apportioned under this

section in each fiscal year shall be apportioned to fund any eligible projects, for which an application is received from a designated recipient in accordance with subsection (a), for—

"(A) the purchase or construction of hybrid electric or battery-powered buses; or

"(B) facilities specifically designed to service those buses.

"(f) AVAILABILITY OF FUNDS.—Any amount made available or appropriated under this section—

"(1) shall remain available for 1 year after the fiscal year for which the amount is made available or appropriated; and

"(2) that remains unobligated at the end of the period described in paragraph (1), shall be added to the amount made available in the following fiscal year.".

(b) DEFINITION OF CLEAN FUEL VEHICLE.—Section 5302(a) of title 49, United States Code, is amended—

(1) in each of paragraphs (2) through (12), by striking the period at the end and inserting a semicolon;

(2) in paragraph (13), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(14) 'clean fuel vehicle' means a vehicle powered by compressed natural gas, liquefied natural gas, biodiesel fuels, batteries, alcohol-based fuels, or hybrid electric, fuel cell, or other zero emissions technology.".

(c) CLERICAL AMENDMENT.—The analysis for chapter 53 of title 49, United States Code, is amended by striking the item relating to section 5308 and inserting the following:

"5308. Clean fuels formula grant program.".

SEC. 5008. CAPITAL INVESTMENT GRANTS AND LOANS.

*(a) IN GENERAL.—Section 5309 of title 49, United States Code, is amended in the section heading, by striking "**Discretionary**" and inserting "**Capital investment**".*

(b) ALLOCATING AMOUNTS.—Section 5309(m)(1) of title 49, United States Code, is amended by striking "Of the amounts available for grants and loans under this section for each of the fiscal years ending September 30, 1993–1997" and inserting "After apportioning amounts for the purposes of section 5308, of the amounts available for grants and loans under this section for each of fiscal years 1993 through 2003".

(c) CONFORMING AMENDMENT.—The analysis for chapter 53 of title 49, United States Code, is amended in the item relating to section 5309, by striking "Discretionary" and inserting "Capital investment".

SEC. 5009. TRANSIT SUPPORTIVE LAND USE.

Section 5309(e)(3)(B) of title 49, United States Code, is amended by inserting ", and recognize reductions in local infrastructure costs achieved through compact land use development" before the semicolon.

SEC. 5010. NEW STARTS.

Section 5309(m) of title 49, United States Code, is amended by adding at the end the following:

"(5) Not more than 8 percent of the amount made available under paragraph (1)(B) in any fiscal year shall be available for activities other than final design and construction.".

SEC. 5011. JOINT PARTNERSHIP FOR DEPLOYMENT OF INNOVATION.

Section 5312 of title 49, United States Code, is amended by adding at the end the following:

"(d) JOINT PARTNERSHIP PROGRAM FOR DEPLOYMENT OF INNOVATION.—

"(1) DEFINITION OF CONSORTIUM.—In this subsection, the term 'consortium'—

"(A) means—

"(i) 1 or more public or private organizations located in the United States, that provides mass transportation service to the public; and

"(ii) 1 or more businesses, including small- and medium-sized businesses, incorporated in a State, offering goods or services or willing to offer goods and services to mass transportation operators; and

"(B) may include, as additional members, public or private research organizations located in the United States, or State or local governmental authorities.

"(2) GENERAL AUTHORITY.—The Secretary may, under terms and conditions that the Secretary prescribes, enter into grants, contracts, cooperative agreements, and other agreements with consortia selected in accordance with paragraph (4), to promote the early deployment of innovation in mass transportation technology, services, management, or operational practices. This paragraph shall be carried out in consultation with the transit industry by competitively selected public/private partnerships that will share costs, risks, and rewards of early deployment of innovation with broad applicability.

"(3) CONSORTIUM CONTRIBUTION.—A consortium assisted under this subsection shall provide not less than 50 percent of the costs of any joint partnership project. Any business, organization, person, or

governmental body may contribute funds to a joint partnership project.

"(4) NOTICE REQUIREMENT.—The Secretary shall periodically give public notice of the technical areas for which joint partnerships are solicited, required qualifications of consortia desiring to participate, the method of selection and evaluation criteria to be used in selecting participating consortia and projects, and the process by which innovation projects described in paragraph (1) will be awarded.

"(5) USE OF REVENUES.—The Secretary shall, to the maximum extent practicable, accept a portion of the revenues resulting from sales of an innovation project funded under this section, to be credited to the Mass Transit Account of the Highway Trust Fund and used for joint partnership projects in accordance with this subsection.".

SEC. 5012. WORKPLACE SAFETY.

Section 5315(a) of title 49, United States Code, is amended—

(1) in paragraph (13), by striking "and" at the end;

(2) in paragraph (14), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(15) workplace safety.".

SEC. 5013. UNIVERSITY TRANSPORTATION CENTERS.

(a) IN GENERAL.—Subchapter IV of chapter 52 of title 49, United States Code (as added by section 2003(a) of this Act), is repealed effective 1 day after the date of enactment of this Act.

(b) REPEAL.—

(1) IN GENERAL.—Section 2003(b) of this Act, and the amendments made by that section, are repealed effective 1 day after the date of enactment of this Act.

(2) APPLICABILITY.—Effective 1 day after the date of enactment of this Act, sections 5316 and 5317 of title 49, United States Code, and the items relating to sections 5316 and 5317 in the analysis for chapter 53 of title 49, United States Code, shall be applied and administered as if section 2003(b) of this Act had not been enacted.

(c) ESTABLISHMENT OF CENTER.—Section 5317(b) of title 49, United States Code, is amended by adding the following new paragraph:

"(6) The Secretary shall make grants to the University of Alabama Transportation Research Center to establish a university Transportation Center.".

SEC. 5014. JOB ACCESS AND REVERSE COMMUTE GRANTS.

(a) FINDINGS.—Congress finds that—

(1) two-thirds of all new jobs are in the suburbs, whereas three-quarters of welfare recipients live in rural areas or central cities;

(2) even in metropolitan areas with excellent public transit systems, less than half of the jobs are accessible by transit;

(3) in 1991, the median price of a new car was equivalent to 25 weeks of salary for the average worker, and considerably more for the low-income worker;

(4) not fewer than 9,000,000 households and 10,000,000 Americans of driving age, most of whom are low-income workers, do not own cars;

(5) 94 percent of welfare recipients do not own cars;

(6) nearly 40 percent of workers with annual incomes below $10,000 do not commute by car;

(7) many of the 2,000,000 Americans who will have their Temporary Assistance to Needy Families grants (under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)) terminated by the year 2002 will be unable to get to jobs they could otherwise hold;

(8) increasing the transit options for low-income workers, especially those who are receiving or who

have recently received welfare benefits, will increase the likelihood of those workers getting and keeping jobs; and

(9) many residents of cities and rural areas would like to take advantage of mass transit to gain access to suburban employment opportunities.

(b) GRANT AUTHORITY.—

(1) IN GENERAL.—Chapter 53 of title 49, United States Code, is amended by inserting after section 5320 the following:

"§ 5320a. Access to jobs

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE LOW-INCOME INDIVIDUAL.—The term 'eligible low-income individual' means an individual whose family income is at or below 150 percent of the poverty line (as that term is defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by that section) for a family of the size involved.

"(2) ELIGIBLE PROJECT AND RELATED TERMS.—

"(A) IN GENERAL.—The term 'eligible project' means an access to jobs project or a reverse commute project.

"(B) ACCESS TO JOBS PROJECT.—The term 'access to jobs project' means a project relating to the development of transportation services designed to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment, including—

"(i) capital projects and to finance operating costs of equipment, facilities, and associated capital maintenance items related to providing access to jobs under this section;

"(ii) promoting the use of transit by workers with nontraditional work schedules;

"(iii) promoting the use by appropriate agencies of transit vouchers for welfare recipients and eligible low-income individuals under specific terms and conditions developed by the Secretary; and

"(iv) promoting the use of employer-provided transportation including the transit pass benefit program under subsections (a) and (f) of section 132 of title 26.

"(C) REVERSE COMMUTE PROJECT.—The term 'reverse commute project' means a project

related to the development of transportation services designed to transport residents of urban areas, urbanized areas, and areas other than urbanized areas to suburban employment opportunities, including any project to—

"(i) subsidize the costs associated with adding reverse commute bus, train, or van routes, or service from urban areas, urbanized areas, and areas other than urbanized areas, to suburban workplaces;

"(ii) subsidize the purchase or lease by a private employer, nonprofit organization, or public agency of a van or bus dedicated to shuttling employees from their residences to a suburban workplace;

"(iii) otherwise facilitate the provision of mass transportation services to suburban employment opportunities to residents of urban areas, urbanized areas, and areas other than urbanized areas.

"(3) EXISTING TRANSPORTATION SERVICE PROVIDERS.—The term 'existing transportation service providers' means mass transportation operators and governmental agencies and nonprofit organizations

that receive assistance from Federal, State, or local sources for nonemergency transportation services.

"(4) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(5) QUALIFIED ENTITY.—The term 'qualified entity' means—

"(A) with respect to any proposed eligible project in an urbanized area with a population of not less than 200,000, the entity or entities selected by the appropriate metropolitan planning organization, in coordination with affected transit grant recipients (as provided in subsection (g)(2)), from among local governmental authorities and nonprofit organizations; and

"(B) with respect to any proposed eligible project in an urbanized area with a population of less than 200,000, or an area other than an urbanized area, the entity or entities selected by the chief executive officer of the State in which the area is located, in coordination with affected transit grant recipients (as provided in subsection (g)(2)), from among local governmental authorities and nonprofit organizations.

"(6) WELFARE RECIPIENT.—The term 'welfare recipient' means an individual who receives or re-

ceived aid or assistance under a State program funded under part A of title IV of the Social Security Act (whether in effect before or after the effective date of the amendments made by title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2110)) at any time during the 3-year period before the date on which the applicant applies for a grant under this section.

"(b) GENERAL AUTHORITY.—

"(1) IN GENERAL.—The Secretary may make access to jobs grants and reverse commute grants under this section to assist qualified entities in financing eligible projects.

"(2) COORDINATION.—The Secretary shall coordinate activities under this section with related activities under programs of other Federal departments and agencies.

"(c) APPLICATIONS.—Each qualified entity seeking to receive a grant under this section for an eligible project shall submit to the Secretary an application in such form and in accordance with such requirements as the Secretary shall establish by regulation.

"(d) PROHIBITION.—Grants awarded under this section may not be used for planning or coordination activities.

"(e) FACTORS FOR CONSIDERATION.—In awarding grants under this section to applicants under subsection (c), the Secretary shall consider—

"(1) the percentage of the population in the area to be served by the applicant that are welfare recipients;

"(2) in the case of an applicant seeking assistance to finance an access to jobs project, the need for additional services in the area to be served by the applicant to transport welfare recipients and eligible low-income individuals to and from specified jobs, training, and other employment support services, and the extent to which the proposed services will address those needs;

"(3) the extent to which the applicant demonstrates coordination with, and the financial commitment of, existing transportation service providers;

"(4) the extent to which the applicant demonstrates maximum utilization of existing transportation service providers and expands transit networks or hours of service, or both;

"(5) the extent to which the applicant demonstrates an innovative approach that is responsive to identified service needs;

"(6) the extent to which the applicant—

"(A) in the case of an applicant seeking assistance to finance an access to jobs project, presents a regional transportation plan for addressing the transportation needs of welfare recipients and eligible low-income individuals; and

"(B) identifies long-term financing strategies to support the services under this section;

"(7) the extent to which the applicant demonstrates that the community to be served has been consulted in the planning process; and

"(8) in the case of an applicant seeking assistance to finance a reverse commute project, the need for additional services identified in a regional transportation plan to transport individuals to suburban employment opportunities, and the extent to which the proposed services will address those needs.

"(f) FEDERAL SHARE OF COSTS.—

"(1) MAXIMUM AMOUNT.—The amount of a grant under this section may not exceed 50 percent of the total project cost.

"(2) NONGOVERNMENTAL SHARE.—The portion of the total cost of an eligible project that is not funded under this section—

"(A) shall be provided in cash from sources other than revenues from providing mass transportation; and

"(B) may be derived from amounts made available to a department or agency of the Federal Government (other than the Department of Transportation) that are eligible to be expended for transportation.

"(g) PLANNING REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of sections 5303 through 5306 apply to any grant made under this section.

"(2) COORDINATION.—Each application for a grant under this section shall reflect coordination with and the approval of affected transit grant recipients. The eligible access to jobs projects financed must be part of a coordinated public transit-human services transportation planning process.

"(h) GRANT REQUIREMENTS.—A grant under this section shall be subject to—

"(1) all of the terms and conditions to which a grant made under section 5307 is subject; and

"(2) such other terms and conditions as determined by the Secretary.

"(i) PROGRAM EVALUATION.—

"(1) COMPTROLLER GENERAL.—Beginning 6 months after the date of enactment of this section, and every 6 months thereafter, the Comptroller General of the United States shall—

"(A) conduct a study to evaluate the grant program authorized under this section; and

"(B) submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report describing the results of each study under subparagraph (A).

"(2) DEPARTMENT OF TRANSPORTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall—

"(A) conduct a study to evaluate the access to jobs grant program authorized under this section; and

"(B) submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a re-

port describing the results of the study under subparagraph (A).

"(j) FUNDING; ALLOCATION.—

"(1) IN GENERAL.—There is authorized to be appropriated to carry out this section, to remain available until expended, $250,000,000 for each of fiscal years 1998 through 2003, of which—

"(A) $150,000,000 in each fiscal year shall be used for grants for access to jobs projects; and

"(B) $100,000,000 in each fiscal year shall be used for grants for reverse commute projects.

"(2) ALLOCATION.—The amount made available to carry out this section in each fiscal year shall be allocated as follows:

"(A) 60 percent shall be allocated for eligible projects in urbanized areas with populations of not less than 200,000.

"(B) 20 percent shall be allocated for eligible projects in urbanized areas with populations of less than 200,000.

"(C) 20 percent shall be allocated for eligible projects in areas other than urbanized areas.".

(2) CONFORMING AMENDMENT.—The analysis for chapter 53 of title 49, United States Code, is amended

by inserting after the item relating to section 5320 the following:

"5320a. Access to jobs.".

SEC. 5015. GRANT REQUIREMENTS.

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

"(m) GRANT REQUIREMENTS.—The grant requirements under sections 5307 and 5309 apply to any project under this chapter that receives any assistance from an infrastructure bank or through other financing under subtitle C of title I of the Intermodal Surface Transportation Efficiency Act of 1998.".

SEC. 5016. HHS AND PUBLIC TRANSIT SERVICE.

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

"(n) PARTICIPATION OF GOVERNMENTAL AGENCIES IN DESIGN AND DELIVERY OF TRANSPORTATION SERVICES.—To the extent feasible, governmental agencies and nonprofit organizations that receive assistance from Government sources (other than the Department of Transportation) for nonemergency transportation services—

"(1) shall participate and coordinate with recipients of assistance under this chapter in the design and delivery of transportation services; and

"(2) shall be included in the planning for those services.".

SEC. 5017. PROCEEDS FROM THE SALE OF TRANSIT ASSETS.

Section 5334(g) of title 49, United States Code, is amended by adding at the end the following:

"(4) Notwithstanding any other provision of law, if a recipient of assistance under this chapter determines that an asset (including real property) acquired with such assistance is no longer needed for the purpose for which it was acquired, the recipient may sell that asset with no further obligation to the Government, if the proceeds of the sale are used for the provision of mass transportation services in accordance with this chapter.".

SEC. 5018. OPERATING ASSISTANCE FOR SMALL TRANSIT AUTHORITIES IN LARGE URBANIZED AREAS.

Section 5336(d) of title 49, United States Code, is amended by adding at the end the following:

"(3) In distributing operating assistance under this subsection to urbanized areas with a population of 1,000,000 or more under the most recent census, the Secretary shall direct each such area to give priority consideration to the impact of reductions on operating assistance on smaller transit authorities operating within the area and to consider the needs and resources of such transit authorities.".

SEC. 5019. APPORTIONMENT OF APPROPRIATIONS FOR FIXED GUIDEWAY MODERNIZATION.

(a) DISTRIBUTION.—Section 5337(a) of title 49, United States Code, is amended to read as follows:

"(a) DISTRIBUTION.—The Secretary of Transportation shall apportion amounts made available for fixed guideway modernization under section 5309 for each of fiscal years 1998, 1999, 2000, 2001, 2002, and 2003 as follows:

"(1) The first $497,700,000 shall be apportioned in the following urbanized areas as follows:

"(A) Baltimore, $8,372,000.

"(B) Boston, $38,948,000.

"(C) Chicago/Northwestern Indiana, $78,169,000.

"(D) Cleveland, $9,509,500.

"(E) New Orleans, $1,730,588.

"(F) New York, $176,034,461.

"(G) Northeastern New Jersey, $50,604,653.

"(H) Philadelphia/Southern New Jersey, $58,924,764.

"(I) Pittsburgh, $13,662,463.

"(J) San Francisco, $33,989,571.

"(K) Southwestern Connecticut, $27,755,000.

"(2) The next $70,000,000 shall be apportioned as follows:

"(A) 50 percent in the urbanized areas listed in paragraph (1), as provided in section 5336(b)(2)(A).

"(B) 50 percent in other urbanized areas eligible for assistance under section 5336(b)(2)(A) to which amounts were apportioned under this section for fiscal year 1997, as provided in section 5336(b)(2)(A) and subsection (e) of this section.

"(3) The next $5,700,000 shall be apportioned in the following urbanized areas as follows:

"(A) Pittsburgh, 61.76 percent.

"(B) Cleveland, 10.73 percent.

"(C) New Orleans, 5.79 percent.

"(D) 21.72 percent in urbanized areas to which paragraph (2)(B) applies, as provided in section 5336(b)(2)(A) and subsection (e) of this section.

"(4) The next $186,600,000 shall be apportioned in each urbanized area to which paragraph (1) applies and in each urbanized area to which paragraph (2)(B) applies, as provided in section 5336(b)(2)(A) and subsection (e) of this section.

"(5) Remaining amounts shall be apportioned as follows:

"(A) 50 percent in the urbanized areas listed in paragraph (1) as provided in section 5336(b)(2)(A) and subsection (e) of this section.

"(B) 50 percent to urbanized areas to which paragraph (5)(B) applies, as provided in section 5336(b)(2)(A) and subsection (e) of this section.".

(b) ROUTE SEGMENTS TO BE INCLUDED IN APPORTIONMENT FORMULAS.—Section 5337 of title 49, United States Code, is amended by adding at the end the following:

"(e) ROUTE SEGMENTS TO BE INCLUDED IN APPORTIONMENT FORMULAS.—

"(1) Amounts apportioned under paragraphs (2)(B), (3), and (4) of subsection (a) shall have attributable to each urbanized area only the number of fixed guideway revenue miles of service and number of fixed guideway route miles for segments of fixed guideway systems used to determine apportionments for fiscal year 1997.

"(2) Amounts apportioned under paragraphs (5) through (7) of subsection (a) shall have attributable to each urbanized area only the number of fixed guideway revenue miles of service and number of fixed guideway route-miles for segments of fixed guideway systems placed in revenue service not less than 7

years before the fiscal year in which amounts are made available.".

SEC. 5020. URBANIZED AREA FORMULA STUDY.

(a) STUDY.—The Secretary of Transportation shall conduct a study to determine whether the formula for apportioning funds to urbanized areas under section 5336 of title 49, United States Code accurately reflects the transit needs of the urbanized areas and, if not, whether any changes should be made either to the formula or through some other mechanism to reflect the fact that some urbanized areas with a population between 50,000 and 200,000 have transit systems that carry more passengers per mile or hour than the average of those transit systems in urbanized areas with a population over 200,000.

(b) REPORT.—Not later than December 31, 1999, the Secretary of Transportation shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the results of the study conducted under this section, together with any proposed changes to the method for apportioning funds to urbanized areas with a population over 50,000.

SEC. 5021. INTERCITY RAIL INFRASTRUCTURE INVESTMENT FROM MASS TRANSIT ACCOUNT OF HIGHWAY TRUST FUND.

Section 5323 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(o) INTERCITY RAIL INFRASTRUCTURE INVESTMENT.—Any assistance provided to a State that does not have Amtrak service as of the date of enactment of this subsection from the Mass Transit Account of the Highway Trust Fund may be used for capital improvements to, and operating support for, intercity passenger rail service.".

SEC. 5022. NEW START RATING AND EVALUATION.

(a) CRITERIA FOR GRANTS AND LOANS FOR FIXED GUIDEWAY SYSTEMS.—Section 5309(e) of title 49, United States Code, is amended to read as follows:

"(e) CRITERIA FOR GRANTS AND LOANS FOR FIXED GUIDEWAY SYSTEMS.—

"(1) The Secretary of Transportation may approve a grant or loan under this section for a capital project for a new fixed guideway system or extension of an existing fixed guideway system only if the Secretary decides that the proposed project is—

"(A) based on the results of an alternatives analysis and preliminary engineering;

"(B) justified based on a comprehensive review of its mobility improvements, environ-

mental benefits, cost effectiveness, and operating efficiencies; and

"(C) supported by an acceptable degree of local financial commitment, including evidence of stable and dependable financing sources to construct, maintain, and operate the system or extension.

"(2) In evaluating a project under paragraph (1)(A), the Secretary shall analyze and consider the results of the alternatives analysis and preliminary engineering for the project.

"(3) In evaluating a project under paragraph (1)(B), the Secretary shall—

"(A) consider the direct and indirect costs of relevant alternatives;

"(B) account for costs and benefits related to factors such as congestion relief, improved mobility, air pollution, noise pollution, congestion, energy consumption, and all associated ancillary and mitigation costs necessary to carry out each alternative analyzed;

"(C) identify and consider mass transportation supportive existing land use policies and future patterns, and the cost of urban sprawl;

"(D) consider the degree to which the project increases the mobility of the mass transportation dependent population or promotes economic development;

"(E) consider population density, and current transit ridership in the corridor;

"(F) consider the technical capability of the grant recipient to construct the project;

"(G) adjust the project justification to reflect differences in local land, construction, and operating costs; and

"(H) consider other factors the Secretary considers appropriate to carry out this chapter.

"(3)(A) The Secretary of Transportation shall issue guidelines on the manner in which the Secretary will evaluate results of alternatives analysis, project justification, and the degree of local financial commitment.

"(B) The project justification under paragraph (1)(B) shall be adjusted to reflect differences in local land, construction, and operating costs.

"(4)(A) In evaluating a project under paragraph (1)(C), the Secretary shall require that—

"(i) the proposed project plan provides for the availability of contingency amounts the Sec-

retary of Transportation determines to be reasonable to cover unanticipated cost overruns;

"(ii) each proposed local source of capital and operating financing is stable, reliable, and available within the proposed project timetable; and

"(iii) local resources are available to operate the overall proposed mass transportation system (including essential feeder bus and other services necessary to achieve the projected ridership levels) without requiring a reduction in existing mass transportation services to operate the proposed project.

"(B) In assessing the stability, reliability, and availability of proposed sources of local financing, the Secretary of Transportation shall consider—

"(i) existing grant commitments;

"(ii) the degree to which financing sources are dedicated to the purposes proposed;

"(iii) any debt obligation that exists or is proposed by the recipient for the proposed project or other mass transportation purpose; and

"(iv) the extent to which the project has a local financial commitment that exceeds the re-

quired non-Federal share of the cost of the project.

"(5)(A) Not later than 120 days after the date of enactment of the Federal Transit Act of 1998, the Secretary of Transportation shall issue guidelines on the manner in which the Secretary will evaluate and rate the projects based on the results of alternatives analysis, project justification, and the degree of local financial commitment.

"(B) The project justification under paragraph (1)(B) shall be adjusted to reflect differences in local land, construction, and operating costs as required under this subsection.

"(6)(A) A proposed project may advance from alternatives analysis to preliminary engineering, and may advance from preliminary engineering to final design and construction, only if the Secretary of Transportation finds that the project meets the requirements of this section and there is a reasonable likelihood that the project will continue to meet the requirements.

"(B) In making any findings under subparagraph (A), the Secretary shall evaluate and rate the project as either highly recommended, recommended, or not recommended, based on the results of alter-

natives analysis, the project justification criteria, and the degree of local financial commitment as required under this subsection.

"(C) In rating each project, the Secretary shall provide, in addition to the overall project rating, individual ratings for each criteria established under the guidelines issued under paragraph (5).

"(7)(A) Each project financed under this subsection shall be carried out through a full funding grant agreement.

"(B) The Secretary shall enter a full funding grant agreement based on evaluations and ratings required under this subsection.

"(C) The Secretary shall not enter into a full funding grant agreement for a project unless that project is authorized for final design and construction.

"(8)(A) A project for a fixed guideway system or extension of an existing fixed guideway system is not subject to the requirements of this subsection, and the simultaneous evaluation of similar projects in at least 2 corridors in a metropolitan area may not be limited, if the assistance provided under this section with respect to the project is less than $25,000,000.

"(B) The simultaneous evaluation of projects in at least 2 corridors in a metropolitan area may not be limited and the Secretary of Transportation shall make decisions under this subsection with expedited procedures that will promote carrying out an approved State Implementation Plan in a timely way if a project is—

"(i) located in a nonattainment area;

"(ii) a transportation control measure (as that term is defined in the Clean Air Act (42 U.S.C. 7401 et seq.)); and

"(iii) required to carry out the State Implementation Plan.

"(C) This subsection does not apply to a part of a project financed completely with amounts made available from the Highway Trust Fund (other than the Mass Transit Account).

"(D) This subsection does not apply to projects for which the Secretary has issued a letter of intent or entered into a full funding grant agreement before the date of enactment of the Federal Transit Act of 1998.".

(b) LETTERS OF INTENT, FULL FINANCING GRANT AGREEMENTS, AND EARLY SYSTEMS WORK AGREE-

MENTS.—Section 5309(g) of title 49, United States Code, is amended—

(1) in the subsection heading, by striking "FINANCING" and inserting "FUNDING";

(2) by striking "full financing" each place it appears and inserting "full funding"; and

(3) in paragraph (1)(B)—

(A) by striking "30 days" and inserting "60 days";

(B) by inserting "or entering into a full funding grant agreement" after "this paragraph"; and

(C) by striking "issuance of the letter" and inserting "letter or agreement. The Secretary shall include with the notification a copy of the proposed letter or agreement as well as evaluations and ratings for the project".

(c) REPORTS.—Section 5309 of title 49, United States Code, is amended by adding at the end the following:

"(p) REPORTS.—

"(1) FUNDING LEVELS AND ALLOCATIONS OF FUNDS FOR FIXED GUIDEWAY SYSTEMS.—

"(A) ANNUAL REPORT.—Not later than the first Monday in February of each year, the Secretary shall submit to the Committee on Trans-

portation and Infrastructure of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report that includes a proposal on the allocation of amounts to be made available to finance grants and loans for capital projects for new fixed guideway systems and extensions to existing fixed guideway systems among applicants for those amounts.

"(B) RECOMMENDATIONS ON FUNDING.—Each report submitted under this paragraph shall include—

"(i) evaluations and ratings, as required under subsection (e), for each project that is authorized or has received funds under this section since the date of enactment of the Federal Transit Act of 1998 or October 1 of the preceding fiscal year, whichever date is earlier; and

"(ii) recommendations of projects for funding, based on the evaluations and ratings and on existing commitments and anticipated funding levels for the next 3 fiscal years and for the next 10 fiscal years, based on information available to the Secretary.

"(2) SUPPLEMENTAL REPORT ON NEW STARTS.—On August 30 of each year, the Secretary shall submit a report to Congress that describes the Secretary's evaluation and rating of each project that has completed alternatives analysis or preliminary engineering since the date of the last report. The report shall include all relevant information that supports the evaluation and rating of each project, including a summary of each project's financial plan.

"(3) ANNUAL GAO REVIEW.—The Comptroller General of the United States shall—

"(A) conduct an annual review of—

"(i) the processes and procedures for evaluating and rating projects and recommending projects; and

"(ii) the Secretary's implementation of such processes and procedures; and

"(B) report to Congress on the results of such review not later than April 30 of each year.".

TITLE VI—REVENUE

SEC. 6001. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This title may be cited as the "Intermodal Surface Transportation Revenue Act of 1998".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 6002. EXTENSION AND MODIFICATION OF HIGHWAY-RELATED TAXES AND TRUST FUND.

(a) EXTENSION OF TAXES AND EXEMPTIONS.—

(1) The following provisions are each amended by striking "1999" each place it appears and inserting "2005":

(A) Section 4041(a)(1)(C)(iii)(I) (relating to rate of tax on certain buses).

(B) Section 4041(a)(2)(B) (relating to rate of tax on special motor fuels), as amended by section 907(a)(1) of the Taxpayer Relief Act of 1997.

(C) Section 4041(m)(1)(A) (relating to certain alcohol fuels), as amended by section 907(b) of the Taxpayer Relief Act of 1997.

(D) Section 4051(c) (relating to termination).

(E) Section 4071(d) (relating to termination).

(F) Section 4081(d)(1) (relating to termination).

(G) Section 4221(a) (relating to certain tax-free sales).

(H) Section 4481(e) (relating to period tax in effect).

(I) Section 4482(c)(4) (relating to taxable period).

(J) Section 4482(d) (relating to special rule for taxable period in which termination date occurs).

(K) Section 4483(g) (relating to termination of exemptions).

(L) Section 6156(e)(2) (relating to section inapplicable to certain liabilities).

(M) Section 6412(a) (relating to floor stocks refunds).

(2) The following provisions are each amended by striking "2000" each place it appears and inserting "2007":

(A) Section 4041(b)(2)(C) (relating to termination).

(B) Section 4041(k)(3) (relating to termination).

(C) Section 4081(c)(8) (relating to termination).

(D) Section 4091(c)(5) (relating to termination).

(3) Section 6412(a) (relating to floor stocks refunds) is amended by striking "2000" each place it appears and inserting "2006".

(4) Section 6427(f)(4) (relating to termination) is amended by striking "1999" and inserting "2007".

(5) Section 40(e)(1) (relating to termination) is amended—

(A) by striking "December 31, 2000" and inserting "December 31, 2007", and

(B) by striking subparagraph (B) and inserting the following:

"(B) of any fuel for any period before January 1, 2008, during which the rate of tax under section 4081(a)(2)(A) is 4.3 cents per gallon.".

(6) Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) are amended in the effective period column by striking "10/1/2000" each place it appears and inserting "10/1/2007".

(b) EXTENSION AND MODIFICATION OF HIGHWAY TRUST FUND.—

(1) EXTENSION.—Section 9503 (relating to Highway Trust Fund) is amended—

(A) in subsection (b)—

(i) in paragraph (1), as amended by section 1032(e)(13) of the Taxpayer Relief Act of 1997—

(I) by striking "1999" and inserting "2005",

(II) by striking subparagraph (C),

(III) in subparagraph (D), by striking "and tread rubber", and

(IV) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E), respectively,

(ii) in paragraph (2), by striking "1999" each place it appears and inserting "2005" and by striking "2000" and inserting "2006",

(iii) in the heading of paragraph (2), by striking "OCTOBER 1, 1999" and inserting "OCTOBER 1, 2005", and

(iv) in subparagraphs (E) and (F) of paragraph (4), as amended by section 901(a) of the Taxpayer Relief Act of 1997,

by striking "1999" and inserting "2005", and

(B) in subsection (c), as amended by section 9(a)(1) of the Surface Transportation Extension Act of 1997—

(i) in paragraph (1)—

(I) by striking "1998" and inserting "2003",

(II) in subparagraph (C), by striking "or" at the end,

(III) in subparagraph (D), by striking "1991." and inserting "1991, or",

(IV) by inserting after subparagraph (D) the following:

"(E) authorized to be paid out of the Highway Trust Fund under the Intermodal Surface Transportation Efficiency Act of 1998.", and

(V) by striking the last sentence and inserting the following:

"In determining the authorizations under the Acts referred to in the preceding subparagraphs, such Acts shall be applied as in effect on the date of the enactment of the Intermodal Surface Transportation Efficiency Act of 1998.",

(ii) in paragraph (2)(A)(i)—

(I) by striking "2000" and inserting "2006",

(II) in subclause (II), by adding "and" at the end,

(III) in subclause (IV), by striking "1999" and inserting "2005", and

(IV) by striking subclause (III) and redesignating subclause (IV) as subclause (III),

(iii) in paragraph (2)(A), by striking clause (ii) and inserting the following:

"(ii) the credits allowed under section 34 (relating to credit for certain uses of fuel) with respect to fuel used before October 1, 2005.",

(iv) in paragraph (3)—

(I) by striking "July 1, 2000" and inserting "July 1, 2006", and

(II) by striking the heading and inserting "FLOOR STOCKS REFUNDS",

(v) in paragraph (4)(A)—

(I) in clause (i), by striking "1998" and inserting "2003", and

(II) in clause (ii), by adding at the end the following new flush sentence:

"In making the determination under subclause (II) for any fiscal year, the Secretary shall not take into account any amount appropriated from the Boat Safety Account in any preceding fiscal year but not distributed.", and

(vi) in paragraph (5)(A), by striking "1998" and inserting "2003".

(2) LIMITATION ON EXPENDITURES.—

(A) IN GENERAL.—Section 9503(c) (relating to expenditures from Highway Trust Fund), as amended by subsection (d)(2)(A), is amended by inserting after paragraph (5) the following:

"(6) LIMITATION ON EXPENDITURES FROM HIGHWAY TRUST FUND.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no expenditure shall be made from the Highway Trust Fund unless such expenditure is permitted under a provision of this title. The determination of whether an expenditure is so permitted shall be made without regard to—

"(i) any provision of law which is not contained or referenced in this title and which is not contained or referenced in a revenue Act, and

"(ii) whether such provision of law is a subsequently enacted provision or directly or indirectly seeks to waive the application of this paragraph.

"(B) EXCEPTION FOR PRIOR OBLIGATIONS.—Subparagraph (A) shall not apply to any expenditure to liquidate any contract entered into, or for any amount otherwise obligated, in accordance with the provisions of this section before October 1, 2003.".

(B) TRANSFER OF TAXES TO TRUST FUND TERMINATED IF EXPENDITURE LIMITATION VIOLATED.—Section 9503(b)(4) (relating to certain taxes not transferred to Highway Trust Fund), as amended by subsection (b)(1)(A)(iv), is amended—

(i) in subparagraph (E), by striking "or" at the end,

(ii) in subparagraph (F), by striking the period at the end and inserting ", or", and

(iii) by adding at the end the following:

"(G) any provision described in paragraph (1) on and after the date of any expenditure not permitted by subsection (c)(6).".

(c) MODIFICATION OF SUBSIDIES FOR ALCOHOL FUELS.—

(1) IN GENERAL.—Subsection (h) of section 40 (relating to alcohol used as fuel) is amended to read as follows:

"(h) REDUCED CREDIT FOR ETHANOL BLENDERS.—

"(1) IN GENERAL.—In the case of any alcohol mixture credit or alcohol credit with respect to any sale or use of alcohol which is ethanol during calendar years 2001 through 2007—

"(A) subsections (b)(1)(A) and (b)(2)(A) shall be applied by substituting 'the blender amount' for '60 cents',

"(B) subsection (b)(3) shall be applied by substituting 'the low-proof blender amount' for '45 cents' and 'the blender amount' for '60 cents', and

"(C) subparagraphs (A) and (B) of subsection (d)(3) shall be applied by substituting

'the blender amount' for '60 cents' and 'the low-proof blender amount' for '45 cents'.

"(2) AMOUNTS.—For purposes of paragraph (1), the blender amount and the low-proof blender amount shall be determined in accordance with the following table:

In the case of any sale or use during calendar year:	***The blender amount is:***	***The low-proof blender amount is:***
2001 or 2002	*53 cents*	*39.26 cents*
2003 or 2004	*52 cents*	*38.52 cents*
2005, 2006, or 2007	*51 cents*	*37.78 cents.".*

(2) CONFORMING AMENDMENTS.—

(A) Section 4041(b)(2) is amended—

(i) in subparagraph (A)(i), by striking "5.4 cents" and inserting "the applicable blender rate", and

(ii) by redesignating subparagraph (C), as amended by subsection (a)(2)(A), as subparagraph (D) and by inserting after subparagraph (B) the following:

"(C) APPLICABLE BLENDER RATE.—For purposes of subparagraph (A)(i), the applicable blender rate is—

"(i) except as provided in clause (ii), 5.4 cents, and

"(ii) for sales or uses during calendar years 2001 through 2007, 1/10 of the blender amount applicable under section 40(h)(2)

for the calendar year in which the sale or use occurs.".

(B) Subparagraph (A) of section 4081(c)(4) is amended to read as follows:

"(A) GENERAL RULES.—

"(i) MIXTURES CONTAINING ETHANOL.—Except as provided in clause (ii), in the case of a qualified alcohol mixture which contains gasoline, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, the applicable blender rate (as defined in section 4041(b)(2)(A)) per gallon,

"(II) in the case of 7.7 percent gasohol, the number of cents per gallon equal to 77 percent of such applicable blender rate, and

"(III) in the case of 5.7 percent gasohol, the number of cents per gallon equal to 57 percent of such applicable blender rate.

"(ii) MIXTURES NOT CONTAINING ETHANOL.—In the case of a qualified alcohol mixture which contains gasoline and none of the alcohol in which consists of ethanol, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, 6 cents per gallon,

"(II) in the case of 7.7 percent gasohol, 4.62 cents per gallon, and

"(III) in the case of 5.7 percent gasohol, 3.42 cents per gallon.".

(C) Section 4081(c)(5) is amended by striking "5.4 cents" and inserting "the applicable blender rate (as defined in section 4041(b)(2)(C))".

(D) Section 4091(c)(1) is amended by striking "13.4 cents" each place it appears and inserting "the applicable blender amount" and by adding at the end the following: "For purposes of this paragraph, the term 'applicable blender amount' means 13.3 cents in the case of any sale or use during 2001 or 2002, 13.2 cents in the case of any sale or use during 2003 or 2004, 13.1

cents in the case of any sale or use during 2005, 2006, or 2007, and 13.4 cents in the case of any sale or use during 2008 or thereafter.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2001.

(d) ELIMINATION OF NATIONAL RECREATIONAL TRAILS TRUST FUND.—

(1) IN GENERAL.—Section 9511 (relating to National Recreational Trails Trust Fund) is repealed.

(2) CONFORMING AMENDMENTS.—

(A) Section 9503(c) is amended by striking paragraph (6).

(B) The table of sections for subchapter A of chapter 98 is amended by striking the item relating to section 9511.

(e) AQUATIC RESOURCES TRUST FUND.—

(1) EXTENSION.—Section 9504(c) (relating to expenditures from Boat Safety Account), as amended by section 9(b) of the Surface Transportation Extension Act of 1997, is amended—

(A) by striking ''1998'' and inserting ''2004'', and

(B) by striking "1988" and inserting "the date of the enactment of the Intermodal Surface Transportation Efficiency Act of 1998".

(2) LIMITATION ON EXPENDITURES.—Section 9504 (relating to Aquatic Resources Trust Fund) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following:

"(d) LIMITATION ON EXPENDITURES FROM TRUST FUND.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no expenditure shall be made from the Aquatics Resources Trust Fund unless such expenditure is permitted under a provision of this title. The determination of whether an expenditure is so permitted shall be made without regard to—

"(A) any provision of law which is not contained or referenced in this title and which is not contained or referenced in a revenue Act, and

"(B) whether such provision of law is a subsequently enacted provision or directly or indirectly seeks to waive the application of this subsection.

"(2) EXCEPTION FOR PRIOR OBLIGATIONS FROM THE BOAT SAFETY ACCOUNT.—Paragraph (1) shall

not apply to any expenditure to liquidate any contract entered into, or for any amount otherwise obligated, in accordance with the provisions of subsection (c) before April 1, 2004.

"(3) TRANSFER OF TAXES TO TRUST FUND TERMINATED IF EXPENDITURE LIMITATION VIOLATED.—For purposes of the second sentence of subsection (a)(2), there shall not be taken into account any amount described in subsection (b)(1), section 9503(c)(4), or section 9503(c)(5)(A) on and after the date of any expenditure not permitted by paragraph (1).".

(3) CONFORMING AMENDMENTS.—Section 9504(b)(2) is amended—

(A) in subparagraph (A), by striking "October 1, 1988" and inserting "the date of the enactment of the Intermodal Surface Transportation Efficiency Act of 1998", and

(B) in subparagraph (B), by striking "November 29, 1990" and inserting "the date of the enactment of the Intermodal Surface Transportation Efficiency Act of 1998".

SEC. 6003. MASS TRANSIT ACCOUNT.

(a) IN GENERAL.—Section 9503(e)(3) (relating to expenditures from Account), as amended by section 9(a)(2)

of the Surface Transportation Extension Act of 1997, is amended—

(1) by striking "1998" and inserting "2003",

(2) in subparagraph (A), by striking "or" at the end,

(3) in subparagraph (B), by adding "or" at the end, and

(4) by striking all that follows subparagraph (B) and inserting:

"(C) the Intermodal Surface Transportation Efficiency Act of 1998,

as such sections and Acts are in effect on the date of the enactment of the Intermodal Surface Transportation Efficiency Act of 1998.".

(b) CONFORMING AMENDMENT.—Paragraph (4) of section 9503(e) is amended to read as follows:

"(4) LIMITATION.—Rules similar to the rules of subsection (d) shall apply to the Mass Transit Account.".

(c) TECHNICAL CORRECTION.—

(1) IN GENERAL.—Section 9503(e)(2) is amended by striking the last sentence and inserting the following: "For purposes of the preceding sentence, the term 'mass transit portion' means, for any fuel with respect to which tax was imposed under section 4041

or 4081 and otherwise deposited into the Highway Trust Fund, the amount determined at the rate of—

"(A) except as otherwise provided in this sentence, 2.86 cents per gallon,

"(B) 1.43 cents per gallon in the case of any partially exempt methanol or ethanol fuel (as defined in section 4041(m)) none of the alcohol in which consists of ethanol,

"(C) 1.86 cents per gallon in the case of liquefied natural gas,

"(D) 2.13 cents per gallon in the case of liquefied petroleum gas, and

"(E) 9.71 cents per MCF (determined at standard temperature and pressure) in the case of compressed natural gas.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if included in the amendment made by section 901(b) of the Taxpayer Relief Act of 1997.

SEC. 6004. TAX-EXEMPT FINANCING OF QUALIFIED HIGHWAY INFRASTRUCTURE CONSTRUCTION.

(a) TREATMENT AS EXEMPT FACILITY BOND.—A bond described in subsection (b) shall be treated as described in section 141(e)(1)(A) of the Internal Revenue Code of 1986, except that—

(1) section 146 of such Code shall not apply to such bond, and

(2) section 147(c)(1) of such Code shall be applied by substituting "any portion of" for "25 percent or more".

(b) BOND DESCRIBED.—

(1) IN GENERAL.—A bond is described in this subsection if such bond is issued after the date of the enactment of this Act as part of an issue—

(A) 95 percent or more of the net proceeds of which are to be used to provide a qualified highway infrastructure project, and

(B) to which there has been allocated a portion of the allocation to the project under paragraph (2)(C)(ii) which is equal to the aggregate face amount of bonds to be issued as part of such issue.

(2) QUALIFIED HIGHWAY INFRASTRUCTURE PROJECTS.—

(A) IN GENERAL.—For purposes of paragraph (1), the term "qualified highway infrastructure project" means a project—

(i) for the construction or reconstruction of a highway, and

(ii) designated under subparagraph (B) as an eligible pilot project.

(B) ELIGIBLE PILOT PROJECT.—

(i) IN GENERAL.—The Secretary of Transportation, in consultation with the Secretary of the Treasury, shall select not more than 15 highway infrastructure projects to be pilot projects eligible for tax-exempt financing.

(ii) ELIGIBILITY CRITERIA.—In determining the criteria necessary for the eligibility of pilot projects, the Secretary of Transportation shall include the following:

(I) The project must serve the general public.

(II) The project is necessary to evaluate the potential of the private sector's participation in the provision of the highway infrastructure of the United States.

(III) The project must be located on publicly-owned rights-of-way.

(IV) The project must be publicly owned or the ownership of the highway

constructed or reconstructed under the project must revert to the public.

(V) The project must be consistent with a transportation plan developed pursuant to section 134(g) or 135(e) of title 23, United States Code.

(C) AGGREGATE FACE AMOUNT OF TAX-EXEMPT FINANCING.—

(i) IN GENERAL.—The aggregate face amount of bonds issued pursuant to this section shall not exceed $15,000,000,000, determined without regard to any bond the proceeds of which are used exclusively to refund (other than to advance refund) a bond issued pursuant to this section (or a bond which is a part of a series of refundings of a bond so issued) if the amount of the refunding bond does not exceed the outstanding amount of the refunded bond.

(ii) ALLOCATION.—The Secretary of Transportation, in consultation with the Secretary of the Treasury, shall allocate the amount described in clause (i) among the eligible pilot projects designated under subparagraph (B).

(iii) REALLOCATION.—If any portion of an allocation under clause (ii) is unused on the date which is 3 years after such allocation, the Secretary of Transportation, in consultation with the Secretary of the Treasury, may reallocate such portion among the remaining eligible pilot projects.

(c) REPORT.—

(1) IN GENERAL.—Not later than the earlier of—

(A) 1 year after either ½ of the projects authorized under this section have been identified or ½ of the total bonds allowable for the projects under this section have been issued, or

(B) 7 years after the date of the enactment of this Act,

the Secretary of Transportation, in consultation with the Secretary of the Treasury, shall submit the report described in paragraph (2) to the Committees on Finance and on Environment and Public Works of the Senate and the Committees on Ways and Means and on Transportation and Infrastructure of the House of Representatives.

(2) CONTENTS.—The report under paragraph (1) shall evaluate the overall success of the program conducted pursuant to this section, including—

(A) a description of each project under the program,

(B) the extent to which the projects used new technologies, construction techniques, or innovative cost controls that resulted in savings in building the project, and

(C) the use and efficiency of the Federal tax subsidy provided by the bond financing.

SEC. 6005. REPEAL OF 1.25 CENT TAX RATE ON RAIL DIESEL FUEL.

(a) IN GENERAL.—Section 4041(a)(1)(C)(ii) (relating to rate of tax on trains) is amended—

(1) in subclause (II), by striking "October 1, 1999" and inserting "March 1, 1999", and

(2) in subclause (III), by striking "September 30, 1999" and inserting "February 28, 1999".

(b) CONFORMING AMENDMENTS.—

(1) Section 6421(f)(3)(B) is amended—

(A) in clause (ii), by striking "October 1, 1999" and inserting "March 1, 1999", and

(B) in clause (iii), by striking "September 30, 1999" and inserting "February 28, 1999".

(2) Section 6427(l)(3)(B) is amended—

(A) in clause (ii), by striking "October 1, 1999" and inserting "March 1, 1999", and

(B) in clause (iii), by striking "September 30, 1999" and inserting "February 28, 1999".

SEC. 6006. ELECTION TO RECEIVE TAXABLE CASH COMPENSATION IN LIEU OF NONTAXABLE QUALIFIED TRANSPORTATION FRINGE BENEFITS.

(a) NO CONSTRUCTIVE RECEIPT.—

(1) IN GENERAL.— Paragraph (4) of section 132(f) (relating to qualified transportation fringe) is amended to read as follows:

"(4) NO CONSTRUCTIVE RECEIPT.—No amount shall be included in the gross income of an employee solely because the employee may choose between any qualified transportation fringe and compensation which would otherwise be includible in gross income of such employee.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 1997.

(b) INCREASE IN MAXIMUM EXCLUSION FOR EMPLOYER-PROVIDED TRANSIT PASSES.—

(1) IN GENERAL.—Subparagraph (A) of section 132(f)(2) (relating to limitation on exclusion) is amended by striking "$60" and inserting "$100".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2001.

(c) NO INFLATION ADJUSTMENT FOR 1999.—

(1) IN GENERAL.—Paragraph (6) of section 132(f) (relating to qualified transportation fringe) is amended to read as follows:

"(6) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 1999, the dollar amounts contained in subparagraphs (A) and (B) of paragraph (2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 1998' for 'calendar year 1992'.

If any increase determined under the preceding sentence is not a multiple of $5, such increase shall be rounded to the next lowest multiple of $5.".

(2) CONFORMING AMENDMENT.—Section 132(f)(2)(B) is amended by striking "$155" and inserting "$175".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1998.

(d) CONFORMING INFLATION ADJUSTMENT.—

(1) IN GENERAL.—Paragraph (6) of section 132(f) (relating to qualified transportation fringe) is amended to read as follows:

"(6) INFLATION ADJUSTMENT.—

"(A) ADJUSTMENT TO QUALIFIED PARKING LIMITATION.—In the case of any taxable year beginning in a calendar year after 1999, the dollar amount contained in paragraph (2)(B) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 1998' for 'calendar year 1992'.

"(B) ADJUSTMENT TO OTHER QUALIFIED TRANSPORTATION FRINGES LIMITATION.—In the case of any taxable year beginning in a calendar year after 2002, the dollar amount contained in paragraph (2)(A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2001' for 'calendar year 1992'.

"(c) ROUNDING.—If any increase determined under subparagraph (A) or (B) is not a multiple of $5, such increase shall be rounded to the next lowest multiple of $5.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2002.

SEC. 6007. TAX TREATMENT OF CERTAIN FEDERAL PARTICIPATION PAYMENTS.

For purposes of the Internal Revenue Code of 1986, with respect to any Federal participation payment to a taxpayer in any taxable year made under section 149(e) of title 23, United States Code, as added by section 1502, to the extent such payment is not subject to tax under such Code for the taxable year—

(1) no credit or deduction (other than a deduction with respect to any interest on a loan) shall be allowed to the taxpayer with respect to any property

placed in service or other expenditure that is directly or indirectly attributable to the payment, and

(2) the basis of any such property shall be reduced by the portion of the cost of the property that is attributable to the payment.

SEC. 6008. DELAY IN EFFECTIVE DATE OF NEW REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

Subsection (f) of section 1032 of the Taxpayer Relief Act of 1997 is amended to read as follows:

"(f) EFFECTIVE DATES.—

"(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on July 1, 1998.

"(2) The amendment made by subsection (d) shall take effect on July 1, 2000.".

SEC. 6009. REPEAL OF CERTAIN LIMITATION ON EXPENDITURES.

(a) IN GENERAL.—Section 9503(c) of the Internal Revenue Code of 1986 (relating to expenditures from Highway Trust Fund) is amended by striking paragraph (7).

(b) EFFECTIVE DATE.—The amendment made by this section takes effect as if included in the enactment of section 901 of the Taxpayer Relief Act of 1997.

Calendar No. 188

105TH CONGRESS
1ST SESSION

S. 1173

[Report No. 105–95]

A BILL

To authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

MARCH 16, 1998

Ordered to be printed as amended

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