

104TH CONGRESS  
2D SESSION

# H. R. 3669

To establish sources of funding for certain transportation infrastructure projects in the vicinity of the border between the United States and Mexico that are necessary to accommodate increased traffic resulting from the implementation of the North American Free Trade Agreement, including construction of new Federal border crossing facilities, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 1996

Mr. FILNER introduced the following bill; which was referred to the  
Committee on Transportation and Infrastructure

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## A BILL

To establish sources of funding for certain transportation infrastructure projects in the vicinity of the border between the United States and Mexico that are necessary to accommodate increased traffic resulting from the implementation of the North American Free Trade Agreement, including construction of new Federal border crossing facilities, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Border Infrastructure  
3 Safety and Congestion Relief Act of 1996”.

4 **SEC. 2. FINDINGS.**

5 Congress finds that—

6 (1) although the United States Customs Service  
7 has collected increased duties, merchandise fees, and  
8 revenues from other commerce-related activities be-  
9 cause of the approval and implementation of the  
10 North American Free Trade Agreement, these in-  
11 creased revenues have not been accompanied by Fed-  
12 eral funding for improving transportation facilities  
13 along the international borders of the United States  
14 to ensure the free and safe flow of trade destined for  
15 all States and regions of the United States;

16 (2) because of NAFTA, all 4 States along the  
17 United States-Mexico border will require significant  
18 investments in highway infrastructure capacity and  
19 motor carrier safety enforcement at a time when  
20 border States face extreme difficulty in meeting cur-  
21 rent highway funding needs;

22 (3) the full benefits of increased international  
23 trade can be realized only if delays at the borders  
24 are significantly reduced; and

25 (4) the increased revenues to the general fund  
26 of the Treasury described in paragraph (1) should

1 be sufficient to provide Federal funding for trans-  
2 portation improvements required to accommodate  
3 NAFTA-generated traffic, in an amount above and  
4 beyond regular Federal transportation funding ap-  
5 portionments.

6 **SEC. 3. DEFINITIONS.**

7 In this Act, the following definitions apply:

8 (1) **BORDER REGION.**—The term “border re-  
9 gion” means the region located within 60 miles of  
10 the United States border with Mexico.

11 (2) **BORDER STATE.**—The term “border State”  
12 means California, Arizona, New Mexico, and Texas.

13 (3) **FUND.**—The term “Fund” means the Bor-  
14 der Transportation Infrastructure Fund established  
15 under section 4(g).

16 (4) **NAFTA.**—The term “NAFTA” means the  
17 North American Free Trade Agreement.

18 (5) **SECRETARY.**—The term “Secretary” means  
19 the Secretary of Transportation.

20 **SEC. 4. DIRECT FEDERAL ASSISTANCE FOR BORDER CON-**  
21 **STRUCTION AND CONGESTION RELIEF.**

22 (a) **IN GENERAL.**—Using amounts in the Fund, the  
23 Secretary shall make grants under this section to border  
24 States that submit an application that demonstrates need,  
25 due to increased traffic resulting from the implementation

1 of NAFTA, for assistance in carrying out transportation  
2 projects that are necessary to relieve traffic congestion or  
3 improve enforcement of motor carrier safety laws.

4 (b) GRANTS FOR CONNECTORS TO FEDERAL BOR-  
5 DER CROSSING FACILITIES.—The Secretary shall make  
6 grants to border States for the purposes of connecting,  
7 through construction or reconstruction, the National  
8 Highway System designated under section 103(b) of title  
9 23, United States Code, with Federal border crossing fa-  
10 cilities located in the United States in the border region.

11 (c) GRANTS FOR WEIGH-IN-MOTION DEVICES IN  
12 MEXICO.—The Secretary shall make grants to assist bor-  
13 der States in the purchase, installation, and maintenance  
14 of weigh-in-motion devices and associated electronic equip-  
15 ment that are to be located in Mexico if real time data  
16 from the devices is provided to the nearest United States  
17 port of entry and to State commercial vehicle enforcement  
18 facilities that serve the port of entry.

19 (d) GRANTS FOR COMMERCIAL VEHICLE ENFORCE-  
20 MENT FACILITIES.—The Secretary shall make grants to  
21 border States to construct, operate, and maintain commer-  
22 cial vehicle enforcement facilities located in the border re-  
23 gion.

24 (e) LIMITATIONS ON EXPENDITURES OF FUNDS.—

1           (1) COST SHARING.—A grant under this section  
2 shall be used to pay the Federal share of the cost  
3 of a project. The Federal share shall be 80 percent.

4           (2) ALLOCATION AMONG STATES.—

5           (A) IN GENERAL.—For each fiscal year,  
6 the Secretary shall allocate amounts remaining  
7 in the Fund, after any transfers under section  
8 5, among border States in accordance with an  
9 equitable formula established by the Secretary  
10 in accordance with subparagraphs (B) and (C).

11           (B) CONSIDERATIONS.—Subject to sub-  
12 paragraph (C), in establishing the formula, the  
13 Secretary shall consider—

14           (i) the annual volume of international  
15 commercial vehicle traffic at the ports of  
16 entry of each border State as compared to  
17 the annual volume of international com-  
18 mercial vehicle traffic at the ports of entry  
19 of all border States, based on the data pro-  
20 vided in the most recent report submitted  
21 under section 8;

22           (ii) the percentage by which inter-  
23 national commercial vehicle traffic in each  
24 border State has grown during the period  
25 beginning on the date of the enactment of

1 the North American Free Trade Agree-  
2 ment Implementation Act (Public Law  
3 103–182) as compared to that percentage  
4 for each other border State; and

5 (iii) the extent of border transpor-  
6 tation improvements carried out by each  
7 border State during the period beginning  
8 on the date of the enactment of the North  
9 American Free Trade Agreement Imple-  
10 mentation Act (Public Law 103–182).

11 (C) MINIMUM ALLOCATION.—Each border  
12 State shall receive not less than 5 percent of  
13 the amounts made available to carry out this  
14 section during the period of authorization under  
15 subsection (i).

16 (f) ELIGIBILITY FOR REIMBURSEMENT FOR PRE-  
17 VIously COMMENCED PROJECTS.—The Secretary shall  
18 make a grant under this section to a border State that  
19 reimburses the border State for a project for which con-  
20 struction commenced after January 1, 1994, if the project  
21 is otherwise eligible for assistance under this section.

22 (g) BORDER TRANSPORTATION INFRASTRUCTURE  
23 FUND.—

24 (1) ESTABLISHMENT.—There is established in  
25 the Treasury of the United States the Border Trans-

1 portation Infrastructure Fund to be used in carrying  
2 out this section, consisting of such amounts as are  
3 appropriated to the Fund under subsection (i).

4 (2) EXPENDITURES FROM FUND.—

5 (A) IN GENERAL.—Subject to subpara-  
6 graph (B), upon request by the Secretary, the  
7 Secretary of the Treasury shall transfer from  
8 the Fund to the Secretary of Transportation  
9 such amounts as the Secretary of Transpor-  
10 tation determines are necessary to make grants  
11 under this section and transfers under section  
12 5.

13 (B) ADMINISTRATIVE EXPENSES.—An  
14 amount not exceeding 1 percent of the amounts  
15 in the Fund shall be available for each fiscal  
16 year to pay the administrative expenses nec-  
17 essary to carry out this section.

18 (h) APPLICABILITY OF TITLE 23.—Title 23, United  
19 States Code, shall apply to grants made under this section.

20 (i) AUTHORIZATION OF APPROPRIATIONS.—There  
21 are authorized to be appropriated to the Fund to carry  
22 out this section and section 5 \$125,000,000 for each of  
23 fiscal years 1998 through 2001. The appropriated  
24 amounts shall remain available for obligation until the end

1 of the third fiscal year following the fiscal year for which  
2 the amounts are appropriated.

3 **SEC. 5. CONSTRUCTION OF TRANSPORTATION INFRA-**  
4 **STRUCTURE FOR LAW ENFORCEMENT PUR-**  
5 **POSES.**

6 At the request of the Attorney General, the Secretary  
7 may transfer up to \$10,000,000 of the amounts from the  
8 Fund for fiscal years 1998 through 2001 to the Attorney  
9 General for the construction of transportation infrastruc-  
10 ture necessary for law enforcement in border States.

11 **SEC. 6. BORDER INFRASTRUCTURE INNOVATIVE FINANC-**  
12 **ING.**

13 (a) PURPOSES.—The purposes of this section are—

14 (1) to encourage the establishment and oper-  
15 ation of State infrastructure banks in accordance  
16 with section 350 of the National Highway System  
17 Designation Act of 1995 (109 Stat. 618; 23 U.S.C.  
18 101 note); and

19 (2) to advance transportation infrastructure  
20 projects supporting international trade and com-  
21 merce.

22 (b) FEDERAL LINE OF CREDIT.—Section 350 of the  
23 National Highway System Designation Act of 1995 (109  
24 Stat. 618; 23 U.S.C. 101 note) is amended—

1           (1) by redesignating subsection (l) as subsection  
2           (m); and

3           (2) by inserting after subsection (k) the follow-  
4           ing:

5           “(1) FEDERAL LINE OF CREDIT.—

6           “(1) IN GENERAL.—There is authorized to be  
7           appropriated from the general fund of the Treasury  
8           \$100,000,000 to be used by the Secretary to enter  
9           into agreements to make lines of credit available  
10          to—

11                   “(A) border States that have established  
12                   infrastructure banks under this section; and

13                   “(B) the State of New Mexico which has  
14                   established a border authority that has bonding  
15                   capacity.

16           “(2) AMOUNT.—The line of credit available to  
17           each participating border State shall be equal to the  
18           product of—

19                   “(A) the amount appropriated under para-  
20                   graph (1); and

21                   “(B) the quotient obtained by dividing—

22                           “(i) the contributions of the State to  
23                           the Highway Trust Fund during the latest  
24                           fiscal year for which data are available; by

1                   “(ii) the total contributions of all par-  
2                   ticipating border States to the Highway  
3                   Trust Fund during that fiscal year.

4                   “(3) USE OF LINE OF CREDIT.—The line of  
5                   credit under this subsection shall be available to pro-  
6                   vide Federal support in accordance with this sub-  
7                   section for funding agreements with—

8                   “(A) a State infrastructure bank engaged  
9                   in providing credit enhancement to creditworthy  
10                  eligible public and private multimodal projects  
11                  that support international trade and commerce  
12                  in the border region; and

13                  “(B) the New Mexico Border Authority;  
14                  (each referred to in this subsection as a ‘border in-  
15                  frastructure bank’).

16                  “(4) LIMITATIONS.—

17                  “(A) IN GENERAL.—A line of credit under  
18                  this subsection may be drawn on only—

19                         “(i) with respect to a completed  
20                         project described in paragraph (3) that is  
21                         receiving credit enhancement through a  
22                         border infrastructure bank;

23                         “(ii) when the cash balance available  
24                         in the border infrastructure bank is insuf-

1           ficient to pay a claim for payment relating  
2           to the project; and

3           “(iii) when all subsequent revenues of  
4           the project have been pledged to the border  
5           infrastructure bank.

6           “(B) THIRD PARTY CREDITOR RIGHTS.—  
7           No third party creditor of a public or private  
8           entity carrying out a project eligible for assist-  
9           ance from a border infrastructure bank shall  
10          have any right against the Federal Government  
11          with respect to a line of credit under this sub-  
12          section, including any guarantee that the pro-  
13          ceeds of a line of credit will be available for the  
14          payment of any particular cost of the public or  
15          private entity that may be financed under this  
16          subsection.

17          “(5) INTEREST RATE AND REPAYMENT PE-  
18          RIOD.—Any draw on a line of credit under this sub-  
19          section shall—

20                 “(A) accrue, beginning on the date the  
21                 draw is made, interest at a rate equal to the  
22                 current (as of the date the draw is made) mar-  
23                 ket yield on outstanding, marketable obligations  
24                 of the United States with maturities of 30  
25                 years; and



1           (1) pay any amounts required pursuant to the  
2           guarantee of the principal amount of an obligation  
3           under section 511 of such Act (45 U.S.C. 831) for  
4           any eligible freight rail project described in sub-  
5           section (c) during the period that the guaranteed ob-  
6           ligation is outstanding; and

7           (2) during the period referred to in paragraph  
8           (1), meet the applicable requirements of this section  
9           and sections 511 and 513 of such Act (45 U.S.C.  
10          832 and 833).

11          (c) ELIGIBILITY.—Assistance provided under this  
12          section shall be limited to those freight rail projects lo-  
13          cated in the United States that provide intermodal connec-  
14          tions that enhance cross-border traffic in the border re-  
15          gion.

16          (d) LIMITATION.—Notwithstanding any other provi-  
17          sion of law, the aggregate unpaid principal amounts of ob-  
18          ligations that may be guaranteed by the Secretary under  
19          this section may not exceed \$100,000,000 during any of  
20          fiscal years 1998 through 2001.

21          (e) AUTHORIZATION OF APPROPRIATIONS.—There  
22          are authorized to be appropriated to make loan guarantees  
23          under this section \$10,000,000 for each of fiscal years  
24          1998 through 2001.

1 **SEC. 8. REPORT.**

2 (a) **IN GENERAL.**—The Secretary shall annually sub-  
3 mit to Congress and the Governor of each border State  
4 a report concerning—

5 (1) the volume and nature of international com-  
6 mercial vehicle traffic crossing the border between  
7 the United States and Mexico; and

8 (2)(A) the number of international commercial  
9 vehicle inspections conducted by each border State  
10 at each United States port of entry; and

11 (B) the rate of out-of-service violations of inter-  
12 national commercial vehicles found through the in-  
13 spections.

14 (b) **INFORMATION PROVIDED BY UNITED STATES**  
15 **CUSTOMS SERVICE.**—For the purpose of preparing each  
16 report under subsection (a)(1), the Commissioner of Cus-  
17 toms shall provide to the Secretary such information de-  
18 scribed in subsection (a)(1) as the Commissioner has  
19 available.

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