

104TH CONGRESS
2D SESSION

S. 1891

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.

IN THE SENATE OF THE UNITED STATES

JUNE 19, 1996

Mrs. BOXER (for herself and Mr. BINGAMAN) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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:

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 of fiscal years
6 1998 through 2001, the Secretary shall allocate
7 amounts remaining in the Fund, after any
8 transfers under section 5, among border States
9 in accordance with an equitable formula estab-
10 lished by the Secretary in accordance with sub-
11 paragraphs (B) and (C).

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

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

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

1 beginning on the date of enactment of the
2 North American Free Trade Agreement
3 Implementation Act (Public Law 103–182)
4 as compared to that percentage for each
5 other border State; and

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

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

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

23 (g) BORDER TRANSPORTATION INFRASTRUCTURE
24 FUND.—

1 (1) ESTABLISHMENT.—There is established in
2 the Treasury of the United States the Border Trans-
3 portation Infrastructure Fund to be used in carrying
4 out this section, consisting of such amounts as are
5 appropriated to the Fund under subsection (i).

6 (2) EXPENDITURES FROM FUND.—

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

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

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

21 (i) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to the Fund to carry
23 out this section and section 5 \$125,000,000 for each of
24 fiscal years 1998 through 2001. The appropriated
25 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, during the period consisting of fiscal years
8 1998 through 2001, up to \$10,000,000 of the amounts
9 from the Fund to the Attorney General for the construc-
10 tion of transportation infrastructure necessary for law en-
11 forcement in border States.

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

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

15 (1) to encourage the establishment and oper-
16 ation of State infrastructure banks in accordance
17 with section 350 of the National Highway System
18 Designation Act of 1995 (109 Stat. 618; 23 U.S.C.
19 101 note); and

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

23 (b) FEDERAL LINE OF CREDIT.—Section 350 of the
24 National Highway System Designation Act of 1995 (109
25 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) DEFINITIONS.—In this subsection, the
7 terms ‘border region’ and ‘border State’ have the
8 meanings provided in section 3 of the Border Infra-
9 structure Safety and Congestion Relief Act of 1996.

10 “(2) AUTHORIZATION OF APPROPRIATIONS.—

11 There is authorized to be appropriated from the gen-
12 eral fund of the Treasury \$100,000,000 to be used
13 by the Secretary to make lines of credit available
14 to—

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

17 “(B) the State of New Mexico which has
18 established a border authority that has bonding
19 capacity.

20 “(3) AMOUNT.—The line of credit available to
21 each participating border State shall be equal to the
22 product of—

23 “(A) the amount appropriated under para-
24 graph (2); and

25 “(B) the quotient obtained by dividing—

1 “(i) the contributions of the State to
2 the Highway Trust Fund during the latest
3 fiscal year for which data are available; by

4 “(ii) the total contributions of all par-
5 ticipating border States to the Highway
6 Trust Fund during that fiscal year.

7 “(4) USE OF LINE OF CREDIT.—The line of
8 credit under this subsection shall be available to pro-
9 vide Federal support in accordance with this sub-
10 section to—

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

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

19 “(5) LIMITATIONS.—

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

22 “(i) with respect to a completed
23 project described in paragraph (4) that is
24 receiving credit enhancement through a
25 border infrastructure bank;

1 “(ii) when the cash balance available
2 in the border infrastructure bank is insuf-
3 ficient to pay a claim for payment relating
4 to the project; and

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

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

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

22 “(A) accrue, beginning on the date the
23 draw is made, interest at a rate equal to the
24 current (as of the date the draw is made) mar-
25 ket yield on outstanding, marketable obligations

1 of the United States with maturities of 30
2 years; and

3 “(B) shall be repaid within a period of not
4 more than 30 years.

5 “(7) RELATIONSHIP TO STATE APPORTION-
6 MENT.—Funds made available to States to carry out
7 this subsection shall be in addition to funds appor-
8 tioned to States under section 104 of title 23, Unit-
9 ed States Code.”.

10 **SEC. 7. RAILROAD REHABILITATION AND IMPROVEMENT**
11 **PROGRAM.**

12 (a) PURPOSE.—The purpose of this section is to pro-
13 vide assistance for freight rail projects in border States
14 that benefit international trade and relieve highways of in-
15 creased traffic resulting from NAFTA.

16 (b) ISSUANCE OF OBLIGATIONS.—The Secretary
17 shall issue to the Secretary of the Treasury notes or other
18 obligations pursuant to section 512 of the Railroad Revi-
19 talization and Regulatory Reform Act of 1976 (45 U.S.C.
20 832), in such amounts, and at such times, as may be nec-
21 essary to—

22 (1) pay any amounts required pursuant to the
23 guarantee of the principal amount of an obligation
24 under section 511 of the Act (45 U.S.C. 831) for
25 any eligible freight rail project described in sub-

1 section (c) during the period that the guaranteed ob-
2 ligation is outstanding; and

3 (2) during the period referred to in paragraph
4 (1), meet the applicable requirements of this section
5 and sections 511 and 513 of the Act (45 U.S.C. 832
6 and 833).

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

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

17 (e) AUTHORIZATION OF APPROPRIATIONS.—There
18 are authorized to be appropriated to make loan guarantees
19 under this section \$10,000,000 for each of fiscal years
20 1998 through 2001.

21 **SEC. 8. REPORT.**

22 (a) IN GENERAL.—The Secretary shall annually sub-
23 mit to Congress and the Governor of each border State
24 a report concerning—

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

4 (2)(A) the number of international commercial
5 vehicle inspections conducted by each border State
6 at each United States port of entry; and

7 (B) the rate of out-of-service violations of inter-
8 national commercial vehicles found through the in-
9 spections.

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

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