H. R. 3550

To authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 20, 2003

Mr. Young of Alaska (for himself, Mr. Oberstar, Mr. Petri, Mr. Lipinski, Mr. Boehlert, Mr. Rahall, Mr. Coble, Mr. DeFazio, Mr. Duncan, Mr. Costello, Mr. Gilchrest, Ms. Norton, Mr. Mica, Mr. Nadler, Mr. Hoekstra, Mr. Menendez, Mr. Quinn, Ms. Corrine Brown of Florida, Mr. Ehlers, Mr. Filner, Mr. Boucher, Ms. Eddie Bernice Johnson of Texas, Mr. LaTourette, Mr. Taylor of Mississippi, Mrs. Kelly, Ms. Millender-McDonald, Mr. Baker, Mr. Cummings, Mr. Ney, Mr. Blumenauer, Mr. LoBiondo, Mrs. Tauscher, Mr. Moran of Kansas, Mr. Pascrell, Mr. Gary G. Miller of California, Mr. Boswell, Mr. Bereuter, Mr. Holden, Mr. Israel, Mr. Lampson, Mr. Hayes, Mr. Baird, Mr. Simmons, Ms. Berkley, Mrs. Capito, Mr. Honda, Mr. Brown of South Carolina, Mr. Larsen of Washington, Mr. Johnson of Illinois, Mr. Capuano, Mr. Rehberg, Mr. Weiner, Mr. Platts, Ms. Carson of Indiana, Mr. Graves, Mr. Hoeffel, Mr. Kennedy of Minnesota, Mr. Thompson of California, Mr. Shuster, Mr. Bishop of New York, Mr. Boozman, Mr. Michaud, Mr. Chocola, Mr. Davis of Tennessee, Mr. Beaudrez, Mr. Burgess, Mr. Burns, Mr. Pearce, Mr. Gehrlich, Mr. Mario Diaz-Balart of Florida, Mr. Porter, Mr. Matheson, and Mr. Carson of Oklahoma) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes.
Be it enacted by the Senate and House of Representa-
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
“Transportation Equity Act: A Legacy for Users”.

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SEC. 2. DEFINITION.  
In this Act, the term “Secretary” means the Secretary of Transportation.  

TITLE I—FEDERAL-AID HIGHWAYS  
Subtitle A—Authorization of Programs  

SEC. 1101. AUTHORIZATIONS OF APPROPRIATIONS.  
(a) In General.—The following sums are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account):  
(1) Interstate maintenance program.—  
For the Interstate maintenance program under section 119 of title 23, United States Code,  
$4,500,615,000 for fiscal year 2004,  
$4,988,088,000 for fiscal year 2005,  
$5,359,491,000 for fiscal year, 2006,  
$5,711,450,000 for fiscal year 2007,  
$5,865,610,000 for fiscal year 2008, and  
$6,072,843,000 for fiscal year 2009.
(2) NATIONAL HIGHWAY SYSTEM.—For the Na-
tional Highway System under section 103 of that
title, $5,400,738,000 for fiscal year 2004,
$5,985,705,000 for fiscal year 2005,
$6,431,389,000 for fiscal year 2006,
$6,853,739,000 for fiscal year 2007,
$7,038,732,000 for fiscal year 2008, and
$7,287,412,000 for fiscal year 2009.

(3) BRIDGE PROGRAM.—For the bridge pro-
gram under section 144 of that title,
$3,861,779,000 for fiscal year 2004,
$4,280,057,000 for fiscal year 2005,
$4,598,742,000 for fiscal year 2006,
$4,900,742,000 for fiscal year 2007,
$5,033,021,000 for fiscal year 2008, and
$5,210,839,000 for fiscal year 2009.

(4) HIGHWAY SAFETY IMPROVEMENT PRO-
gram.—For the highway safety improvement pro-
gram under sections 130 and 152 of that title,
$1,000,000,000 for fiscal year 2004,
$1,100,000,000 for fiscal year 2005,
$1,200,000,000 for fiscal year 2006,
$1,300,000,000 for fiscal year 2007,
$1,400,000,000 for fiscal year 2008, and
$1,500,000,000 for fiscal year 2009. Of such funds
¾ per fiscal year shall be available to carry out sec-
tion 130 and ¾ shall be available to carry out sec-
tion 152.

(5) Surface transportation program.—For the surface transportation program under sec-
tion 133 of that title, $6,285,669,000 for fiscal year

(6) Congestion mitigation and air quality
improvement program.—For the congestion miti-
gation and air quality improvement program under
section 149 of that title, $1,530,210,000 for fiscal
year 2004, $1,695,950,000 for fiscal year 2005, $1,822,227,000 for fiscal year 2006, $1,941,893,000 for fiscal year 2007, $1,994,307,000 for fiscal year 2008, and $2,064,767,000 for fiscal year 2009.

(7) Appalachian development highway
system program.—For the Appalachian develop-
ment highway system program under section 14501
of title 40, United States Code, $600,000,000 for
each of fiscal years 2004 through 2009.
(8) Recreational Trails Program.—For the recreational trails program under section 206 of title 23, United States Code, $70,000,000 for fiscal year 2004, $90,000,000 for fiscal year 2005, $110,000,000 for fiscal year 2006, $130,000,000 for fiscal year 2007, $150,000,000 for fiscal year 2008, and $150,000,000 for fiscal year 2009.

(9) Federal Lands Highways Program.—

(A) Indian Reservation Roads.—For Indian reservation roads under section 204 of title 23, United States Code, $375,000,000 for fiscal year 2004, $425,000,000 for fiscal year 2005, $475,000,000 for fiscal year 2006, $500,000,000 for fiscal year 2007, $550,000,000 for fiscal year 2008, and $550,000,000 for fiscal year 2009.

(B) Park Roads and Parkways.—For park roads and parkways roads under section 204 of that title, $180,000,000 for fiscal year 2004, $205,000,000 for fiscal year 2005, $230,000,000 for fiscal year 2006, $255,000,000 for fiscal year 2007, $280,000,000 for fiscal year 2008, and $305,000,000 for fiscal year 2009.
(C) Public lands highway.—For public lands highway under section 204 of that title, 

$250,000,000 for fiscal year 2004, 

$275,000,000 for fiscal year 2005, 

$300,000,000 for fiscal year 2006, 

$325,000,000 for fiscal year 2007, 

$350,000,000 for fiscal year 2008, and 

$375,000,000 for fiscal year 2009.

(D) Refuge Roads.—For refuge roads under section 204 of that title, $25,000,000 for each of fiscal years 2004 through 2009.

(E) Indian Transportation Bonds.—For the Indian transportation bonds under section 1117 of this title, $25,000,000 for fiscal year 2004, $25,000,000 for fiscal year 2005, $25,000,000 for fiscal year 2006, $50,000,000 for fiscal year 2007, $50,000,000 for fiscal year 2008, and $50,000,000 for fiscal year 2009.

(10) National Corridor Infrastructure Improvement Program.—For the national corridor infrastructure improvement program under section 1301 of this title, $500,000,000 for fiscal year 2004, $900,000,000 for fiscal year 2005, $900,000,000 for fiscal year 2006, $900,000,000 for fiscal year 2007,
$900,000,000 for fiscal year 2008, and
$900,000,000 for fiscal year 2009.

(11) COORDINATED BORDER INFRASTRUCTURE
PROGRAM.—For the coordinated border infrastruc-
ture program under section 1302 of this title, $200,000,000 for fiscal year 2004, $300,000,000 for fiscal year 2005, $325,000,000 for fiscal year 2006, $350,000,000 for fiscal year 2007, $400,000,000 for fiscal year 2008, and $400,000,000 for fiscal year 2009.

(12) PROJECTS OF NATIONAL AND REGIONAL SIGNIFICANCE PROGRAM.—For the projects of national and regional significance program under section 1304 of this title, $2,900,000,000 for fiscal year 2004, $2,900,000,000 for fiscal year 2005, $2,900,000,000 for fiscal year 2006, $2,900,000,000 for fiscal year 2007, $3,000,000,000 for fiscal year 2008, and $3,000,000,000 for fiscal year 2009.

(13) CONSTRUCTION OF FERRY BOATS AND FERRY TERMINAL FACILITIES.—For construction of ferry boats and ferry terminal facilities under section 165 of title 23, United States Code, $100,000,000 for fiscal year 2004, $105,000,000 for fiscal year 2005, $110,000,000 for fiscal year 2006,
$115,000,000 for fiscal year 2007, $120,000,000 for fiscal year 2008, and $125,000,000 for fiscal year 2009.

(14) NATIONAL SCENIC BYWAYS PROGRAM.—For the national scenic byways program under section 162 of title 23, United States Code, $35,000,000 for fiscal year 2004, $50,000,000 for fiscal year 2005, $65,000,000 for fiscal year 2006, $80,000,000 for fiscal year 2007, $95,000,000 for fiscal year 2008, and $110,000,000 for fiscal year 2009.

(15) CONGESTION PRICING PILOT PROGRAM.—For the congestion pricing pilot program under section 1209 of this title, $25,000,000 for fiscal year 2004, $25,000,000 for fiscal year 2005, $25,000,000 for fiscal year 2006, $25,000,000 for fiscal year 2007, $25,000,000 for fiscal year 2008, and $25,000,000 for fiscal year 2009.

(16) DEPLOYMENT OF 511 TRAVELER INFORMATION PROGRAM.—For the 511 traveler information program under section 1204(c)(7) of this title, $25,000,000 for each of fiscal years 2004 through 2009.

(17) HIGH PRIORITY PROJECTS PROGRAM.—For the high priority projects program under section

(18) Freight intermodal connector program.—For the freight intermodal connector program under section 1303 of this title, $300,000,000 for fiscal year 2004, $400,000,000 for fiscal year 2005, $500,000,000 for fiscal year 2006, $600,000,000 for fiscal year 2007, $600,000,000 for fiscal year 2008, and $600,000,000 for fiscal year 2009.

(19) High risk rural road safety improvement program.—For the high risk rural road safety improvement program under section 1403 of this title, $250,000,000 for fiscal year 2004, $250,000,000 for fiscal year 2005, $250,000,000 for fiscal year 2006, $250,000,000 for fiscal year 2007, $250,000,000 for fiscal year 2008, and $250,000,000 for fiscal year 2009.

(20) Highway use tax evasion program.—For highway use tax evasion projects under section 143 of title 23, United States Code, $26,000,000 for
fiscal year 2004, $55,000,000 for fiscal year 2005,
$55,000,000 for fiscal year 2006, $44,000,000 for
fiscal year 2007, $11,000,000 for fiscal year 2008,
and $11,000,000 for fiscal year 2009.

(21) Pedestrian and cyclist equity.—

(A) Transportation and active living
program.—For the transportation and active
living program under section 1118 of this title,
$25,000,000 for each of fiscal years 2004
through 2009. [Reserved.]

(B) Safe routes to school pro-
gram.—For the safe routes to school program
under section 1118 of this title, $250,000,000
for each of the fiscal years 2004 through 2009.

(C) Nonmotorized pilot program.—
For the nonmotorized pilot program under sec-
tion 1118 of this title, $20,000,000 for each of
fiscal years 2004 through 2006 and
$40,000,000 for each of fiscal years 2007
through 2009. [Reserved.]

(22) Dedicated truck lanes.—For dedi-
cated truck lanes under section 1305 of this title,
$250,000,000 for fiscal year 2004 and
$350,000,000 for each of fiscal years 2005 through
2009.
(23) Highways for Life Program.—For the highways for life program under section 1504 of this title, $125,000,000 for each of fiscal years 2004 through 2009.

(24) Commonwealth of Puerto Rico Highway Program.—For the Commonwealth of Puerto Rico highway program under section 1214(r) of the Transportation Equity Act for the 21st Century (112 Stat. 209), $130,000,000 for fiscal year 2004, $140,000,000 for fiscal year 2005, $150,000,000 for fiscal year 2006, $160,000,000 for fiscal year 2007, $170,000,000 for fiscal year 2008, and $180,000,000 for fiscal year 2009.

(b) Disadvantaged Business Enterprises.—

(1) 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, III, and V of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(2) Definitions.—In this subsection, the following definitions apply:

(A) 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 $17,420,000, as adjusted by the Secretary for inflation.

(B) 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 subsection.

(3) Annual listing of disadvantaged business enterprises.—Each State shall annually survey and compile a list of the small business concerns referred to in paragraph (1) 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.

(4) Uniform Certification.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a concern qualifies for purposes of this subsection. 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.

(5) Compliance with Court Orders.—Nothing in this subsection limits the eligibility of an entity or person to receive funds made available under titles I, III, and V of this Act if the entity or person is prevented, in whole or in part, from complying with paragraph (1) because a Federal court issues a final order in which the court finds that the requirement of paragraph (1), or the program established under paragraph (1), is unconstitutional.
SEC. 1102. OBLIGATION CEILING.

(a) General Limitation.—Notwithstanding any other provision of law but subject to subsections (g) and (h), the obligations for Federal-aid highway and highway safety construction programs shall not exceed—

(1) $38,800,000,000 for fiscal year 2004;
(2) $43,300,000,000 for fiscal year 2005;
(3) $47,100,000,000 for fiscal year 2006;
(4) $51,100,000,000 for fiscal year 2007;
(5) $54,200,000,000 for fiscal year 2008; and
(6) $58,200,000,000 for fiscal year 2009.

(b) Exceptions.—The limitations under subsection (a) shall not apply to obligations—

(1) under section 125 of title 23, United States Code;
(2) under section 147 of the Surface Transportation Assistance Act of 1978;
(3) under section 9 of the Federal-Aid Highway Act of 1981;
(4) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982;
(5) under sections 149(b) and 149(e) of the Surface Transportation and Uniform Relocation Assistance Act of 1987;
(6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991;

(7) under section 157 of title 23, United States Code, as in effect on June 8, 1998;

(8) under section 105 of title 23, United States Code (but, for each of fiscal years 1998 through 2013), only in an amount equal to $639,000,000 per fiscal year; and

(9) for Federal-aid highway programs for which obligation authority was made available under the Transportation Equity Act for the 21st Century or subsequent public laws for multiple years or to remain available until used, but only to the extent that such obligation authority has not lapsed or been used.

(c) Distribution of Obligation Authority.—For each of fiscal years 2004 through 2009, the Secretary shall—

(1) not distribute obligation authority provided by subsection (a) for such fiscal year for amounts authorized for administrative expenses and amounts authorized for the highway use tax evasion program and the Bureau of Transportation Statistics;
(2) not distribute an amount of obligation authority provided by subsection (a) that is equal to the unobligated balance of amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highway and highway safety programs for previous fiscal years the funds for which are allocated by the Secretary;

(3) determine the ratio that—

(A) the obligation authority provided by subsection (a) for such fiscal year less the aggregate of amounts not distributed under paragraphs (1) and (2), bears to

(B) the total of the sums authorized to be appropriated for Federal-aid highway and highway safety construction programs (other than sums authorized to be appropriated for sections set forth in paragraphs (1) through (7) of subsection (b) and sums authorized to be appropriated for section 105 of title 23, United States Code, equal to the amount referred to in subsection (b)(8)) for such fiscal year less the aggregate of the amounts not distributed under paragraph (1) of this subsection;

(4) distribute the obligation authority provided by subsection (a) less the aggregate amounts not
distributed under paragraphs (1) and (2) for section 117 of title 23, United States Code (relating to high priority projects program), section 14501 of title 40, United States Code (relating to Appalachian development highway system), and $2,000,000,000 for such fiscal year under section 105 of title 23, United States Code (relating to minimum guarantee) so that amount of obligation authority available for each of such sections is equal to the amount determined by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such section (except in the case of section 105, $2,000,000,000) for such fiscal year;

(5) distribute the obligation authority provided by subsection (a) less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraph (4) for each of the programs that are allocated by the Secretary under this Act and title 23, United States Code (other than activities to which paragraph (1) applies and programs to which paragraph (4) applies) by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such program for such fiscal year; and
(6) distribute the obligation authority provided by subsection (a) less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraphs (4) and (5) for Federal-aid highway and highway safety construction programs (other than the minimum guarantee program, but only to the extent that amounts apportioned for the minimum guarantee program for such fiscal year exceed $2,639,000,000, and the Appalachian development highway system program) that are apportioned by the Secretary under this Act and title 23, United States Code, in the ratio that—

(A) sums authorized to be appropriated for such programs that are apportioned to each State for such fiscal year, bear to

(B) the total of the sums authorized to be appropriated for such programs that are apportioned to all States for such fiscal year.

(d) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsection (c), the Secretary shall after August 1 of each of fiscal years 2004 through 2009 revise a distribution of the obligation authority made available under subsection (c) if an amount made available under this section will not be obligated during the fiscal year and redistribute sufficient amounts to those States
able to obligate amounts in addition to those previously distributed during that fiscal year. In making the redistribution, the Secretary shall give priority to those States having large unobligated balances of funds apportioned under sections 104 and 144 of title 23, United States Code.

(e) Applicability of Obligation Limitations to Transportation Research Programs.—Obligation limitations imposed by subsection (a) shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, and under title V of this Act; except that obligation authority made available for such programs under such limitations shall remain available for a period of 3 fiscal years.

(f) Redistribution of Certain Authorized Funds.—Not later than 30 days after the date of the distribution of obligation authority under subsection (c) for each of fiscal years 2004 through 2009, the Secretary shall distribute to the States any funds (1) that are authorized to be appropriated for such fiscal year for Federal-aid highway programs, and (2) that the Secretary determines will not be allocated to the States, and will not be available for obligation, in such fiscal year due to the imposition of any obligation limitation for such fiscal year. Such distribution to the States shall be made in the same
ratio as the distribution of obligation authority under subsection (e)(6). The funds so distributed shall be available for any purposes described in section 133(b) of title 23, United States Code.

(g) **SPECIAL RULE.**—Obligation authority distributed for a fiscal year under subsection (c)(4) for a section set forth in subsection (e)(4) shall remain available until used for obligation of funds for such section and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

(h) **INCREASE IN OBLIGATION LIMIT.**—Limitations on obligations imposed by subsection (a) for a fiscal year shall be increased by an amount equal to the amount determined pursuant to section 251(b)(1)(B)(I)(cc) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(B)(I)(cc)) for such fiscal year. Any such increase shall be distributed in accordance with this section.

(i) **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) $400,000,000 for fiscal year 2004;

(2) $410,000,000 for fiscal year 2005;
(3) $420,000,000 for fiscal year 2006;
(4) $430,000,000 for fiscal year 2007;
(5) $440,000,000 for fiscal year 2008; and
(6) $450,000,000 for fiscal year 2009.

SEC. 1103. APPORTIONMENTS.

(a) ADMINISTRATIVE EXPENSES.—Section 104(a) of title 23, United States Code, is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

“(1) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for purposes described in paragraph (2) $400,000,000 for fiscal year 2004, $410,000,000 for fiscal year 2005, $420,000,000 for fiscal year 2006, $430,000,000 for fiscal year 2007, $440,000,000 for fiscal year 2008, and $450,000,000 for fiscal year 2009.

“(2) USE OF FUNDS.—The amounts authorized to be appropriated by paragraph (1) are authorized for the following purposes:

“(A) To administer the provisions of law to be financed from appropriations for the Federal-aid highway program and programs authorized under chapter 2.
“(B) To make transfers of such sums as the Secretary determines to be appropriate to the Appalachian Regional Commission for administrative activities associated with the Appalachian development highway system.”;

(2) in paragraph (3) by striking “sum deducted under” and inserting “amounts authorized to be appropriated by”; and

(3) in paragraph (4)—

(A) by striking “sums deducted under” and inserting “amounts authorized to be appropriated by”; and

(B) by striking “and the Federal Motor Carrier Safety Administration”.

(b) NATIONAL HIGHWAY SYSTEM.—Section 104(b) of such title is amended—

(1) by striking “the deduction authorized by subsection (a) and”; and

(2) in paragraph (1)—

(A) by striking “$36,400,000 for each fiscal year” and inserting “$40,000,000 for fiscal year 2004, $45,000,000 for fiscal year 2005, $50,000,000 for fiscal year 2006, $55,000,000 for fiscal year 2007, $65,000,000 for fiscal year 2008, and $75,000,000 for fiscal year 2009”;
(B) by striking “$18,800,000” and inserting “$37,600,000”; and

(C) by striking “1998 through 2002” and inserting “2004 through 2009”.

(c) CONFORMING AMENDMENTS.—Section 104 of such title is amended—

(1) in subsection (f)(1)—

(A) by striking “, after making the deduction authorized by subsection (a) of this section,”; and

(B) by striking “remaining”; and

(2) in subsection (i) by striking “deducted” and inserting “authorized to be appropriated”.

(d) PUERTO RICO HIGHWAY PROGRAM.—Section 1214(r) of the Transportation Equity Act for the 21st Century (112 Stat. 209; 117 Stat. 1114) is amended—

(1) in paragraph (1) by striking “(15) for each of fiscal years 1998 through 2004” and inserting “(24) for each of fiscal years 2004 through 2009 of the Transportation Equity Act: A Legacy for Users”; and

(2) in paragraph (2) by striking “(15) of this Act” and inserting “(24) of the Transportation Equity Act: A Legacy for Users”.

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SEC. 1104. MINIMUM GUARANTEE.

(a) GENERAL RULE.—Section 105(a) of title 23, United States Code, is amended—

(1) by striking “1998 through 2003” and inserting “2004 through 2009”;

(2) by striking “, high priority projects”; and

(3) by striking “and recreational trails” and inserting “recreational trails, coordinated border infrastructure, freight intermodal connectors, safe routes to school, highway safety improvement, and high risk rural road safety improvement”.

(b) TREATMENT OF FUNDS.—Section 105(c)(1) of such title is amended—

(1) by striking “$2,800,000,000” and inserting “$3,100,000,000 in fiscal year 2004, $3,350,000,000 in fiscal year 2005, $3,700,000,000 in fiscal year 2006, $4,000,000,000 in fiscal year 2007, $4,400,000,000 in fiscal year 2008, and $4,800,000,000 in fiscal year 2009”;

(2) by striking “, high priority projects”; and

(3) by striking “and recreational trails” each place it appears and inserting “recreational trails, coordinated border infrastructure, freight intermodal connectors, safe routes to school, highway safety improvement, and high risk rural road safety improvement”.

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(c) AUTHORIZATION.—Section 105(d) of such title is amended by striking “1998 through 2003” and inserting “2004 through 2009”.

(d) SPECIAL RULE.—Section 105 of such title is further amended—

(1) by striking subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(e) GUARANTEED SPECIFIED RETURN.—Section 105(e) of such title (as redesignated by subsection (d)) is amended—

(1) in the subsection heading by striking “OF 90.5” and inserting “SPECIFIED”;

(2) in paragraph (1)—

(A) by striking “1999 through 2003” and inserting “2004 through 2009”; and

(B) by inserting before the period at the end the following: “in fiscal year 2004, 91 percent in fiscal year 2005, 92 percent in fiscal year 2006, 93 percent in fiscal year 2007, 94 percent in fiscal year 2008, and 95 percent in fiscal year 2009”.

(3) by striking paragraph (2);

(4) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively;
30  (5) in paragraph (2) (as so redesignated) by
striking “any” and inserting “the”; and
(6) in paragraph (3) (as so redesignated) by
striking “90.5 percent” and inserting “the percentage required in paragraph (1) for such fiscal year”.
(f) SPECIAL RULE.—The amendment made by sub-
section (e)(2)(B) of this section shall not be in effect in
any fiscal year if the obligation limitation for Federal-aid
highways and highway safety construction for that fiscal
year is less than the amount set forth in section 1102(a)
of this Act for such fiscal year.
SEC. 1105. REVENUE ALIGNED BUDGET AUTHORITY.
Section 110 of title 23, United States Code, relating
to revenue aligned budget authority, will be continued in
such a way as to create greater stability in program fund-
ing level adjustments and maintain a direct relationship
to the receipts in the Highway Account of the Highway
Trust Fund.
SEC. 1106. EMERGENCY RELIEF.
(a) IN GENERAL.—Section 125(c)(1) of title 23,
United States Code, is amended by striking
“$100,000,000” and inserting “$200,000,000”.
(b) AUTHORIZATIONS OF APPROPRIATIONS FROM
GENERAL FUND.—There is authorized to be appropriated
for a fiscal year such sums as may be necessary for alloca-
tions by the Secretary described in subsections (a) and (b) of sections 125 of title 23, United States Code, if the total of those allocations in such fiscal year are in excess of $200,000,000.

SEC. 1107. SURFACE TRANSPORTATION PROGRAM.

Section 133(f)(1) of title 23, United States Code, is amended—

(1) by striking “1998 through 2000” and inserting “2004 through 2006”; and

(2) by striking “2001 through 2003” and inserting “2007 through 2009”.

SEC. 1108. HIGHWAY USE TAX EVASION PROJECTS.

(a) PROJECT REPORTS.—Section 143 of title 23, United States Code, is amended by inserting at the end of subsection (b) the following:

“(9) REPORTS.—The Internal Revenue Service and States shall submit to the Secretary annual reports that describe the projects, examinations, and criminal investigations funded by and carried out under this section. The reports must specify the annual yield estimated for each project funded under this section.”.

(b) ELIGIBLE ACTIVITIES.—Section 143(b)(4) of such title is amended—
(1) by striking “and” at the end of subparagraph (F);
(2) by striking the period at the end of subparagraph (G) and inserting “; and”; and
(3) by adding at the end the following:

“(H) to analyze and implement programs to reduce tax evasion associated with foreign imported fuel.”.

(e) Fuel Reporting System.—Section 143(c)(1) of such title is amended by striking “Not later than August 1, 1998,” and inserting “Not later than April 1, 2004,”.

(d) IRS Report.—Section 143(c)(2) of such title is amended—

(1) by striking “and” at the end of subparagraph (B);
(2) by striking the period at the end of subparagraph (C) and inserting “; and”; and
(3) by adding at the end the following:

“(D) the Internal Revenue Service shall provide a report to the Secretary on the status of the Internal Revenue Service projects funded under this section by March 30 and September 30 of each year. The report shall include up-
dates on the automated fuel tracking system project.”.

(c) FUNDING.—Section 143(c)(3) of such title is amended to read as follows:

“(3) FUNDING.—Of the amounts made available to carry out this section for each of fiscal years 2004 through 2009, the Secretary shall make funds available to the Internal Revenue Service to complete, operate, and maintain an automated fuel reporting system and to the States to supplement State highway use tax enforcement programs.”.

SEC. 1109. APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM.

(a) APPORTIONMENT.—The Secretary shall apportion funds made available by section 1101(a)(7) of this Act for fiscal years 2004 through 2009 among the States based on the latest available cost to complete estimate for the Appalachian development highway system under section 14501 title 40, United States Code.

(b) APPLICABILITY OF TITLE 23.—Funds made available by section 1101(a)(7) of this Act for the Appalachian development highway system shall be available for obligation in the same manner as if such 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 section shall be determined in accordance with such section 14501 of title 40, United States Code, and such funds shall be available to construct highways and access roads under such section and shall remain available until expended.

(c) Use of Toll Credits.—Section 120(j)(1) of title 23, United States Code is amended by inserting “and the Appalachian development highway system program under section 14501 of title 40” after “section 125”.

SEC. 1110. CONSTRUCTION OF FERRY BOATS AND FERRY TERMINAL FACILITIES.

(a) In General.—Subchapter I of chapter 1 of title 23, United States Code, is amended by adding at the end the following:

“§165. Construction of ferry boats and ferry terminal facilities

“(a) In General.—The Secretary shall carry out a program for construction of ferry boats and ferry terminal facilities in accordance with section 129(c).

“(b) Federal Share.—The Federal share payable for construction of ferry boats and ferry terminal facilities under this section shall be 80 percent of the cost thereof.

“(c) Availability of Amounts.—Amounts made available to carry out this section shall remain available until expended.

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“(d) Set-Aside for Projects on NHS.—

“(1) In general.—$20,000,000 of the amount made available to carry out this section for each of fiscal years 2004 through 2009 shall be obligated for the construction or refurbishment of ferry boats and ferry terminal facilities and approaches to such facilities within marine highway systems that are part of the National Highway System.

“(2) Alaska.—$10,000,000 of the $20,000,000 for a fiscal year made available under paragraph (1) shall be made available to the State of Alaska.

“(3) New Jersey.—$5,000,000 of the $20,000,000 for a fiscal year made available under paragraph (1) shall be made available to the State of New Jersey.

“(4) Washington.—$5,000,000 of the $20,000,000 for a fiscal year made available under paragraph (1) shall be made available to the State of Washington.

“(e) Applicability.—All provisions of this chapter that are applicable to the National Highway System, other than provisions relating to apportionment formula and Federal share, shall apply to funds made available to carry
out this section, except as determined by the Secretary
to be inconsistent with this section.”.

(b) CONFORMING AMENDMENT.—The analysis for
subchapter I of chapter 1 of such title is amended by add-
ing at the end the following:

“165. Construction of ferry boats and ferry terminal facilities.”.

SEC. 1111. INTERSTATE MAINTENANCE DISCRETIONARY.

(a) IN GENERAL.—Section 118 of title 23, United
States Code, is amended—

(1) by striking subsection (c);

(2) in subsection (e) by inserting “SPECIAL
RULES.—” before “Funds made”; and

(3) by redesignating subsections (d) and (e) as
subsections (e) and (d), respectively.

(b) CONFORMING AMENDMENT.—Section 103(d)(1)
of such title is amended by striking “or section 118(c)”.

(c) TECHNICAL AMENDMENTS.—

(1) SECTION 127.—Section 127 of such title is
amended by striking “118(b)(1)” and inserting
“118(b)(2)”.

(2) SECTION 112.—Section 112 of such title is
amended by striking subsection (f) and by redesig-
nating (g) as subsection (f).

(3) SECTION 114.—Section 114(a) of such title
is amended by striking “Except as provided in sec-
tion 117 of this title, such” and inserting “Such”.

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(4) **SECTION 145.**—Section 145(b) of such title is amended by striking “117 of title 23, United States Code,” and inserting “section 117 of this title”.

(d) **LIMITATION.**—The amendments made by this section shall not apply to, or have any affect with respect to, funds made available under section 118 of title 23, United States Code, before the date of enactment of this section.

**SEC. 1112. HIGHWAY BRIDGE.**

(a) **SCOUR COUNTERMEASURES.**—Section 144(d) of title 23, United States Code, is amended to read as follows:

“(d) **APPLICATIONS FOR AND APPROVAL OF ASSISTANCE.**—

“(1) **BRIDGE REPLACEMENT OR REHABILITATION.**—Whenever any State or States make application to the Secretary for assistance in replacing or rehabilitating a highway bridge which the priority system established under subsections (b) and (c) shows to be eligible, the Secretary may approve Federal participation in replacing such bridge with a comparable facility or in rehabilitating such bridge.

“(2) **PREVENTIVE MAINTENANCE, SCOUR MEASURES, AND APPLICATIONS OF CERTAIN COMPOSI-
TIONS.—Whenever any State makes application to
the Secretary for assistance in painting, seismic ret-
rofit, or preventive maintenance of, or installing
scour countermeasures or applying calcium magne-
sium acetate, sodium acetate/formate, or other envi-
ronmentally acceptable, minimally corrosive anti-
icing and de-icing compositions to, the structure of
a highway bridge, the Secretary may approve Fed-
eral participation in the painting, seismic retrofit, or
preventive maintenance of, or installation of scour
countermeasures or application of acetate or sodium
acetate/formate or such anti-icing or de-icing com-
position to, such structure.

“(3) ELIGIBILITY.—The Secretary shall deter-
mine the eligibility of highway bridges for replace-
ment or rehabilitation for each State based upon the
unsafe highway bridges in such State; except that a
State may carry out a project for preventive mainte-
nance on a bridge, seismic retrofit of a bridge, or in-
stalling scour countermeasures to a bridge under
this section without regard to whether the bridge is
eligible for replacement or rehabilitation under this
section.”.
(b) Bridge Discretionary Set-Aside.—Section 144(g)(1) of such title is amended by adding at the end the following:

“(D) Fiscal years 2004 through 2009.—Of the amounts authorized to be appropriated to carry out the bridge program under this section for each of the fiscal years 2004 through 2009, all but $100,000,000 shall be apportioned as provided in subsection (e). Such $100,000,000 shall be available at the discretion of the Secretary.”.

(c) Off-System Bridges.—Section 144(g)(3) of such title is amended—

(1) by striking “1987” and inserting “2004”;
(2) by striking “2003” and inserting “2009”;
(3) by inserting “, perform systematic preventive maintenance,” after “paint”;
(4) by inserting a comma before “to highway bridges”.

(d) Technical Amendment.—Section 144(i) of such title is amended by striking “at the same time” and all that follows through “Congress”.

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SEC. 1113. TRANSPORTATION AND COMMUNITY AND SYSTEM PRESERVATION PROGRAM.

Section 1221(e)(1) of Transportation Equity Act for the 21st Century (23 U.S.C. 101 note; 112 Stat. 223) is amended—

(1) by striking “1999 and” and inserting “1999,”; and

(2) by inserting before the period at the end the following: “, and $30,000,000 for fiscal year 2004, $35,000,000 for fiscal year 2005, $40,000,000 for fiscal year 2006, $45,000,000,000 for fiscal year 2007, and $50,000,000 for each of fiscal years 2008 and 2009”.

SEC. 1114. DEPLOYMENT OF MAGNETIC LEVITATION TRANSPORTATION PROJECTS.

(a) DEFINITIONS.—In this section, the following definitions apply:

(1) ELIGIBLE PROJECT COSTS.—The term “eligible project costs”—

(A) 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; and

(B) includes the costs of preconstruction planning activities.

(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) State.—The term “State” has the meaning such term has under section 101(a) of title 23, United States Code.

(b) In General.—

(1) Assistance for Eligible Projects.—The Secretary shall make available financial assistance to pay the Federal share of full project costs of eligible projects authorized by this section.

(2) Use of Assistance.—Financial assistance provided under paragraph (1) shall be used only to pay eligible project costs of projects authorized by this section.
(c) 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;

(2) result in an operating transportation facility that provides a revenue producing service; and

(3) be approved by the Secretary based on an application submitted to the Secretary by a State or authority designated by 1 or more States.

(d) Authorization of Appropriations.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $40,000,000 for each of fiscal years 2005 through 2009.

(e) Applicability of Title 23, United States Code.—Funds authorized to be appropriated by this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the full project costs of an eligible project shall be 80 percent and such funds shall remain available until expended.

SEC. 1115. RECREATIONAL TRAILS.

(a) Recreational Trails Program Formula.—Section 104(h)(1) of title 23, United States Code, is amended by striking “research and technical” and all that
follows through “Committee” and inserting “research, technical assistance, and training under the recreational trails program”.

(b) PERMISSIBLE USES.—Section 206(d)(2) of such title is amended to read as follows:

“(2) PERMISSIBLE USES.—Permissible uses of funds apportioned to a State for a fiscal year to carry out this section include—

“(A) maintenance and restoration of existing recreational trails;

“(B) development and rehabilitation of trailside and trailhead facilities and trail linkages for recreational trails;

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

“(D) construction of new recreational trails, except that, in the case of new recreational trails crossing Federal lands, construction of the trails shall be—

“(i) permissible under other law;

“(ii) necessary and recommended by a statewide comprehensive outdoor recreation plan that is required by the Land and Water Conservation Fund Act of 1965 (16
U.S.C. 460l–4 et seq.) and that is in effect;

“(iii) approved by the administering agency of the State designated under subsection (c)(1); and

“(iv) approved by each Federal agency having jurisdiction over the affected lands under such terms and conditions as the head of the Federal agency determines to be appropriate, except that the 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.);

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

“(F) assessment of trail conditions for accessibility and maintenance;
“(G) operation of educational programs to promote safety and environmental protection as those objectives relate to the use of recreational trails, but in an amount not to exceed 5 percent of the apportionment made to the State for the fiscal year; and

“(H) payment of costs to the State incurred in administering the program, but in an amount not to exceed 7 percent of the apportionment made to the State for the fiscal year to carry out this section.”.

(c) Use of Apportionments.—Section 206(d)(3) of such title is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) in subparagraph (C) (as so redesignated) by striking “(2)(F)” and inserting “(2)(H)”.

(d) Federal Share.—Section 206(f) of such title is amended—

(1) in paragraph (1)—

(A) by inserting “and the Federal share of the administrative costs of a State” after “project”; and
(B) by striking “not exceed 80 percent” and inserting “be determined in accordance with section 120(b)”;

(2) in paragraph (2)(A) by striking “80 percent of” and inserting “the amount determined in accordance with section 120(b) for”;

(3) in paragraph (2)(B) by inserting “sponsoring the project” after “Federal agency”;

(4) by striking paragraph (5);

(5) by redesignating paragraph (4) as paragraph (5);

(6) in paragraph (5) (as so redesignated) by striking “80 percent” and inserting “the Federal share as determined in accordance with section 120(b)”;

(7) by inserting after paragraph (3) the following:

“(4) USE OF RECREATIONAL TRAILS PROGRAM FUNDS TO MATCH OTHER FEDERAL PROGRAM FUNDS.—Notwithstanding any other provision of law, funds made available under this section may be used toward the non-Federal matching share for other Federal program funds 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.”.

(e) Planning and Environmental Assessment Costs Incurred Prior to Project Approval.—Section 206(h)(1) of such title is amended by adding at the end the following:

“(C) Planning and Environmental Assessment Costs Incurred Prior to Project Approval.—The Secretary may allow pre-approval planning and environmental compliance costs to be credited toward the non-Federal share of the cost of a project described under subsection (d)(2) (other than subparagraph (I)) in accordance with subsection (f), limited to costs incurred less than 18 months prior to project approval.”.

(f) Encouragement of Use of Youth Conservation or Service Corps.—The Secretary shall encourage the States to enter into contracts and cooperative agreements with qualified youth conservation or service corps to perform construction and maintenance of recreational trails under section 206 of title 23, United States Code.
SEC. 1116. FEDERAL LANDS HIGHWAYS.

(a) Contracts and Agreements With Indian Tribes.—Section 202(d)(3) of title 23, United States Code, is amended to read as follows:

“(3) Contracts and agreements with Indian tribes.—

“(A) In general.—Notwithstanding any other provision of law or any interagency agreement, program guideline, manual, or policy directive, all funds made available to an Indian tribal government under this title for a highway, road, bridge, parkway, or transit facility project that is located on an Indian reservation or provides access to the reservation or a community of the Indian tribe shall be made available, on the request of the Indian tribal government, to the Indian tribal government for use in carrying out, in accordance with the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), contracts and agreements for the planning, research, engineering, and construction relating to such project.

“(B) Exclusion of agency participation.—In accordance with subparagraph (A), all funds for a project to which subparagraph
(A) applies shall be paid to the Indian tribal
government without regard to the organiza-
tional level at which the Department of the In-
terior has previously carried out, or the Depart-
ment of Transportation has previously carried
out under the Federal lands highway programs,
the programs, functions, services, or activities
involved.

“(C) CONSORTIA.—Two or more Indian
tribes that are otherwise eligible to participate
in a project to which this title applies may form
a consortium to be considered as a single In-
dian tribe for the purpose of participating in
the project under this section.

“(D) FUNDING.—The amount an Indian
tribal government receives for a project under
subparagraph (A) shall equal the sum of the
funding that the Indian tribal government
would otherwise receive for the project in ac-
cordance with the funding formula established
under this subsection and such additional
amount as the Secretary determines equal the
amounts that would have been withheld for the
costs of the Bureau of Indian Affairs for ad-
ministration of the project.
“(E) Eligibility.—An Indian tribal government may receive funding under subparagraph (A) for a project in a fiscal year if the Indian tribal government demonstrates to the satisfaction of the Secretary financial stability and financial management capability as demonstrated in the annual auditing required under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and, during the preceding fiscal year, had no uncorrected significant and material audit exceptions in the required annual audit of the Indian tribe’s self-determination contracts or self-governance funding agreements with any Federal agency.

“(F) Assumption of Functions and Duties.—An Indian tribal government receiving funding under subparagraph (A) for a project shall assume all functions and duties that the Secretary of the Interior would have performed with respect to projects under this chapter, other than those functions and duties that inherently cannot be legally transferred under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b et seq.).
“(G) Powers.—An Indian tribal government receiving funding under subparagraph (A) for a project shall have all powers that the Secretary of the Interior would have exercised in administering the funds transferred to the Indian tribal government for such project under this section if such funds had not been transferred, except to the extent that such powers are powers that inherently cannot be legally transferred under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b et seq.).

“(H) Dispute Resolution.—In the event of a disagreement between the Secretary of Transportation or the Secretary of the Interior and an Indian tribe over whether a particular function, duty, or power may be lawfully transferred under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b et seq.), the Indian tribe shall have the right to pursue all alternative dispute resolutions and appeal procedures authorized by such Act, including regulations issued to carry out such Act.”.
(b) ALASKA NATIVE VILLAGE INVENTORY.—Section 202(d)(2) of such title is amended by adding at the end the following:

“(E) ALASKA NATIVE ROAD INVENTORY.—

“(i) IN GENERAL.—For fiscal year 2004 and each fiscal year thereafter, any allocation of sums authorized to be appropriated for Indian reservation roads in Alaska shall be based on an inventory of roads within the exterior boundaries of village corporation land selected pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) that includes all routes previously included in such an inventory. The Secretary of Transportation and the Secretary of the Interior may include, in the inventory of roads, those proposed for inclusion by tribal village governments from among community streets within the village and those proposed primary access routes for inclusion by tribal village governments, including roads and trails between villages (including links over water), roads and trails to landfills, roads and trails to drinking water sources, roads
and trails to natural resources identified
for economic development, and roads and
trails that provide access to intermodal ter-
mini, such as airports, harbors, or boat
landings.

“(ii) LIMITATION ON PRIMARY ACCESS
routes.—For purposes of this subpara-
graph, a proposed primary access route is
the shortest practicable route connecting 2
points of the proposed route.”.

(c) DEPUTY ASSISTANT SECRETARY OF TRANSPOR-
tATION FOR TRIBAL GOVERNMENT AFFAIRS.—Section
102 of title 49, United States Code, is amended—
(1) by redesignating subsection (f) as sub-
section (g); and
(2) by inserting after subsection (e) the fol-
lowing:

“(f) DEPUTY ASSISTANT SECRETARY FOR TRIBAL
GOVERNMENT AFFAIRS.—The Department of Transpor-
tation shall have, within the office of the Secretary, a Dep-
uty Assistant Secretary for Tribal Government Affairs ap-
pointed by the President to plan, coordinate, and imple-
ment the Department of Transportation policy and pro-
grams serving Indian tribes and tribal organizations and
to coordinate tribal transportation programs and activities
in all offices and administrations of the Department and
to be a participant in any negotiated rulemaking related
to, or has impact on, projects, programs, or funding asso-
ciated with the tribal transportation program.”.

SEC. 1117. INDIAN TRANSPORTATION BONDS.

[Reserved.]

SEC. 1118. PEDESTRIAN AND CYCLIST EQUITY.

(a) Transportation and Active Living Pro-
gram.—[Reserved.]

(b) Safe Routes to School Program.—

(1) Establishment.—Subject to the require-
ments of this subsection, the Secretary shall estab-
lish and carry out a safe routes to school program
for the benefit of children in primary and middle
schools.

(2) Purposes.—The purposes of the program
shall be—

(A) to enable and encourage children, in-
cluding those with disabilities, to walk and bicy-
icle to school;

(B) to make bicycling and walking to
school a safer and more appealing transpor-
tation alternative, thereby encouraging a
healthy and active lifestyle from an early age; and
(C) to facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools.

(3) APPORTIONMENT OF FUNDS.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), amounts made available to carry out this subsection for a fiscal year shall be apportioned among the States in the ratio that—

   (i) the total student enrollment in primary and middle schools in each State; bears to

   (ii) the total student enrollment in primary and middle schools in all the States.

(B) MINIMUM APPORTIONMENT.—No State shall receive an apportionment under this subsection for a fiscal year of less than $2,000,000.

(C) SET-ASIDE.—Before apportioning amounts made available to carry out this subsection under this paragraph for a fiscal year, the Secretary shall set aside not more than 2
percent of such amounts for the administrative expenses of the Secretary in carrying out this subsection.

(D) Determination of Student Enrollments.—Determinations under this paragraph concerning student enrollments shall be made by the Secretary.

(4) Administration of Amounts.—Amounts apportioned to a State under this subsection shall be administered by the State’s department of transportation.

(5) Eligible Recipients.—Amounts apportioned to a State under this subsection shall be used by the State to provide financial assistance to State, local, and regional agencies, including nonprofit organizations, that demonstrate an ability to meet the requirements of this subsection.

(6) Eligible Projects and Activities.—

(A) Infrastructure-related projects.—

(i) In general.—Amounts apportioned to a State under this subsection may be used for the planning, design, and construction of infrastructure-related projects that will substantially improve the
ability of students to walk and bike to
school, including sidewalk improvements,
traffic calming and speed reduction im-
provements, pedestrian and bicycle cross-
ing improvements, on-street bicycle facili-
ties, off-street bicycle and pedestrian facili-
ties, secure bicycle parking facilities, and
traffic diversion improvements in the vicin-
ity of schools.

(ii) LOCATION OF PROJECTS.—Infra-
structure-related projects under subpara-
graph (A) may be carried out on any pub-
lic road or any bicycle or pedestrian path-
way or trail in the vicinity of schools.

(B) NONINFRASTRUCTURE-RELATED AC-
tivities.—

(i) IN GENERAL.—In addition to
projects described in subparagraph (A),
amOUNTS APPORTIONED TO A STATE UNDER THIS
subsection may be used for noninfrastruc-
ture-related activities to encourage walking
and bicycling to school, including public
awareness campaigns and outreach to
press and community leaders, traffic edu-
cation and enforcement in the vicinity of
schools, student sessions on bicycle and pedestrian safety, health, and environment, and funding for training, volunteers, and coordinators of safe routes to school programs.

(ii) **Allocation.**—Not less than 10 percent and not more than 30 percent of the amount apportioned to a State under this subsection for a fiscal year shall be used for noninfrastructure-related activities under this subparagraph.

(C) **Safe Routes to School Coordinator.**—Each State receiving an apportionment under this subsection for a fiscal year shall use a sufficient amount of the apportionment to fund a full-time position of coordinator of the State’s safe routes to school program.

(7) **Clearinghouse.**—

(A) **In General.**—The Secretary shall make grants to a national nonprofit organization engaged in promoting safe routes to schools to—

   (i) operate a national safe routes to school clearinghouse;
(ii) develop information and educational programs on safe routes to school; and

(iii) provide technical assistance and disseminate techniques and strategies used for successful safe routes to school programs.

(B) FUNDING.—The Secretary shall carry out this paragraph using amounts set aside for administrative expenses under paragraph (3)(C).

(8) TASK FORCE.—

(A) IN GENERAL.—The Secretary shall establish a national safe routes to school task force composed of leaders in health, transportation, and education, including representatives of appropriate Federal agencies, to study and develop a strategy for advancing safe routes to school programs nationwide.

(B) REPORT.—Not later than March 30, 2005, the Secretary shall transmit to Congress a report containing the results of the study conducted, and a description of the strategy developed, under subparagraph (A).
(C) FUNDING.—The Secretary shall carry out this paragraph using amounts set aside for administrative expenses under paragraph (3)(C).

(9) APPLICABILITY OF TITLE 23.—Funds made available to carry out this subsection shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable and shall remain available until expended and the Federal share of the cost of a project or activity under this section shall be 100 percent. Notwithstanding any other provision of law, projects assisted under this subsection shall be treated as projects on a Federal-aid system under such chapter.

(10) DEFINITIONS.—In this subsection, the following definitions apply:

(A) IN THE VICINITY OF SCHOOLS.—The term “in the vicinity of schools” means, with respect to a school, the area within bicycling and walking distance of the school (approximately 2 miles).

(B) PRIMARY AND MIDDLE SCHOOLS.—The term “primary and middle schools” means
schools providing education from kindergarten through eighth grade.

(C) State.—The term “State” has the meaning such term has in section 101(a) of title 23, United States Code.

(e) Nonmotorized Transportation Pilot Program.—[Reserved.]

SEC. 1119. NATIONAL COMMISSIONS.

(a) National Commission on Future Revenue Sources to Support the Highway Trust Fund.—

(1) Establishment.—There is established a National Commission on Future Revenue Sources to Support the Highway Trust Fund to conduct a study evaluating alternative long-term sources of revenue to support the Highway Trust Fund, considering the findings, conclusions, and recommendations of a recent study by the Transportation Research Board of the National Academy of Sciences on alternatives to the fuel tax to support highway program financing and other relevant prior research.

(2) Functions.—The Commission shall—

(A) oversee a comprehensive investigation of alternatives to replace the fuel tax as the principal revenue source to support the Highway Trust Fund over at least the next 30 years;
(B) consult with the Secretary of Trans-
portation and the Secretary of the Treasury to
assure that their views concerning essential at-
tributes of Highway Trust Fund revenue alter-
natives are understood;

(C) assure that State transportation agen-
ey views on alternative revenue sources to sup-
port State transportation improvement pro-
grams are appropriately considered and that
any recommended Federal financing strategy
take into account State financial requirements;
and

(D) make specific recommendations re-
garding actions that need to be taken to develop
alternative revenue sources to support the
Highway Trust Fund and when those actions
must be taken.

(3) **Specific matters to be addressed.**—
The study under this subsection shall address spe-
cifically—

(A) advantages and disadvantages of alter-
native revenue sources to meet anticipated Fed-
eral surface transportation financial require-
ments;
(B) the time frame within which actions must be taken to transition from the fuel tax to alternative revenue sources to support the Highway Trust Fund;

(C) recommendations concerning the most promising revenue sources to support long-term Federal surface transportation financing requirements;

(D) development of a broad transition strategy to move from the current tax base to new funding mechanisms, including the time frame for various aspects of the transition strategy;

(E) recommendations for additional research that may be needed to implement recommended alternatives; and

(F) the extent to which revenues should reflect the relative use of the highway system.

(4) MATTERS TO CONSIDER AND EVALUATE.—To the maximum extent feasible, the Commission, in conducting the study under this subsection, shall consider and evaluate other related work that has been done by the Department of Transportation, the Department of Energy, the Transportation Research Board, and others. In developing recommendations
under paragraph (2), the Commission shall con-
sider—

(A) the ability to generate sufficient reve-

nues to meet anticipated long term surface

transportation financing needs;

(B) the roles of the various levels of gov-

ernment and the private sector in meeting fu-

ture surface transportation financing needs;

(C) administrative costs, including enforce-

ment, to implement each option;

(D) potential taxpayer privacy concerns;

(E) likely technological advances that could
ease implementation of each option;

(F) the equity and economic efficiency of
each option;

(G) the flexibility of different options to

allow various pricing alternatives to be imple-
mented; and

(H) potential compatibility issues with

States tax mechanisms under each alternative.

(5) MEMBERSHIP.—

(A) APPOINTMENT.—[Reserved.]

(B) QUALIFICATIONS.—Members ap-

pointed under subparagraph (A) shall have ex-
perience in public finance, surface transpor-
tation program administration, managing organizations that use surface transportation facilities, academic research into related issues, or other activities that provide unique perspectives on current and future requirements for revenue sources to support the Highway Trust Fund.

(C) **TERMS.**—Members shall be appointed for the life of the Commission.

(D) **VACANCIES.**—A vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(E) **TRAVEL EXPENSES.**—Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) **CHAIRMAN.**—The Chairman of the Commission shall be elected by the members.

(6) **STAFF.**—The Commission may engage the services of an appropriate organization, agency, or firm to conduct the study under this subsection. The Commission shall provide strategic guidance for the study. Upon request of the Commission, the Secretary of Transportation may detail, on a reimbursable basis, any of the personnel of that department.
to the Commission to assist it in carrying out its duties under this subsection and shall provide to the Commission nonconfidential data and information as necessary to conduct and complete the study.

(7) Administrative Support Services.— Upon the request of the Commission, the Secretary shall provide to the Commission, on a reimbursable basis, the administrative support and services necessary for the Commission to carry out its responsibilities under this subsection.

(8) Report and Recommendations.— Not later than September 30, 2006, the Commission shall transmit to Congress a final report on the results of the study conducted under this subsection, including recommendations to address the needs identified in the study.

(9) Termination.— The Commission shall terminate on the 180th day following the date of transmittal of the report under paragraph (8). By such 180th day, the Commission shall deliver all records and papers of the Commission to the Administrator of the General Services for deposit in the National Archives.

(10) Authorization of Appropriations.— There is authorized to be appropriated from the
Highway Trust Fund (other than the Mass Transit Account) $1,500,000 for each of fiscal years 2004 and 2005 to carry out this subsection.

(11) **Applicability of Title 23.**—Funds made available to carry out this subsection shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the cost of activities carried out under this subsection shall be 100 percent, and such funds shall remain available until expended.

(b) **Declaration of Policy Regarding Future of the Interstate Highway System Study.**—Section 101(b) of title 23, United States Code, is amended by striking the last paragraph and inserting the following:

“It is further declared that it is in the national interest to preserve and enhance the Dwight D. Eisenhower National System of Interstate and Defense Highways to meet the Nation’s needs for the 21st century. The current urban and long distance personal travel and freight movement demands have surpassed the vision of the original Interstate System and travel demand patterns are expected to change. Continued planning for and investment in the Interstate System is critical to assure it adequately meets the changing travel demands of the future. Among
the foremost needs that the Interstate System must pro-
vide are safe, efficient, and reliable (1) national and inter-
regional personal mobility, (2) flow of interstate com-
merce, and (3) travel movements essential for national se-
curity. To the maximum extent, actions under this title
should address congestion, safety, and freight transpor-
tation to provide for a strong and vigorous national econ-
omy. The Interstate System is hereby declared to be the
Nation’s premiere highway system, essential for the Na-
tion’s economic vitality, national security, and general wel-
fare. The Secretary of Transportation is directed to take
appropriate actions to preserve and enhance the Interstate
System to meet the needs of the 21st century in accord-
ance with this title.”.

(c) NATIONAL COMMISSION ON FUTURE OF INTER-
STATE HIGHWAY SYSTEM.—

(1) ESTABLISHMENT.—There is established a
National Commission on the Future of the Dwight
D. Eisenhower National System of Interstate and
Defense Highways (in this subsection referred to as
the “Interstate System”).

(2) FUNCTION.—The Commission shall—

(A) conduct a study of the current condi-
tion and future of the Interstate System and
develop a conceptual plan with alternative ap-

proaches for the future of the Interstate System
to assure that the Interstate System will con-
tinue to serve the needs of the Nation;

(B) assure that State transportation agen-
cy views are considered; and

(C) make specific recommendations regard-
ing those design standards, Federal policies,
and legislative changes that must be made to
assure the national interests are served in meet-
ing future Interstate System needs.

(3) SPECIFIC MATTERS TO BE ADDRESSED.—
The Commission shall assure that the study under
this subsection specifically addresses the following:

(A) CURRENT CONDITION.—The current
condition and performance of the Interstate
System, including physical condition of bridges
and pavements and operational characteristics
and performance, shall be examined, relying
primarily on existing data sources.

(B) FUTURE ASSESSMENT.—The future of
the Interstate System, based on a range of leg-
islative and policy approaches for 15-, 30-, and
50-year horizons.

(4) SPECIFIC ISSUES AND DETAILS TO AD-
dress.—The following specific issues and details
shall be addressed as a part of the study under this subsection:

(A) **DEMOGRAPHICS.**—Expected demographics and business uses that impact transportation.

(B) **USAGE.**—Expected system use and effects of changing vehicle types, fleet size and weights, and traffic volumes.

(C) **NATURAL DISASTER.**—Seismic and other vulnerabilities and their potential impacts.

(D) **DESIGN STANDARDS.**—Desirable design policies and standards for future improvements, including safety improvement and additional access points.

(E) **SYSTEM WIDE NEEDS.**—Identification of both urban and rural needs.

(F) **POTENTIAL SYSTEM Expansion, Upgrades, or other changes.**—Deployment of advanced materials and intelligent technologies; critical multi-state rural corridors needing capacity, safety, and operational enhancements; urban and multi-state corridor additions; bypasses of major cities that ensure efficient long-haul travel; improvements to inter-modal link-
ages; strategies to enhance asset preservation; and implementation strategies.

(G) COMMUNITY VALUES.—Consideration of alternative approaches to maintaining or enhancing community values in those neighborhoods adjacent to the Interstate System.

(H) ENVIRONMENTAL ISSUES.—Consideration of alternative approaches to addressing environmental concerns relative to recommended alternatives.

(I) SYSTEM PERFORMANCE.—Evaluation and assessment of the current and future capabilities for conducting system-wide real-time performance data collection and analysis, traffic monitoring, system operations and management.

(5) ALTERNATIVES.—A range of policy recommendations shall be developed as a part of the plan under this subsection to address identified future needs of the Interstate System. The alternatives shall include funding needs and potential approaches to provide those funds.

(6) MEMBERSHIP.—

(A) APPOINTMENT.—[Reserved.]
(B) QUALIFICATIONS.—Members appointed under subparagraph (A) shall be appointed from among individuals that have a concern for maintaining a strong role for the Interstate System in the future of the Nation and may include representatives from Federal, State, and local governments, other transportation authorities or agencies, and organizations representing surface transportation owners and operators.

(C) TERMS.—Members shall be appointed for the life of the Commission.

(D) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(E) TRAVEL EXPENSES.—Member shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) CHAIRMAN.—The Chairman of the Commission shall be elected by the members.

(7) STAFF.—The Commission may engage the services of an appropriate organization, agency, or firm to conduct the study under this subsection. The
Commission will provide strategic guidance for the study. Upon request of the Commission, the Secretary may detail, on a reimbursable basis, any of the personnel of the Department of Transportation to the Commission to assist it in carrying out its duties under this section and shall provide to the Commission such nonconfidential data and information as necessary to conduct the study.

(8) Administrative Support Services.—Upon the request of the Commission, the Secretary shall provide to the Commission, on a reimbursable basis, the administrative support and services necessary for the Commission to carry out its responsibilities under this subsection.

(9) Report and Recommendations.—Not later than September 30, 2006, the Commission shall transmit to Congress a final report on the results of the study conducted under this subsection, including recommendations to address the needs identified in the study.

(10) Termination.—The Commission shall terminate on the 180th day following the date of transmittal of the report under paragraph (9). By such 180th day, the Commission shall deliver all records and papers of the Commission to the Admin-
istrator of the General Services for deposit in the National Archives.

(11) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated from the Highway Trust Funds (other than the Mass Transit Account) to carry out this subsection $1,000,000 for each of fiscal years 2005 and 2006.

(12) **APPLICABILITY OF TITLE 23, UNITED STATES CODE.**—Funds authorized to be appropriated by this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the cost of activities carried out under this subsection shall be 100 percent and such funds shall remain available until expended.

SEC. 1120. **HYDROGEN INFRASTRUCTURE DEPLOYMENT PILOT PROGRAM.**

(a) **IN GENERAL.**—The Secretary is authorized to make grants to, and enter into cooperative agreements and other transactions with, Federal and other public agencies (including State and local governments), private organizations, and other persons for the demonstration and testing of hydrogen transportation and refueling in-
frastructure necessary to support the use of next generation highway vehicle technologies.

(b) 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 $5,000,000 for fiscal year 2004, $5,000,000 for fiscal year 2005, $5,000,000 for fiscal year 2006, $10,000,000 for fiscal year 2007, $10,000,000 for fiscal year 2008, and $10,000,000 for fiscal year 2009.

(c) Applicability of Title 23, United States Code.—Funds authorized to be appropriated by this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the cost of a project or activity carried out under this section shall be 80 percent and such funds shall remain available until expended.

SEC. 1121. ADJUSTMENTS FOR THE SURFACE TRANSPORTATION EXTENSION ACT OF 2003.

[To be supplied.]

Subtitle B—Congestion Relief

SEC. 1201. MOTOR VEHICLE CONGESTION RELIEF.

(a) In General.—Title 23, United States Code, is amended by inserting after section 138 the following:
§ 139. Motor vehicle congestion relief

(a) In general.—Each State that has an urbanized area with an urbanized area population of over 200,000 individuals shall obligate in each of fiscal years 2004 through 2009 a portion of the State’s apportionments under section 104(b) in such fiscal year, as calculated under subsection (b), for congestion relief activities in such urbanized areas in accordance with this section.

(b) Calculation of amount.—The portion of a State’s apportionments for a fiscal year to be obligated for congestion relief activities under subsection (a) shall be determined by multiplying—

(1) the total of amounts apportioned to the State under each of paragraphs (1), (2), (3), and (4) of section 104(b) in such fiscal year; by

(2) 10 percent; by

(3) the percentage of the State’s population residing in urbanized areas of the State with an urbanized area population of over 200,000 individuals.

(c) Allocation between under one and under three congestion relief activities.—Of the total amount of a State’s apportionments to be obligated for congestion relief activities for a fiscal year as calculated under subsection (b)—
“(1) 40 percent shall be obligated for under one congestion relief activities;
“(2) 35 percent shall be obligated for under three congestion relief activities; and
“(3) 25 percent shall be obligated at the discretion of the State department of transportation for 1 or more of the following:
“(A) Under one congestion relief activities.
“(B) Under three congestion relief activities.
“(C) Capital costs for transit projects that are eligible for assistance under chapter 53 of title 49.
“(D) Demand relief projects and activities that shift demand to non-peak hours or to other modes of transportation or that reduce the overall level of demand for roads through such means as telecommuting, ridesharing, alternative work hour programs, and value pricing.
“(d) OBLIGATION OF AMOUNTS.—In complying with the requirements of this section, the amounts obligated by a State for congestion relief activities under subsection (a) shall be allocated among the individual programs for which funds are apportioned under sections 104(b)(1), 104(b)(2), 104(b)(3), and 104(b)(4).
“(e) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as altering or otherwise affecting the applicability of the requirements of this chapter (including requirements relating to the eligibility of a project for assistance under the program, the location of the project, and the Federal-share payable on account of the project) to amounts apportioned to a State for a program under section 104(b) that are obligated by the State for congestion relief activities under subsection (a).

“(f) JOINT RESPONSIBILITY.—Each State, each affected metropolitan planning organization, and the Secretary shall jointly ensure compliance with this section.

“(g) TRANSFERS.—

“(1) IN GENERAL.—A State may transfer a portion of the amount that the State must obligate for under one congestion relief activities in a fiscal year under this section to the amount the State must obligate for under three congestion relief activities under this section if the State certifies to the Secretary that there are no under one congestion relief activities for which such portion can be obligated in such fiscal year and the Secretary does not disapprove such transfer within 30 days after the date of such certification.
“(2) LIMITATION.—The amount that a State may transfer in a fiscal year under this subsection may not reduce the amount the State must obligate for under one congestion relief activities to less than 10 percent of the total amount of the State’s apportionments to be obligated for congestion relief activities for such fiscal year as calculated under subsection (b).

“(3) TREATMENT.—Amounts transferred by a State under this subsection for a fiscal year shall be included in the amount of the State’s apportionments allocated for under three congestion relief activities for such fiscal year under subsection (c)(2).

“(h) DEFINITIONS.—In this section, the following definitions apply:

“(1) CONGESTION RELIEF ACTIVITIES.—

“(A) IN GENERAL.—The term ‘congestion relief activity’ means any activity, project, or program that has as its primary purpose, as determined by the State transportation department, the relief of motor vehicle congestion.

“(B) INCLUSIONS.—Such term includes the following:

“(i) Relief of motor vehicle congestion through additional capacity, construction
of additional lanes, improvements to inter-
changes, improved access to major termi-
nals, construction of parallel roads, con-
struction of truck only lanes, and major
arterial improvements.

“(ii) Transportation systemwide oper-
ational improvements targeted at increas-
ing motor vehicle travel reliability through
such means as incident management pro-
grams, traffic monitoring and surveillance,
and traveler information initiatives.

“(iii) Maximizing efficient use of ex-
isting motor vehicle travel capacity through
such means as reversible lanes, coordinated
traffic signalization, and managed lanes or
other lane management strategies.

“(C) EXCLUSIONS.—Such term does not
include demand relief projects and activities
that shift demand to non-peak hours or to other
modes of transportation or that reduce the
overall level of demand for roads through such
means as telecommuting, ridesharing, alter-
native work hour programs, and value pricing.
“(2) UNDER ONE CONGESTION RELIEF ACTIVITIES.—The term ‘under one congestion relief activity’ means a congestion relief activity that—

“(A) will be completed within one year after the date of commencement of onsite improvements;

“(B) has a total projected cost of less than $1,000,000; and

“(C) will improve conditions in the applicable area and is an element of the congestion management system.

“(3) UNDER THREE CONGESTION RELIEF ACTIVITIES.—The term ‘under three congestion relief activities’ means congestion relief activities that—

“(A) will be completed within 3 years after the date of commencement of onsite improvements; and

“(B) will improve conditions in the applicable area and is an element of the congestion management system.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter I of such title is amended by inserting after the item relating to section 138 the following:

“139. Motor vehicle congestion relief.”.

(c) MOTOR VEHICLE DEFINED.—Title 23, United States Code, is amended—
(1) in section 154(a)(2), relating to the definition of motor vehicle, by inserting “streets, roads, and” before “highways”;

(2) by redesignating paragraph (2) of section 154(a) as paragraph (38);

(3) by moving such redesignated paragraph from section 154(a) to the end of section 101(a);

(4) by redesignating paragraphs (3) and (4) of section 154(a) as paragraphs (2) and (3), respectively;

(5) in section 153(i)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively;

(6) in section 164(a)(4) by striking “means” and all that follows through “rail line or” and inserting “does not include”; and

(7) in section 405(f)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5).

SEC. 1202. TRANSPORTATION SYSTEMS MANAGEMENT AND OPERATIONS.

(a) Definitions.—
(1) Operating costs for traffic monitoring, management, and control.—Section 101(a)(17) of title 23, United States Code, is amended by inserting “transportation systems management and operations and” after “associated with”.

(2) Operational improvement.—Section 101(a)(18)(A)(i) of such title is amended—

(A) by inserting “transportation systems management and operations, including” after “for”; and

(B) by inserting “equipment and programs for transportation response to natural disasters,” after “incident management programs,”.

(4) Transportation systems management and operations.—Section 101(a) of such title is further amended by adding at the end the following:

“(39) Transportation systems management and operations.—

“(A) In general.—The term ‘transportation systems management and operations’ means an integrated program to optimize the performance of existing infrastructure through the implementation of multimodal and intermodal, cross-jurisdictional systems, services,
and projects designed to preserve capacity and
improve the security, safety, and reliability of
Federal-aid highways.

“(B) INCLUDED ACTIVITIES AND IMPROVE-
MENTS.—The term includes regional operations
collaboration and coordination activities be-
tween transportation and public safety agencies
and improvements such as traffic detection and
surveillance, arterial management, freeway
management, demand management, work zone
management, emergency management, elec-
tronic toll collection, automated enforcement,
traffic operations measures to improve capacity,
traffic signal coordination, optimization of traf-
fic signal timing, traffic incident management,
roadway weather management, traveler infor-
mation services, commercial vehicle operations,
traffic control, freight management, and coordi-
nation of highway, rail, transit, bicycle, and pe-
destrian operations.”.

(b) CONGESTION MITIGATION AND AIR QUALITY IM-
PROVEMENT PROGRAM ELIGIBILITY.—Section 149(b)(5)
of such title is amended by inserting “improve transpor-
tation systems management and operations,” after “inter-
sections,”
(c) **Surface Transportation Program Eligibility.**—Section 133(b) of such title is amended by adding at the end the following:

“(15) Regional transportation operations collaboration and coordination activities that are associated with regional improvements, including activities for traffic incident management, technology deployment, emergency management and response, traveler information, and regional congestion relief.”.

(d) **National Highway System Eligibility.**—Section 103(b)(6) of such title is amended by adding at the end the following:

“(Q) Capital, operating, and systems maintenance costs for transportation systems management and operations.”.

(e) **Transportation Systems Management and Operations.**—Subchapter I of chapter 1 of such title is further amended by adding at the end the following:

“§ 166. Transportation systems management and operations

“(a) Authority.—The Secretary may—

“(1) encourage transportation system managers, operators, public safety officials, and transportation planners within an urbanized area, who
are actively engaged in and responsible for conducting activities relating to day-to-day management, operations, public safety, and planning of transportation facilities and services, to collaborate and coordinate on a regional level in a continuous and sustained manner for improved transportation systems management and operations, including, at a minimum—

“(A) developing a regional concept of operations that defines a regional strategy shared by all transportation and public safety participants for how the region’s systems should be managed, operated, and measured;

“(B) sharing of information among operators, service providers, public safety officials, and the general public; and

“(C) guiding, in a regionally-coordinated manner, the implementation of regional transportation system management and operations initiatives, including emergency evacuation and response, traffic incident management, technology deployment, and traveler information systems delivery, in a manner consistent with and integrated into the ongoing metropolitan and statewide transportation planning processes.
and regional intelligent transportation system
architecture, if required; and

“(2) encourage States to establish a system of
basic real-time monitoring capability for the surface
transportation system and provide the capability and
means to share that data among agencies (including
highway, transit, and public safety agencies), jurisdic-
tions (including States, cities, counties, and areas
represented by metropolitan planning organizations),
private-sector entities, and the traveling public.

“(b) EXECUTION.—To support the successful execu-
tion of transportation systems management and oper-
ations activities, the Secretary may undertake the fol-
lowing activities:

“(1) Assist and cooperate with other Federal
departments and agencies, State and local govern-
ments, metropolitan planning organizations, private
industry representatives, and other interested parties
to improve regional collaboration and real-time infor-
mation sharing between transportation system man-
agers and operators, public safety officials, emer-
gency managers, and the general public to increase
the security, safety, and reliability of Federal-aid
highways.
“(2) Issue, if necessary, new guidance or regulations for the procurement of transportation system management and operations facilities, equipment, and services, including equipment procured in preparation for natural disasters and emergencies, system hardware, software, and software integration services.”.

(e) CONFORMING AMENDMENT.—The analysis for such chapter is further amended by adding at the end the following:

“166. Transportation systems management and operations.”.

(f) COMMISSION ON INTELLIGENT TRANSPORTATION SYSTEM PROCUREMENT POLICY.—

(1) ESTABLISHMENT.—There is established a Commission on Intelligent Transportation System Procurement Policy.

(2) DUTIES.—

(A) IN GENERAL.—The Commission shall—

(i) conduct a study of the current policies and practices for the procurement of intelligent transportation system facilities, equipment, and services; and

(ii) develop a conceptual plan with alternative approaches for expediting and
streamlining such procurements at the State level.

(B) RECOMMENDATIONS.—Based on the study under subparagraph (A), the Commission shall make recommendations in its report under paragraph (7) regarding procurement standards, including recommendations regarding any changes in Federal and State statutes, regulations, and policies necessary to ensure that national interests are served in meeting future intelligent transportation system needs.

(3) SPECIFIC MATTERS TO BE ADDRESSED.—The study under paragraph (2) shall specifically address the following:

(A) CURRENT CONDITION.—The current practices and policies relating to procurement of intelligent transportation system facilities, equipment, and services, including equipment procured in preparation for natural disasters and emergencies, system hardware, software, and software integration services.

(B) ASSESSMENT OF NEED FOR POLICY REFORM.—The ability of current practices and policies to achieve the successful implementation of intelligent transportation system goals
and the need for national policy reform to expedite and streamline procurements necessary to meet such goals.

(C) ALTERNATIVES.—The range of legislative, regulatory, and policy alternatives to address identified needs and goals, including funding needs.

(D) RECOMMENDATIONS.—Recommendations regarding procurement standards, including recommendations regarding any changes in Federal and State statutes, regulations, and policies necessary for expedited and streamlined procurements.

(4) MEMBERSHIP.—

(A) APPOINTMENTS.—[Reserved.]

(B) TERMS.—Members shall be appointed for the life of the Commission.

(C) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(D) TRAVEL EXPENSES.—Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.
(5) **Staff.**—

(A) **In general.**—The Commission may engage the services of an appropriate organization, agency, or firm to conduct the study under paragraph (2), but the Commission shall provide strategic guidance for the study.

(B) **Detail staff.**—Upon request of the Commission, the Secretary may detail, on a reimbursable basis, any of the personnel of the Department of Transportation to the Commission to assist the Commission in carrying out its duties under this subsection.

(C) **Cooperation.**—The Secretary shall cooperate with the Commission in the study, including providing the Commission with such nonconfidential data and information as necessary for conducting and completing the study.

(6) **Administrative support services.**—Upon the request of the Commission, the Secretary shall provide to the Commission, on a reimbursable basis, the administrative support and services necessary for the Commission to carry out its responsibilities under this subsection.

(7) **Report and recommendations.**—Not later than September 30, 2005, the Commission
shall transmit to the appropriate committees of Congress a final report regarding the results of the study under paragraph (2) and recommendations to address the needs identified in such study.

(8) TERMINATION.—The Commission shall terminate on the 180th day after the date of transmittal of the report under paragraph (7). All records and papers of the Commission shall thereupon be delivered to the Administrator of General Services for deposit in the National Archives.

(9) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) $1,000,000 in fiscal year 2004 to carry out this subsection.

(10) APPLICABILITY OF TITLE 23.—Funds made available to carry out this subsection shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the cost of the study under paragraph (2) and other costs of the Commission under this subsection shall be 100 percent and such funds shall remain available until expended.
SEC. 1203. REAL-TIME SYSTEM MANAGEMENT INFORMATION PROGRAM.

(a) Establishment.—

(1) In general.—The Secretary shall establish a real-time system management information program to provide, in all States, the capability to monitor, in real-time, the traffic and travel conditions of the Nation’s major highways and to share that information to improve the security of the surface transportation system, to address congestion problems, to support improved response to weather events and surface transportation incidents, and to facilitate national and regional highway traveler information.

(2) Purposes.—The purposes of the real-time system management information program are to—

(A) establish, in all States, a system of basic real-time information for managing and operating the surface transportation system;

(B) identify longer range real-time highway and transit monitoring needs and develop plans and strategies for meeting such needs; and

(C) provide the capability and means to share that data with State and local governments and the traveling public.
(b) **National Steering Committee.**—

(1) **In general.**—The Secretary shall establish a national steering committee to assist in the development of data exchange formats under subsection (c).

(2) **Representatives.**—The national steering committee shall consist of representatives of State transportation departments, metropolitan planning organizations, local governments, nonprofit entities, the private sector, and academia.

(3) **Purpose.**—The purpose of the national steering committee shall be to provide guidance regarding the content and uniformity of data exchange formats.

(c) **Data Exchange Formats.**—Not later than 2 years after the date of enactment of this Act, the Secretary shall establish data exchange formats based on recommendations of the steering committee established under subsection (b) to ensure that the data provided by highway and transit monitoring systems, including statewide incident reporting systems, can readily be exchanged across jurisdictional boundaries, facilitating nationwide availability of information.

(d) **Regional Intelligent Transportation System Architecture.**—
(1) ADDRESSING INFORMATION NEEDS.—As State and local governments develop or update regional intelligent transportation system architectures, described in section 940.9 of title 23, Code of Federal Regulations, such governments shall explicitly address real-time highway and transit information needs and the systems needed to meet such needs, including addressing coverage, monitoring systems, data fusion and archiving, and methods of exchanging or sharing highway and transit information.

(2) DATA EXCHANGE.—States shall incorporate the data exchange formats established by the Secretary under subsection (c) to ensure that the data provided by highway and transit monitoring systems may readily be exchanged with State and local governments and the traveling public.

(e) ELIGIBILITY.—Subject to project approval by the Secretary, a State may obligate funds apportioned to the State under sections 104(b)(1), 104(b)(2), and 104(b)(3) of title 23, United States Code, for activities related to the planning and deployment of real-time monitoring elements that advance the goals and purposes described in subsection (a).
(f) **Limitation on Statutory Construction.**—Nothing in this section shall be construed as altering or otherwise affecting the applicability of the requirements of chapter 1 of title 23, United States Code (including requirements relating to the eligibility of a project for assistance under the program, the location of the project, and the Federal-share payable on account of the project), to amounts apportioned to a State for a program under section 104(b) that are obligated by the State for activities and projects under this section.

(g) **Statewide Incident Reporting System Defined.**—In this section, the term “statewide incident reporting system” means a statewide system for facilitating the real-time electronic reporting of surface transportation incidents to a central location for use in monitoring the event, providing accurate traveler information, and responding to the incident as appropriate.

**SEC. 1204. EXPEDITED NATIONAL INTELLIGENT TRANSPORTATION SYSTEMS DEPLOYMENT PROGRAM.**

(a) **Establishment.**—The Secretary shall establish a comprehensive program to accelerate the integration, interoperability, and deployment of intelligent transportation systems in order to improve the performance of the surface transportation system in metropolitan and rural areas.
(b) **Selection of Model Projects.**—Under the program, the Secretary may make grants, through competitive solicitation, for projects that will serve as models to improve transportation efficiency, promote surface transportation safety (including safe freight movement), increase traffic flow (including the flow of intermodal travel at ports of entry), reduce emissions of air pollutants, improve traveler information, enhance alternative transportation modes, build on existing intelligent transportation system projects, and promote tourism.

(c) **Other Projects, Programs, and Activities.**—Under the program, the Secretary may make grants for projects, programs, and activities in metropolitan and rural areas that—

1. contribute to national deployment goals and objectives outlined in the national intelligent transportation system program plan;

2. promote cooperation among agencies, jurisdictions, and the private sector, as evidenced by signed memoranda of understanding that clearly define the responsibilities and relations of all parties to a partnership arrangement, including institutional relationships and financial agreements needed to support deployment of intelligent transportation systems;
(3) encourage private sector involvement and financial commitment to such deployment to the maximum extent practicable through innovative financial arrangements, especially public-private partnerships, including arrangements that generate revenue to offset public investment costs;

(4) enhance fully integrated intelligent transportation system deployment;

(5) create technical capacity for effective operations and maintenance of such systems;

(6) improve safety, mobility, geographic and regional diversity, and economic development in deployment of such systems;

(7) advance deployment of the 511 traveler information program; and

(8) advance deployment of other national systems, including a statewide incident reporting system, wireless e-911 system, and road weather information system.

(d) Applicability of Title 23, United States Code.—Funds authorized to be appropriated under section 1101(a)(16) of this Act shall be available for obligation to carry out subsection (c)(7) in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code; except
that the Federal share of the cost of projects carried out under subsection (c)(7) shall be 80 percent and such funds shall remain available until expended.

SEC. 1205. INTELLIGENT TRANSPORTATION SYSTEMS DEPLOYMENT.

(a) PURPOSE.—The purpose of this section is to ensure that a minimum of $3,000,000,000 of the amounts authorized to be appropriated for the National Highway System, Interstate maintenance, surface transportation, and congestion mitigation and air quality improvement programs for fiscal years 2004 through 2009 is utilized to expand deployment of intelligent transportation systems.

(b) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by inserting after section 149 the following:

“§150. Deployment of intelligent transportation systems

“(a) IN GENERAL.—In each of fiscal years 2004 through 2009, each State shall obligate a portion of the funds apportioned to the State under sections 104(b)(1), 104(b)(2), 104(b)(3), and 104(b)(4) for such fiscal year, calculated under subsection (b), for projects described in subsection (c) that support deployment of intelligent transportation systems in the State.
“(b) Calculation of Amount.—The portion of a State’s apportionments to be obligated under subsection (a) for projects described in subsection (c) in a fiscal year shall be determined by multiplying $500,000,000 by the ratio that—

“(1) the aggregate of amounts apportioned to the State for such fiscal year under sections 104(b)(1), 104(b)(2), 104(b)(3), and 104(b)(4); bears to

“(2) the aggregate of amounts apportioned to all States for such fiscal year under such sections.

“(c) Intelligent Transportation Systems Deployment Projects.—Projects for which funds must be obligated under this section include the following:

“(1) Performance.—Establishment and implementation of operations systems and services that improve performance in the areas of traffic operations, emergency response to surface transportation incidents, surface transportation incident management, weather event response management by State and local authorities, surface transportation network and facility management, construction and work zone management, and traffic flow information.

“(2) Networks.—Conducting activities that support the creation of networks that link metropoli-
tan and rural surface transportation systems into an integrated data network, capable of collecting, sharing, and archiving transportation system traffic condition and performance information.

“(3) SAFETY.—Implementation of intelligent transportation system technologies that improve highway safety through linkages connecting the vehicle, the infrastructure, and information to the driver.

“(4) OPERATION AND MANAGEMENT.—Provision of services necessary to ensure the efficient operation and management of intelligent transportation systems infrastructure, including costs associated with communications, utilities, rent, hardware, software, labor, administrative costs, training, and technical services.

“(5) INTERAGENCY SUPPORT.—Provision of support for institutional relationships between transportation agencies, police, emergency medical services, private emergency operators, freight operators, and shippers.

“(6) PLANNING.—Conducting cross-jurisdictional planning and deployment of regional transportation systems operations and management approaches.
“(d) Obligation of Amounts.—In complying with the requirements of this section, the amounts obligated by a State for projects under subsection (c) that support deployment of intelligent transportation systems in such State under subsection (a) shall be allocated among the individual programs for which funds are apportioned under sections 104(b)(1), 104(b)(2), 104(b)(3), and 104(b)(4).

“(e) Limitation on Statutory Construction.—Nothing in this section shall be construed as altering or otherwise affecting the applicability of the requirements of this chapter (including requirements relating to the eligibility of a project for assistance under the program, the location of the project, and the Federal-share payable on account of the project) to amounts apportioned to a State for a program under section 104(b) that are obligated by the State for projects under this section.

“(f) Joint Responsibility.—Each State, each affected metropolitan planning organization, and the Secretary shall jointly ensure compliance with this section.”.

(c) Conforming Amendment.—The analysis for such chapter is amended by inserting after the item relating to section 149 the following:

“150. Deployment of intelligent transportation systems.”.
SEC. 1206. ENVIRONMENTAL REVIEW OF ACTIVITIES THAT SUPPORT DEPLOYMENT OF INTELLIGENT TRANSPORTATION SYSTEMS.

[Reserved.]

SEC. 1207. ASSUMPTION OF RESPONSIBILITY FOR CERTAIN PROGRAMS AND PROJECTS.

[Reserved.]

SEC. 1208. HOV LANES.

[Reserved.]

SEC. 1209. CONGESTION PRICING PILOT PROGRAM.

[Reserved.]

Subtitle C—Mobility and Efficiency

SEC. 1301. NATIONAL CORRIDOR INFRASTRUCTURE IMPROVEMENT PROGRAM.

[Reserved.]

SEC. 1302. COORDINATED BORDER INFRASTRUCTURE PROGRAM.

(a) General Authority.—The Secretary shall implement a coordinated border infrastructure program under which the Secretary shall distribute funds to border States to improve the safe movement of motor vehicles at or across the border between the United States and Canada and the border between the United States and Mexico.

(b) Eligible Uses.—A State may use funds apportioned under this section only for—
(1) improvements in a border region to existing transportation and supporting infrastructure that facilitate cross-border motor vehicle and cargo movements;

(2) construction of highways and related safety and safety enforcement facilities in a border region that facilitate motor vehicle and cargo movements related to international trade;

(3) operational improvements in a border region, including improvements relating to electronic data interchange and use of telecommunications, to expedite cross border motor vehicle and cargo movement;

(4) modifications to regulatory procedures to expedite safe and efficient cross border motor vehicle and cargo movements; and

(5) international coordination of transportation planning, programming, and border operation with Canada and Mexico relating to expediting cross border motor vehicle and cargo movements.

(c) APPORTIONMENT OF FUNDS.—On October 1 of each fiscal year, the Secretary shall apportion among border States sums authorized to be appropriated to carry out this section for such fiscal year as follows:

(1) 20 percent in the ratio that—
(A) the total number of incoming commercial trucks that pass through the land border ports of entry within the boundaries of a border State, as determined by the Secretary; bears to

(B) the total number of incoming commercial trucks that pass through such ports of entry within the boundaries of all the border States, as determined by the Secretary.

(2) 30 percent in the ratio that—

(A) the total number of incoming personal motor vehicles and incoming buses that pass through land border ports of entry within the boundaries of a border State, as determined by the Secretary; bears to

(B) the total number of incoming personal motor vehicles and incoming buses that pass through such ports of entry within the boundaries of all the border States, as determined by the Secretary.

(3) 25 percent in the ratio that—

(A) the total weight of incoming cargo by commercial trucks that pass through land border ports of entry within the boundaries of a border State, as determined by the Secretary; bears to
(B) the total weight of incoming cargo by commercial trucks that pass through such ports of entry within the boundaries of all the border States, as determined by the Secretary.

(4) 25 percent of the ratio that—

(A) the total number of land border ports of entry within the boundaries of a border State, as determined by the Secretary; bears to

(B) the total number of land border ports of entry within the boundaries of all the border States, as determined by the Secretary.

(d) APPLICABILITY OF TITLE 23.—Funds made available to carry out this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable and shall remain available until expended and the Federal share of the cost of a project under this section shall be 80 percent.

(e) DEFINITIONS.—In this section, the following definitions apply:

(1) BORDER REGION.—The term “border region” means any portion of a border State within 20 miles of an international land border with Canada or Mexico.
(2) Border state.—The term “border State” means any State that has an international land bor-
der with Canada or Mexico.

(3) Commercial truck.—The term “commercial truck” means a commercial motor vehicle as de-
dined in section 31301(4) (other than subparagraph (B)) of title 49, United States Code.

(4) Motor vehicle.—The term “motor vehi-
cle” has the meaning such term has under section 101(a) of title 23, United States Code.

(5) State.—The term “State” has the mean-
ing such term has in section 101(a) of such title 23.

SEC. 1303. FREIGHT INTERMODAL CONNECTORS.

(a) In general.—

(1) Establishment.—The Secretary shall es-

tablish a freight intermodal connector program to

improve productivity and improve the efficiency of

the transportation of freight, while mitigating con-
gestion in the area of freight intermodal connectors.

(2) Purposes.—The purposes of the program

shall be—

(A) to facilitate and support intermodal

freight transportation initiatives at the State

and local levels in order to improve freight

intermodal connectors and mitigate the impact
of congestion in the area of such connectors;
and
(B) to provide capital funding to address infrastructure and freight operational needs at freight intermodal connectors.

(b) STATE RESPONSIBILITIES.—Under the program, each State shall ensure that intermodal freight transportation and trade facilitation and are adequately addressed integrated into the project development process, including transportation planning, through final design and construction of freight related transportation projects.

(c) ELIGIBLE PROJECTS.—

(1) IN GENERAL.—Projects eligible for funding under this section may include the construction of and improvements to publicly owned freight intermodal connectors, the provision of access to such connectors, and operational improvements for such connectors (including capital investment for intelligent transportation systems); except that a project located within the boundaries of an intermodal freight facility shall only include highway infrastructure modifications necessary to facilitate direct intermodal access between the connector and the facility.

(2) SPECIAL RULE.—If a State that does not have any freight intermodal connectors within its
boundaries or has only freight intermodal connectors within its boundaries that are in good condition and provide an adequate level of service, projects within the boundaries of the State that are eligible for assistance under section 103(b)(6) of title 23, United States Code, relating to the National Highway System, shall be eligible for funding under this section.

(d) PRIORITY.—Under the program, a State shall give priority to projects on freight intermodal connectors to the National Highway System as identified according to the criteria set forth in the report of the Department of Transportation to Congress entitled ‘Pulling Together: The NHS and its Connections to Major Intermodal Terminals’.

(e) APPORTIONMENT.—On October 1 of each fiscal year, the Secretary shall apportion among the States sums made available to carry out this section for such fiscal year as follows:

   (1) 33.3 percent in the ratio that—

   (A) the number of freight intermodal connectors identified in the most recent Intermodal Freight Connectors study of the Federal Highway Administration within the boundaries of a State; bears to
(B) the total number of such connectors within the boundaries of all the States.

(2) 33.3 percent in the ratio that—

(A) the total of each State’s annual contributions to the Highway Trust Fund (other than the Mass Transit Account) attributable to commercial motor vehicles; bears to

(B) the total of such annual contributions by all States.

(3) 33.4 percent in the same ratios as funds are apportioned for the National Highway System under clauses (i), (ii), (iii), and (iv) of section 104(b)(1)(A) of title 23, United States Code.

(f) APPLICABILITY OF TITLE 23.—Funds made available to carry out this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable and shall remain available until expended and the Federal share of the cost of a project under this section shall be 80 percent.

(g) UPDATE REPORT.—Not later than August 1, 2005, the Secretary shall publish an update to the report entitled “Pulling Together: the National Highway System and its Connections to Major Intermodal Terminals”.

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(h) DEFINITIONS.—In this section, the following definitions apply:

(1) FREIGHT INTERMODAL CONNECTORS.—The term “freight intermodal connector” means the roadway that connects to an intermodal freight facility that carries or will carry intermodal traffic.

(2) INTERMODAL FREIGHT FACILITY.—The term “intermodal freight facility” means a port, airport, truck-rail terminal, and pipeline-truck terminal.

(3) STATE.—The term “State” has the meaning such term has in section 101(a) of title 23, United States Code.

SEC. 1304. PROJECTS OF NATIONAL AND REGIONAL SIGNIFICANCE.

(a) FINDINGS.—Congress finds the following:

(1) Under current law, surface transportation programs rely primarily on formula capital apportionments to States.

(2) Despite the significant increase for surface transportation program funding in the Transportation Equity Act of the 21st Century, current levels of investment are insufficient to fund critical high-cost transportation infrastructure facilities that ad-
dress critical national economic and transportation needs.

(3) Critical high-cost transportation infrastructure facilities often include multiple levels of government, agencies, modes of transportation, and transportation goals and planning processes that are not easily addressed or funded within existing surface transportation program categories.

(4) Projects of national and regional significance have national and regional benefits, including improving economic productivity by facilitating international trade, relieving congestion, and improving transportation safety by facilitating passenger and freight movement.

(5) The benefits of such projects described in paragraph (4) accrue to local areas, States, and the Nation as a result of the effect such projects have on the national transportation system.

(6) A program dedicated to constructing projects of national and regional significance is necessary to improve the safe, secure, and efficient movement of people and goods throughout the United States and improve the health and welfare of the national economy.
(b) Establishment of Program.—The Secretary shall establish a program to provide grants to qualified entities for projects of national and regional significance.

(c) Definitions.—

(1) Eligible Project Costs.—The term “eligible project costs” means the costs of—

(A) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and

(B) construction, reconstruction, rehabilitation, and acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements.

(2) Eligible Project.—The term “eligible project” means any surface transportation project eligible for Federal assistance under title 23, United States Code, including freight railroad projects and activities eligible under such title.

(3) Qualified Entity.—The term “qualified entity” means a State as defined in section 101(a) of title 23, United States Code.
(d) ELIGIBILITY.—To be eligible for assistance under this section, a project shall have eligible project costs that are reasonably anticipated to equal or exceed the lesser of—

(A) $500,000,000; or

(B) 75 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.

(e) 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.

(f) COMPETITIVE GRANT SELECTION AND CRITERIA FOR GRANTS.—

(1) IN GENERAL.—The Secretary shall—

(A) establish criteria for selecting among projects that meet the eligibility criteria specified in subsection (d);

(B) conduct a national solicitation for applications; and

(C) award grants on a competitive basis.
(2) CRITERIA FOR GRANTS.—The Secretary may approve a grant under this section for a project only if the Secretary determines that the project—

(A) is based on the results of preliminary engineering;

(B) is justified based on the project’s ability—

(i) to generate national economic benefits, including creating jobs, expanding business opportunities, and impacting the gross domestic product;

(ii) to reduce congestion, including impacts in the State, region, and Nation;

(iii) to improve transportation safety, including reducing transportation accidents, injuries, and fatalities;

(iv) to otherwise enhance the national transportation system; and

(v) to garner support for non-Federal financial commitments and provide evidence of stable and dependable financing sources to construct, maintain, and operate the infrastructure facility; and

(C) is supported by an acceptable degree of non-Federal financial commitments, including
evidence of stable and dependable financing
sources to construct, maintain, and operate the
infrastructure facility.

(3) SELECTION CONSIDERATIONS.—In selecting
a project under this section, the Secretary shall con-
sider the extent to which the project—

(A) leverages Federal investment by en-
couraging non-Federal contributions to the
project, including contributions from public-pri-
ivate partnerships;

(B) uses new technologies, including intel-
ligent transportation systems, that enhance the
efficiency of the project.

(C) helps maintain or protect the environ-
ment.

(4) PRELIMINARY ENGINEERING.—In evalu-
ating a project under paragraph (2)(A), the Sec-
retary shall analyze and consider the results of pre-
liminary engineering for the project.

(5) NON-FEDERAL FINANCIAL COMMITMENT.—

(A) EVALUATION OF PROJECT.—In evalu-
ating a project under paragraph (2)(C), the
Secretary shall require that—

(i) the proposed project plan provides
for the availability of contingency amounts
that the Secretary determines to be reasonable to cover unanticipated cost increases;

and

(ii) each proposed non-Federal source of capital and operating financing is stable, reliable, and available within the proposed project timetable.

(B) CONSIDERATIONS.—In assessing the stability, reliability, and availability of proposed sources of non-Federal financing under subparagraph (A), the Secretary shall consider—

(i) existing financial 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; and

(iv) the extent to which the project has a non-Federal financial commitment that exceeds the required non-Federal share of the cost of the project.

(6) REGULATIONS.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue regulations on the manner in
which the Secretary will evaluate and rate the
projects based on the results of preliminary engi-
neering, project justification, and the degree of non-
Federal financial commitment, as required under
this subsection.

(7) Project Evaluation and Rating.—A
proposed project may advance from preliminary en-
gineering to final design and construction only if the
Secretary finds that the project meets the require-
ments of this subsection and there is a reasonable
likelihood that the project will continue to meet such
requirements. In making such findings, the Sec-
retary shall evaluate and rate the project as “highly
recommended”, “recommended”, or “not rec-
ommended” based on the results of preliminary engi-
neering, the project justification criteria, and the de-
gree of non-Federal financial commitment, as re-
quired under this subsection. In rating the projects,
the Secretary shall provide, in addition to the overall
project rating, individual ratings for each of the cri-
teria established under the regulations issued under
paragraph (6).

(g) Letters of Intent and Full Funding
Grant Agreements.—

(1) Letter of Intent.—
(A) IN GENERAL.—The Secretary may issue a letter of intent to an applicant announcing an intention to obligate, for a project under this section, an amount from future available budget authority specified in law that is not more than the amount stipulated as the financial participation of the Secretary in the project.

(B) NOTIFICATION.—At least 60 days before issuing a letter under subparagraph (A) or entering into a full funding grant agreement, the Secretary shall notify in writing the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate of the proposed letter or agreement. The Secretary shall include with the notification a copy of the proposed letter or agreement as well as the evaluations and ratings for the project.

(C) NOT AN OBLIGATION.—The issuance of a letter is deemed not to be an obligation under sections 1108(c) and (d), 1501, and 1502(a) of title 31, United States Code, or an administrative commitment.
(D) Obligation or Commitment.—An obligation or administrative commitment may be made only when contract authority is allocated to a project.

(2) Full Funding Grant Agreement.—

(A) In General.—A project financed under this subsection shall be carried out through a full funding grant agreement. The Secretary shall enter into a full funding grant agreement based on the evaluations and ratings required under subsection (f)(7).

(B) Terms.—If the Secretary makes a full funding grant agreement with an applicant, the agreement shall—

(i) establish the terms of participation by the United States Government in a project under this section;

(ii) establish the maximum amount of Government financial assistance for the project;

(iii) cover the period of time for completing the project, including a period extending beyond the period of an authorization; and
(iv) make timely and efficient management of the project easier according to the laws of the United States.

(C) AGREEMENT.—An agreement under this paragraph obligates an amount of available budget authority specified in law and may include a commitment, contingent on amounts to be specified in law in advance for commitments under this paragraph, to obligate an additional amount from future available budget authority specified in law. The agreement shall state that the contingent commitment is not an obligation of the Government. Interest and other financing costs of efficiently carrying out a part of the project within a reasonable time are a cost of carrying out the project under a full funding grant agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms.
(3) AMOUNTS.—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 funding grant agreements may be not more than the greater of the amount authorized to carry out this section or an amount equivalent to the last 2 fiscal years of funding authorized to carry out this section less an amount the Secretary reasonably estimates is necessary for grants under this section not covered by a letter. The total amount covered by new letters and contingent commitments included in full funding grant agreements may be not more than a limitation specified in law.

(h) GRANT REQUIREMENTS.—

(1) IN GENERAL.—A grant for a project under this section shall be subject to all of the requirements of title 23, United States Code, and chapter 52 of title 49, United States Code.

(2) OTHER TERMS AND CONDITIONS.—The Secretary shall require that all grants under this section be subject to all terms, conditions, and requirements that the Secretary decides are necessary or appropriate for purposes of this section, including requirements for the disposition of net increases in value of
real property resulting from the project assisted
under this section.

(i) Government's Share of Project Cost.—
Based on engineering studies, studies of economic feasi-
bility, and information on the expected use of equipment
or facilities, the Secretary shall estimate the cost of a
project receiving assistance under this section. A grant for
the project is for 80 percent of the project cost, unless
the grant recipient requests a lower grant percentage. A
refund or reduction of the remainder may be made only
if a refund of a proportional amount of the grant of the
Government is made at the same time.

(j) Fiscal Capacity Considerations.—If the Sec-
retary gives priority consideration to financing projects
that include more than the non-Government share re-
quired under subsection (i) the Secretary shall give equal
consideration to differences in the fiscal capacity of State
and local governments.

(k) Reports.—

(1) Annual report.—Not later than the first
Monday in February of 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 that includes a pro-
posal on the allocation of amounts to be made available to finance grants under this section.

(2) **Recommendations on Funding.**—The annual report under this paragraph shall include evaluations and ratings, as required under subsection (f). The report shall also include 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 currently available to the Secretary.

(l) **Applicability of Title 23.**—Funds made available to carry out this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable and shall remain available until expended and the Federal share of the cost of a project under this section shall be as provided in this section.

**SEC. 1305. DEDICATED TRUCK LANES.**

[Reserved.]

**SEC. 1306. TRUCK PARKING FACILITIES.**

[Reserved.]
Subtitle D—Highway Safety

SEC. 1401. HIGHWAY SAFETY IMPROVEMENT PROGRAM.

(a) Safety Improvement Project Defined.—Section 101(a)(30) of title 23, United States Code, is amended by inserting “installs fluorescent, yellow-green signs at pedestrian or bicycle crossings or school zones,” after “call boxes,”.

(b) Operation Lifesaver.—Section 104(d)(1) of such title is amended—

(1) by striking “subsection (b)(3) of this section” and inserting “section 130(f)”; and

(2) by striking “$500,000” and inserting “$600,000”.

(c) Railway-Highway Crossing Hazard Elimination in High Speed Rail Corridors.—Section 104(d)(2) of such title is amended—

(1) in subparagraph (A)—

(A) by striking “subsection (b)(3)” and inserting “section 130(f)”; and

(B) by striking “$5,250,000 of the funds made available for the surface transportation program for the fiscal year” and inserting “from the funds made available for the surface transportation program $7,500,000 for fiscal year 2004, $10,000,000 for fiscal year 2005,
$12,500,000 for fiscal year 2006, $15,000,000 for fiscal year 2007, $17,500,000 for fiscal year 2008, and $20,000,000 for fiscal year 2009”; and

(2) in subparagraph (E)—

(A) by striking “Not less than $250,000 of such set-aside” and inserting “Of such set-aside, not less than $875,000 for fiscal year 2004, $1,500,000 for fiscal year 2005, $2,125,000 for fiscal year 2006, $2,750,000 for fiscal year 2007, $3,375,000 for fiscal year 2008, and $4,000,000 for fiscal year 2009”; and

(B) by striking “per fiscal year”.

(d) RAILWAY-HIGHWAY CROSSINGS.—

(1) FUNDS FOR PROTECTIVE DEVICES.—Section 130(e) of such title is amended by striking “At least 1⁄2” and inserting “For each fiscal year, at least $150,000,000”.

(2) APPORTIONMENT.—Section 130(f) of such title is amended to read as follows:

“(f) APPORTIONMENT.—

“(1) FORMULA.—Fifty percent of the funds authorized to be appropriated to carry out this section shall be apportioned to the States in accordance with
the formula set forth in section 104(b)(3)(A), and
50 percent of such funds shall be apportioned to the
States in the ratio that total public railway-highway
crossings in each State bears to the total of such
crossings in all States.

“(2) Minimum apportionment.—Notwith-
standing paragraph (1), each State shall receive a
minimum of \( \frac{1}{2} \) of 1 percent of the funds appor-
tioned under paragraph (1).

“(3) Federal share.—The Federal share
payable on account of any project financed with
funds authorized to be appropriated to carry out this
section shall be 90 percent of the cost thereof.”.

(3) Biennial report to Congress.—The
third sentence of section 130(g) of such title is
amended by striking “not later than April 1 of each
year,” and inserting “, not later than April 1, 2005,
and every 2 years thereafter,”.

(4) Expenditure of funds.—Section 130 of
such title is further amended by adding at the end
the following:

“(k) Expenditure of funds.—Not more than 2
percent of funds apportioned to a State to carry out this
section may be used by the State for compilation and anal-
ysis of data in support of activities carried out under sub-
section (g).”.

c) Surface Transportation Program.—

(1) IN GENERAL.—Section 133(d) of such title
is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2)
through (5) as paragraphs (1) through (4), re-
respectively; and

(C) in paragraph (2) (as so redesig-
nated)—

(i) in subparagraph (A) by striking
“80 percent” and inserting “90 percent”;

(ii) in subparagraph (B) by striking
“tobe” and inserting “to be”; and

(iii) in subparagraph (D) by adding a
period at the end.

(2) CONFORMING AMENDMENTS.—

(A) Section 133.—Section 133(e) is
amended by striking “(d)(2)” and inserting
“(d)(1)” in each of paragraphs (3)(B)(i),
(5)(A), and (5)(B).

(B) Section 126.—Section 126(b) of such

Title is amended—
(i) by striking “to the last sentence of section 133(d)(1) or”;

(ii) by striking “section 133(d)(3)” and inserting “section 133(d)(2)”;

(iii) by striking “or 133(d)(2)”.

(f) HAZARD ELIMINATION PROGRAM.—

(1) PURPOSES.—Section 152(a)(1) of such title is amended—

(A) by striking “and” after “bicyclists,”;

and

(B) by inserting after “pedestrians,” the following: “and the disabled, identify roadway safety improvement needs for such locations, sections, and elements,”.

(2) HAZARDS.—Section 152(a)(2)(A) of such title is amended by inserting “the disabled,” after “pedestrians,”.

(3) APPROVAL OF PROJECTS.—Section 152(b) of such title is amended by inserting before the period at the end the following: “that reduces the likelihood of crashes involving road departures, intersections, pedestrians, the disabled, bicyclists, older drivers, or construction work zones”.

(4) EXPENDITURE OF FUNDS.—Section 152(c) of such title is amended—
(A) in paragraph (2) by striking “or” at the end;

(B) in paragraph (3) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(4) police assistance for traffic and speed management in construction work zones;

“(5) installation of barriers between construction work zones and traffic lanes for the safety of motorists and workers; and

“(6) compilation and analysis of data under subsections (f) and (g) if the funds used for this purpose by a State do not exceed 2 percent of the amount apportioned to such State to carry out this section.”.

(5) APPORTIONMENT.—Section 152(d) of such title is amended to read as follows:

“(d) APPORTIONMENT.—

“(1) FORMULA.—Funds authorized to be appropriated to carry out this section shall be apportioned to the States in accordance with the formula set forth in section 104(b)(3)(A).

“(2) MINIMUM APPORTIONMENT.—Notwithstanding paragraph (1), each State shall receive a
minimum of $\frac{1}{2}$ of 1 percent of the funds apportioned under paragraph (1).

“(3) Federal share.—The Federal share payable on account of any project financed with funds authorized to be appropriated to carry out this section shall be 90 percent of the cost thereof.”

(6) Biennial report to Congress.—

(A) In general.—Section 152 of such title is amended by adding at the end the following:

“(i) Biennial report to Congress.—Not later than 2 years after the date of enactment of this subsection, and every 2 years thereafter, the Secretary shall transmit 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 results of the program under this section. The report shall include, at a minimum, the following:

“(1) A summary of State projects completed under this section categorized by the types of hazards and a statement of the cost of such projects.

“(2) An analysis of the effectiveness of such categories of projects in reducing the number and severity of crashes at high hazard locations.
“(3) An assessment of the adequacy of authorized funding for the program and State use of such funding to address the national need for such projects.

“(4) Recommendations for funding and program improvements to reduce the number of high hazard locations.

“(5) An analysis and evaluation of each State program, an identification of any State found not to be in compliance with the schedule of improvements required by subsection (a), and recommendations for future implementation of the hazard elimination program.”.

(B) CONFORMING AMENDMENT.—Section 152(g) of such title is amended by striking the third sentence through the last sentence.

SEC. 1402. WORKER INJURY PREVENTION AND FREE FLOW OF VEHICULAR TRAFFIC.

Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations to decrease the likelihood of worker injury and maintain the free flow of vehicular traffic by requiring workers whose duties place them on or in close proximity to a Federal-aid highway (as defined in section 101 of title 23, United States Code) to wear high visibility garments. Such regu-
lations may also require such other worker-safety measures for workers with those duties as the Secretary determines appropriate.

SEC. 1403. HIGH RISK RURAL ROAD SAFETY IMPROVEMENT PROGRAM.

(a) Establishment.—The Secretary shall establish and implement a high risk rural road safety improvement program in accordance with this section.

(b) Eligible Projects.—

(1) In general.—Except as provided in paragraph (2), a State may obligate funds apportioned to it under this section only for construction and operational improvement projects on high risk rural roads and only if the primary purpose of the project is to improve highway safety on a high risk rural road.

(2) Special Rule.—A State may use funds apportioned to it under this section for any project approved by the Secretary under section 152 of title 23, United States Code, if the State certifies to the Secretary that it has no projects described in paragraph (1).

(c) State Allocation System.—Each State shall establish a system for allocating funds apportioned to it under this section among projects eligible for assistance.
under this section that have the highest benefits to highway safety. Such system may include a safety management system established by the State under section 303 of title 23, United States Code, or a survey established pursuant to section 152(a) of such title.

(d) APPORTIONMENT OF FUNDS.—On October 1 of each fiscal year, the Secretary shall apportion among States sums authorized to be appropriated to carry out this section for such fiscal year as follows:

(1) \( \frac{1}{3} \) in the ratio that—

(A) each State’s public road lane mileage for rural minor collectors and rural local roads; bears to

(B) the total public road lane mileage for rural minor collectors and rural local roads of all States.

(2) \( \frac{1}{3} \) in the ratio that—

(A) the population of areas other than urbanized areas in each State, as shown by the most recent Government decennial census of population; bears to

(B) the population of all areas other than urbanized areas in the United States, as shown by that census.

(3) \( \frac{1}{3} \) in the ratio that—
(A) the total vehicle miles traveled on public roads in each State; bears to
(B) the total number of vehicle miles traveled on public roads in all States.

(e) **Applicability of Title 23.**—Funds made available to carry out this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable and shall remain available until expended and the Federal share of the cost of a project under this section shall be 80 percent. Notwithstanding any other provision of law, projects assisted under this section shall be treated as projects on a Federal-aid system under such chapter.

(f) **Definitions.**—In this section, the following definitions apply:

1. **High Risk Rural Road.**—The term “high risk rural road” means any roadway functionally classified as a rural major or minor collector or a rural local road—

   (A) on which the accident rate for fatalities and incapacitating injuries exceeds the statewide average for these functional classes of roadway; or
(B) which will likely have increases in traffic volume that are likely to create an accident rate for fatalities and incapacitating injuries that exceeds the statewide average for these functional classes of roadway.

(2) State and urbanized area.—The terms “State” and “urbanized area” have the meaning such terms have under section 101(a) of title 23, United States Code.

SEC. 1404. TRANSFERS OF APPORTIONMENTS TO SAFETY PROGRAMS.

(a) Use of safety belts and motorcycle helmets.—Section 153(h) of title 23, United States Code, is amended—

(1) in paragraph (2)—

(A) in the paragraph heading by striking “THEREAFTER.—” and inserting “FISCAL YEARS 1995–2003.—”;

and

(B) by inserting “and ending before October 1, 2003,” after “September 30, 1994,”;

(2) by redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively;

(3) by inserting after paragraph (2) the following:
“(3) Fiscal Year 2004 and Thereafter.—On October 1, 2003, and each October 1 thereafter, if a State does not have in effect a law described in subsection (a)(2), the Secretary shall transfer from the funds apportioned to the State on that date under each of subsections (b)(1), (b)(2), and (b)(3) of section 104 to the apportionment of the State under section 402 an amount equal to 3 percent of the funds apportioned to the State under such subsections for fiscal year 2003.’’; and

(4) in paragraph (5) (as so redesignated)—

(A) by striking “which is determined by multiplying” and inserting “which, for fiscal year 2004 and each fiscal year thereafter, is determined by multiplying”; and

(B) in subparagraph (B) by striking “such fiscal year” each place it appears and inserting “fiscal year 2003”.

(b) Open Container Requirements.—Section 154(e) of title 23, United States Code, is amended—

(1) in paragraph (2)—

(A) in the paragraph heading by striking “AND FISCAL YEARS THEREAFTER”; and

(B) by striking “and each October 1 thereafter,”;
(2) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively;
(3) by inserting after paragraph (2) the following:

“(3) FISCAL YEAR 2004 AND THEREAFTER.—On October 1, 2003, and each October 1 thereafter, if a State has not enacted or is not enforcing an open container law described in subsection (b), the Secretary shall transfer from the funds apportioned to the State on that date under each of paragraphs (1), (3), and (4) of section 104(b) an amount equal to 3 percent of the funds apportioned to the State under such paragraphs for fiscal year 2003 to be used or directed as described in subparagraph (A) or (B) of paragraph (1).”; 

(4) in paragraph (5) (as so redesignated) by striking “paragraph (3)” and inserting “paragraph (4)”;

(5) in paragraphs (4), (5), and (6) (as so redesignated) by striking “paragraph (1) or (2)” and inserting “paragraph (1), (2), or (3)”;

(6) in paragraph (7)(B) (as so redesignated)—

(A) by striking “The amount” and inserting “For fiscal year 2004 and each fiscal year thereafter, the amount”; and
(B) in subclauses (I) and (II) of clause (ii) by striking “the fiscal year” and inserting “fiscal year 2003”.

(c) Minimum Penalties for Certain Repeat Offenders.—Section 164(b) of title 23, United States Code, is amended—

(1) in paragraph (2)—

(A) in the paragraph heading by striking “AND FISCAL YEARS THEREAFTER”; and

(B) by striking “and each October 1 thereafter,”;

(2) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively;

(3) by inserting after paragraph (2) the following:

“(3) Fiscal Year 2004 and Thereafter.—On October 1, 2003, and each October 1 thereafter, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer from the funds apportioned to the State on that date under each of paragraphs (1), (3), and (4) of section 104(b) an amount equal to 3 percent of the funds apportioned to the State under such paragraphs for fiscal year 2003 to be used or directed as described in subparagraph (A) or (B) of paragraph (1).”;
(4) in paragraph (5) (as so redesignated) by striking “paragraph (3)” and inserting “paragraph (4)”;

(5) in paragraphs (4), (5), and (6) (as so redesignated) by striking “paragraph (1) or (2)” and inserting “paragraph (1), (2), or (3)”;

(6) in paragraph (7)(B) (as so redesignated)—

(A) by striking “The amount” and inserting “For fiscal year 2004 and each fiscal year thereafter, the amount”; and

(B) in subclauses (I) and (II) of clause (ii) by striking “the fiscal year” and inserting “fiscal year 2003”.

SEC. 1405. SAFETY INCENTIVES TO PREVENT OPERATION OF MOTOR VEHICLES BY INTOXICATED PERSONS.

(a) Codification of Penalty.—Section 163 of title 23, United States Code, is amended—

(1) by redesignating subsection (e) as subsection (f); and

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

“(e) Penalty.—

“(1) In general.—On October 1, 2003, and October 1 of each fiscal year thereafter, if a State
has not enacted or is not enforcing a law described in subsection (a), the Secretary shall withhold from amounts apportioned to the State on that date under each of paragraphs (1), (3), and (4) of section 104(b) an amount equal to the amount specified in paragraph (2).

“(2) Amount to be withheld.—If a State is subject to a penalty under paragraph (1), the Secretary shall withhold for a fiscal year from the apportionments of the State described in paragraph (1) an amount equal to a percentage of the funds apportioned to the State under paragraphs (1), (3), and (4) of section 104(b) for fiscal year 2003. The percentage shall be as follows:

“(A) For fiscal year 2004, 2 percent.

“(B) For fiscal year 2005, 4 percent.

“(C) For fiscal year 2006, 6 percent.

“(D) For fiscal year 2007, and each fiscal year thereafter, 8 percent.

“(3) Failure to comply.—If, within 4 years from the date that an apportionment for a State is withheld in accordance with this subsection, the Secretary determines that the State has enacted and is enforcing a law described in subsection (a), the apportionment of the State shall be increased by an
amount equal to the amount withheld. If, at the end of such 4-year period, any State has not enacted or is not enforcing a law described in subsection (a) any amounts so withheld from such State shall lapse.”.

(b) Repeal.—Section 351 of the Department of Transportation and Related Agencies Appropriations Act, 2001 (114 Stat. 1356A–34) is repealed.

Subtitle E—Construction and Contract Efficiencies

SEC. 1501. DESIGN-BUILD.

[Reserved.]

SEC. 1502. WARRANTY HIGHWAYS.

[Reserved.]

SEC. 1503. PUBLIC-PRIVATE VENTURE.

[Reserved.]

SEC. 1504. HIGHWAYS FOR LIFE PILOT PROGRAM.

(a) Establishment.—

(1) In general.—The Secretary shall establish and implement a pilot program to be known as the “Highways for LIFE pilot program”.

(2) Purpose.—The purpose of the pilot program shall be to advance longer-lasting highways using innovative technologies and practices to ac-
complish the fast construction of efficient and safe highways and bridges.

(3) OBJECTIVES.—Under the pilot program, the Secretary shall provide leadership and incentives to demonstrate and promote state-of-the-art technologies, elevated performance standards, and new business practices in the highway construction process that result in improved safety, faster construction, reduced congestion from construction, and improved quality and user satisfaction.

(b) PROJECTS.—

(1) APPLICATIONS.—To be eligible to participate in the pilot program, a State shall submit to the Secretary an application that is in such form and contains such information as the Secretary requires. Each application shall contain a description of proposed projects to be carried by the State under the pilot program.

(2) ELIGIBILITY.—A proposed project shall be eligible for assistance under the pilot program if the project—

(A) constructs, reconstructs, or rehabilitates a route or connection on a Federal-aid highway eligible for assistance under chapter 1 of title 23, United States Code;
(B) uses innovative technologies, manufacturing processes, financing, or contracting methods that improve safety, reduce congestion due to construction, and improve quality; and

(C) meets additional criteria as determined by the Secretary.

(3) Project Proposal.—A project proposal submitted under paragraph (1) shall contain—

(A) an identification and description of the projects to be delivered;

(B) a description of how the projects will result in improved safety, faster construction, reduced congestion due to construction, user satisfaction, and improved quality;

(C) a description of the innovative technologies, manufacturing processes, financing, and contracting methods that will be used for the proposed projects; and

(D) such other information as the Secretary may require.

(4) Selection Criteria.—In selecting projects for approval under this section, the Secretary shall ensure that the projects provide an evaluation of a broad range of technologies in a wide va-
riety of project types and shall give priority to the
projects that—

(A) address achieving the Highways for
LIFE performance standards for quality, safety,
and speed of construction;

(B) deliver and deploy innovative tech-
nologies, manufacturing processes, financing,
contracting practices, and performance meas-
ures that will demonstrate substantial improve-
ments in safety, congestion, quality, and cost-
effectiveness;

(C) include innovation that will lead to
change in the administration of the State’s
transportation program to more quickly con-
struct long-lasting, high-quality, cost-effective
projects that improve safety and reduce conges-
tion;

(D) are or will be ready for construction
within 12 months of approval of the project
proposal; and

(E) meet such other criteria as the Sec-
retary determines appropriate.

(5) FINANCIAL ASSISTANCE.—

(A) FUNDS FOR HIGHWAYS FOR LIFE
PROJECTS.—Out of amounts made available to
carry out this section for a fiscal year, the Secretary may allocate to a State up to 20 percent, but not more than $15,000,000, of the total cost of a project approved under this section. Notwithstanding any other provision of law, funds allocated to a State under this subparagraph may be applied to the non-Federal share of the cost of construction of a project under title 23, United States Code.

(B) Use of apportioned funds.—A State may obligate not more than 10 percent of the amount apportioned to the State under 1 or more of paragraphs (1), (2), (3), and (4) of section 104(b) of title 23, United States Code, for a fiscal year for projects approved under this section.

(C) Increased Federal share.—Notwithstanding sections 120 and 129 of title 23, United States Code, the Federal share payable on account of any project constructed with Federal funds allocated under this section, or apportioned under section 104(b) of such title, to a State under such title and approved under this section may amount to 100 percent of the cost of construction of such project.
(D) Limitation on statutory construction.—Except as provided in subparagraph (C), nothing in this subsection shall be construed as altering or otherwise affecting the applicability of the requirements of chapter 1 of title 23, United States Code (including requirements relating to the eligibility of a project for assistance under the program and the location of the project), to amounts apportioned to a State for a program under section 104(b) that are obligated by the State for projects approved under this subsection.

(6) Project selections.—In the period of fiscal years 2004 through 2009, the Secretary shall approve at least one project in each State for participation in the pilot program and for financial assistance under paragraph (5) if the State submits an application and the project meets the eligibility requirements and selection criteria under this subsection.

(c) Technology Partnerships.—

(1) In general.—The Secretary may make grants or enter into cooperative agreements or other transactions to foster the development, improvement, and creation of innovative technologies and facilities
to improve safety, enhance the speed of highway
construction, and improve the quality and durability
of highways.

(2) Federal share.—The Federal share of
the cost of an activity carried out under this sub-
section shall not exceed 80 percent.

(d) Technology Transfer and Information
Dissemination.—

(1) In general.—The Secretary shall conduct
a Highways for LIFE technology transfer program.

(2) Availability of information.—The Sec-
retary shall ensure that the information and tech-
nology used, developed, or deployed under this sub-
section is made available to the transportation com-
munity and the public.

(e) Stakeholder Input and Involvement.—The
Secretary shall establish a process for stakeholder input
and involvement in the development, implementation, and
evaluation of the Highways for LIFE pilot program. The
process may include participation by representatives of
State departments of transportation and other interested
persons.

(f) Project Monitoring and Evaluation.—The
Secretary shall monitor and evaluate the effectiveness of
any activity carried out under this section.
(g) CONTRACT AUTHORITY.—Funds authorized to be appropriated to carry out 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.

(h) STATE DEFINED.—In this section, the term “State” has the meaning such term has under section 101(a) of title 23, United States Code.

SEC. 1505. UNIT BID PRICING.

[Reserved.]

Subtitle F—Finance

SEC. 1601. TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT.

(a) DEFINITIONS.—Section 181 of title 23, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking “category”; and

(B) by striking “offered into the capital markets”;

(2) by striking paragraph (7);

(3) by redesignating paragraphs (8) through (15) as paragraphs (7) through (14), respectively; and

(4) in paragraph (10) (as so redesignated) by striking “bond” and inserting “credit”.

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(b) DETERMINATION OF ELIGIBILITY.—Section 182(a) of such title is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

“(1) INCLUSION IN TRANSPORTATION PLANS AND PROGRAMS.—The project shall satisfy the applicable planning and programming requirements of sections 134 and 135 at such time as an agreement to make available a Federal credit instrument is entered into under this subchapter.

“(2) APPLICATION.—A State, a local government, public authority, public-private partnership, or any other legal entity undertaking the project and authorized by the Secretary, shall submit a project application to the Secretary.”;

(2) in paragraph (3)(A)(i) by striking “$100,000,000” and inserting “$50,000,000”;

(3) in paragraph (3)(B) by striking “$30,000,000” and inserting “$15,000,000”; and

(4) in paragraph (4)—

(A) by striking “Project financing” and inserting “The Federal credit instrument”; and

(B) by inserting before the period at the end “that also secure the project obligations”.
(c) **PROJECT SELECTION.**—Section 182(b) of such title is amended—

(1) in paragraph (1) by striking “criteria” the second place it appears and inserting “requirements”; and

(2) in paragraph (2)(B) by inserting “, which may be the Federal credit instrument,” after “obligations”.

(d) **SECURED LOANS.**—

(1) **AGREEMENTS.**—Section 183(a)(1) of such title is amended—

(A) in each of subparagraphs (A) and (B) by inserting “of any project selected under section 602” after “costs”; and

(B) by striking the semicolon at the end of subparagraph (B) and all that follows through “under section 602”.

(2) **INVESTMENT-GRADE RATING REQUIREMENT.**—Section 183(a)(4) of such title is amended—

(A) by striking “The funding” and inserting “The execution”; and

(B) by striking the first comma and all that follows through “1 rating agency”.
(3) TERMS AND LIMITATIONS.—Section 183(b) of such title is amended—

(A) in paragraph (2) by inserting “the lesser of” after “exceed”;

(B) in paragraph (2) by inserting “or the amount of the senior project obligations” after “costs”;

(C) in paragraph (3)(A)(i) by inserting “that also secure the senior project obligations” after “sources”; and

(D) in paragraph (4) by striking “marketable”.

(4) REPAYMENT.—Section 183(c) is amended—

(A) by striking paragraph (3); and

(B) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(e) LINES OF CREDIT.—

(1) TERMS AND LIMITATIONS.—Section 184(b) of such title is amended—

(A) in paragraph (3)—

(i) by striking the first comma; and

(ii) by striking “any debt service reserve fund, and any other available reserve” and inserting “but not including reasonably required financing reserves”;

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(B) in paragraph (4)—

(i) by striking “marketable”;

(ii) by striking “on which” and inserting “of execution of”;

(iii) by striking “is obligated” and inserting “agreement”; and

(C) in paragraph (5)(A)(i) by inserting “that also secure the senior project obligations” after “sources”; and

(2) REPAYMENT.—Section 184(c) of such title is amended—

(A) in paragraph (2)—

(i) by striking “scheduled”;

(ii) by inserting “be scheduled to” after “shall”;

(iii) by striking “be fully repaid, with interest,” and inserting “conclude, with full repayment of principal and interest,”;

and

(B) by striking paragraph (3).

(f) PROGRAM ADMINISTRATION.—Section 185 of such title is amended to read as follows:
“§ 185. Program administration

“(a) REQUIREMENT.—The Secretary shall establish a uniform system to service the Federal credit instrument made available under this chapter.

“(b) FEES.—The Secretary may establish fees at a level to cover all or a portion of the costs to the Federal Government of servicing the Federal credit instrument.

“(c) SERVICER.—The Secretary may identify a financial entity to assist the Secretary in servicing a Federal credit instrument. The servicer—

“(1) shall act as the agent for the Secretary;

and

“(2) shall receive a servicing fee, subject to approval by the Secretary.

“(d) ASSISTANCE FROM EXPERT FIRMS.—The Secretary may retain the services of one or more expert firms, including counsel, in the field of municipal and project finance to assist in the underwriting and servicing of Federal credit instruments.”.

(g) FUNDING.—Section 188 of such title is amended to read as follows:

“§ 188. Funding

“(a) FUNDING.—

“(1) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) $150,000,000 for
each of fiscal years 2004 through 2009 to carry out this chapter.

“(2) Administrative Costs.—From funds made available under paragraph (1), the Secretary may use, for the administration of this subchapter, not more than $3,000,000 for each of fiscal years 2004 through 2009.

“(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 chapter 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 2004 through 2009, principal amounts of Federal credit instruments made available under this chapter shall be limited to $2,600,000,000.”
SEC. 1602. STATE INFRASTRUCTURE BANKS.

(a) In general.—Section 189 of title 23, United States Code, is amended to read as follows:

“§ 189. State infrastructure bank program

“(a) Definitions.—In this section, the following definitions apply:

“(1) Capital project.—The term ‘capital project’ has the meaning such term has under section 5302 of title 49, United States Code.

“(2) Other forms of credit assistance.—The term ‘other forms of credit 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 insure or guarantee letters of credit and credit instruments against credit risk of loss;

“(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 such assistance is being provided.

“(3) STATE.—The term ‘State’ has the meaning such term has under section 401 of this title.

“(4) CAPITALIZATION.—The term ‘capitalization’ means the process used for depositing funds as initial capital into a State infrastructure bank to establish the infrastructure bank.

“(5) COOPERATIVE AGREEMENT.—The term ‘cooperative agreement’ means written consent between a State and the Secretary which sets forth the manner in which the infrastructure bank established by the State in accordance with this section will be administered.

“(6) LOAN.—The term ‘loan’ means any form of direct financial assistance from a State infrastructure bank that is required to be repaid over a period of time and that is provided to a project sponsor for all or part of the costs of the project.

“(7) GUARANTEE.—The term ‘guarantee’ means a contract entered into by a State infrastructure bank in which the bank agrees to take responsibility for all or a portion of a project sponsor’s financial obligations for a project under specified conditions.
“(8) INITIAL ASSISTANCE.—The term ‘initial assistance’ means the first round of funds that are loaned or used for credit enhancement by a State infrastructure bank for projects eligible for assistance under this section.

“(9) LEVERAGE.—The term ‘leverage’ means a financial structure used to increase funds in a State infrastructure bank through the issuance of debt instruments.

“(10) LEVERAGED.—The term ‘leveraged’, as used with respect to a State infrastructure bank, means that the bank has total potential liabilities that exceed the capital of the bank.

“(b) COOPERATIVE AGREEMENTS.—Subject to the provisions of this section, the Secretary may enter into cooperative agreements with States for the establishment of State infrastructure banks for making loans and providing other forms of credit assistance to public and private entities carrying out or proposing to carry out projects eligible for assistance under this section.

“(c) INTERSTATE COMPACTS.—Congress grants consent to 2 or more of the States, entering into a cooperative agreement under subsection (a) with the Secretary for the establishment by such States of a multi-State infrastructure bank in accordance with this section, to enter into
an interstate compact establishing such bank in accordance with this section.

“(d) FUNDING.—

“(1) HIGHWAY ACCOUNT.—Subject to subsection (j), the Secretary may permit a State entering into a cooperative agreement under this section to establish a State infrastructure bank to deposit into the highway account of the bank not to exceed—

“(A) 10 percent of the funds apportioned to the State for each of fiscal years 2004 through 2009 under each of sections 104(b)(1), 104(b)(3), 104(b)(4), and 144; and

“(B) 10 percent of the funds allocated to the State for each of such fiscal years under section 105.

“(2) TRANSIT ACCOUNT.—Subject to subsection (j), the Secretary may permit a State entering into a cooperative agreement under this section to establish a State infrastructure bank, and any other recipient of Federal assistance under section 5307, 5309, or 5311 of title 49, to deposit into the transit account of the bank not to exceed 10 percent of the funds made available to the State or other recipient...
in each of fiscal years 2004 through 2009 for capital projects under each of such sections.

“(3) RAIL ACCOUNT.—Subject to subsection (j), the Secretary may permit a State entering into a co-operative agreement under this section to establish a State infrastructure bank, and any other recipient of Federal assistance under subtitle V of title 49, to deposit into the rail account of the bank funds made available to the State or other recipient in each of fiscal years 2004 through 2009 for capital projects under such subtitle.

“(4) CAPITAL GRANTS.—

“(A) HIGHWAY ACCOUNT.—Federal funds deposited into a highway account of a State infrastructure bank under paragraph (1) shall constitute for purposes of this section a capitalization grant for the highway account of the bank.

“(B) TRANSIT ACCOUNT.—Federal funds deposited into a transit account of a State infrastructure bank under paragraph (2) shall constitute for purposes of this section a capitalization grant for the transit account of the bank.
“(C) RAIL ACCOUNT.—Federal funds deposited into a rail account of a State infrastructure bank under paragraph 3 shall constitute for purposes of this section a capitalization grant for the rail account of the bank.

“(5) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000.—Funds in a State infrastructure bank that are attributed to urbanized areas of a State with urbanized populations of over 200,000 under section 133(d)(3) may be used to provide assistance with respect to a project only if the metropolitan planning organization designated for such area concurs, in writing, with the provision of such assistance.

“(6) DISCONTINUANCE OF FUNDING.—If the Secretary determines that a State is not implementing the State’s infrastructure bank in accordance with a cooperative agreement entered into under subsection (b), the Secretary may prohibit the State from contributing additional Federal funds to the bank.

“(e) FORMS OF ASSISTANCE FROM INFRASTRUCTURE BANKS.—An infrastructure bank established under this section may make loans or provide other forms of credit assistance to a public or private entity in an amount equal
to all or a part of the cost of carrying out a project eligible for assistance under this section. The amount of any loan or other form of credit assistance provided for the project may be subordinated to any other debt financing for the project. Initial assistance provided with respect to a project from Federal funds deposited into an infrastructure bank under this section may not be made in the form of a grant.

“(f) ELIGIBLE PROJECTS.—Subject to subsection (e), funds in an infrastructure bank established under this section may be used only to provide assistance for projects eligible for assistance under this title and capital projects defined in section 5302 of title 49, and any other projects related to surface transportation that the Secretary determines to be appropriate.

“(g) INFRASTRUCTURE BANK REQUIREMENTS.—In order to establish an infrastructure bank under this section, the State establishing the bank shall—

“(1) deposit in cash, at a minimum, into each account of the bank from non-Federal sources an amount equal to 25 percent of the amount of each capitalization grant made to the State and deposited into such account; except that, if the deposit is into the highway account of the bank and the State has a non-Federal share under section 120(b) that is
less than 25 percent, the percentage to be deposited
from non-Federal sources shall be the lower percent-
age of such grant;

“(2) ensure that the bank maintains on a con-
tinuing basis an investment grade rating on its debt,
or has a sufficient level of bond or debt financing in-
strument insurance, to maintain the viability of the
bank;

“(3) ensure that investment income derived
from funds deposited to an account of the bank
are—

“(A) credited to the account;

“(B) available for use in providing loans
and other forms of credit assistance to projects
eligible for assistance from the account; and

“(C) invested in United States Treasury
securities, bank deposits, or such other financ-
ing instruments as the Secretary may approve
to earn interest to enhance the leveraging of
projects assisted by the bank;

“(4) ensure that any loan from the bank will
bear interest at or below market interest rates, as
determined by the State, to make the project that is
the subject of the loan feasible;
“(5) ensure that repayment of any 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;

“(6) ensure that the term for repaying any loan
will not exceed 30 years after the date of the first
payment on the loan; and

“(7) require the bank to make an annual report
to the Secretary on its status no later than Sep-
tember 30 of each year and such other reports as
the Secretary may require under guidelines issued to
carry out this section.

“(h) APPLICABILITY OF FEDERAL LAW.—

“(1) IN GENERAL.—The requirements of this
title and title 49 that would otherwise apply to funds
made available under this title or such title and
projects assisted with those funds shall apply to—

“(A) funds made available under this title
or such title and contributed to an infrastruc-
ture bank established under this section, includ-
ing the non-Federal contribution required under
subsection (g); 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 such 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 and title 49 shall apply to repayments from non-Federal sources to an infrastructure bank from projects assisted by the bank. Such a repayment shall be considered to be Federal funds.

“(i) UNITED STATES NOT OBLIGATED.—The deposit of Federal funds into 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, nor shall any third party have any right against the United States for payment solely by virtue of the contribution. 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.

“(j) MANAGEMENT OF FEDERAL FUNDS.—Sections 3335 and 6503 of title 31, shall not apply to funds deposited into an infrastructure bank under this section.
“(k) Program Administration.—For each of fiscal years 2004 through 2009, 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.”.

(b) Preparatory Amendments.—

(1) Section 181.—Section 181 of such title is further amended—

(A) by striking the section designator and heading and inserting the following:

“§ 181. Generally applicable provisions”; 

(B) by striking “In this subchapter” and inserting “(a) Definitions.—In this chapter”; 

(C) in paragraph (5) by striking “184” and inserting “604”; and 

(D) in paragraph (11) (as redesignated by section 1601(a) of this Act) by striking “183” and inserting “603”; and 

(E) by adding at the end the following: 

“(b) Treatment of Chapter.—For purposes of this title, this chapter shall be treated as being part of chapter 1.”.
(2) Section 182.—Section 182(b)(2)(A)(viii) of such title is further amended by inserting “and chapter 1” after “this chapter”.

(3) Section 183.—Section 183(a) of such title is further amended—

   (A) in paragraph (1) by striking “182” and inserting “602”; and

   (B) in paragraph (3) by striking “182(b)(2)(B)” and inserting “602(b)(2)(B)”.

(4) Section 184.—Section 184 of such title is further amended—

   (A) in subsection (a)(1) by striking “182” and inserting “602”;

   (B) in subsection (a)(3) by striking “182(b)(2)(B)” and inserting “602(b)(2)(B); and

   (C) in subsection (b)(10) by striking “183” and inserting “603”.

(5) References in subchapter.—Subchapter II of chapter 1 of such title is amended by striking “this subchapter” each place it appears and inserting “chapter”.

(6) Subchapter headings.—Chapter 1 of such title is further amended—
(A) by striking “SUBCHAPTER I—GENERAL PROVISIONS” preceding section 101; and

(B) by striking “SUBCHAPTER II—INFRASTRUCTURE FINANCE” preceding section 181.

(c) CHAPTER 6.—Such title is further amended by adding at the end the following:

“CHAPTER 6—INFRASTRUCTURE FINANCE

Sec. 601. Generally applicable provisions.
Sec. 602. Determination of eligibility and project selection.
Sec. 603. Secured loans.
Sec. 604. Lines of credit.
Sec. 605. Program administration.
Sec. 606. State and local permits.
Sec. 607. Regulations.
Sec. 608. Funding.
Sec. 609. State infrastructure bank program.”.

(d) MOVING AND REDESIGNATING.—Such title is further amended—

(1) by redesignating sections 181 through 189 as sections 601 through 609, respectively;

(2) by moving such sections from chapter 1 to chapter 6 (as added by subsection (c)); and

(3) by inserting such sections after the analysis for chapter 6.

(e) ANALYSIS FOR CHAPTER 1 AND TABLE OF CHAPTERS.—
(1) Analysis for Chapter 1.—The analysis for chapter 1 of such title is amended—

(A) by striking the headings for subchapters I and II; and

(B) by striking the items relating to sections 181 through 189.

(2) Table of Chapters.—The table of chapters for such title is amended by inserting after the item relating to chapter 5 the following:

6. Infrastructure and Finance ................................................................. 601

SEC. 1603. INTERSTATE SYSTEM RECONSTRUCTION AND REHABILITATION PILOT PROGRAM.

[Reserved.]

Subtitle G—High Priority Projects

SEC. 1701. HIGH PRIORITY PROJECTS PROGRAM.

(a) Authorization of HighPriority Projects.—Section 117(a) of title 23, United States Code, is amended by striking “1602 of the Transportation Equity Act for the 21st Century” and inserting “1701 of the Transportation Equity Act: A Legacy for Users”.

(b) Allocation Percentages.—Section 117(b) of such title is amended by striking paragraphs (1) through (6) and inserting the following:

“(1) 13 percent of such amount shall be available for obligation beginning in fiscal year 2004;
“(2) 14.3 percent of such amount shall be available for obligation beginning in fiscal year 2005;
“(3) 15.7 percent of such amount shall be available for obligation beginning in fiscal year 2006;
“(4) 17.2 percent of such amount shall be available for obligation beginning in fiscal year 2007;
“(5) 18.9 percent of such amount shall be available for obligation beginning in fiscal year 2008; and
“(6) 20.9 percent of such amount shall be available for obligation beginning in fiscal year 2009.”.

(c) Federal Share.—Section 117(c) of such title is amended by striking “; except” and all that follows through “cost thereof”.

(d) Advance Construction.—Section 117(e) of such title is amended by striking “1602 of the Transportation Equity Act for the 21st Century” each place it appears and inserting “1701 of the Transportation Equity Act: A Legacy for Users”.

(e) Availability of Obligation Limitation.—Section 117(g) of such title is amended by striking “Transportation Equity Act for the 21st Century” and inserting “Transportation Equity Act: A Legacy for Users”.
TITLE II—HIGHWAY SAFETY

SEC. 2001. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(1) HIGHWAY SAFETY PROGRAMS.—For carrying out section 402 of title 23, United States Code, $245,000,000 for fiscal year 2004, $250,000,000 for fiscal year 2005, $255,000,000 for fiscal year 2006, $260,000,000 for fiscal year 2007, $265,000,000 for fiscal year 2008, and $270,000,000 for fiscal year 2009.

(2) HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.—For carrying out section 403 of title 23, United States Code, $91,000,000 for each of fiscal years 2004 through 2009.

(3) OCCUPANT PROTECTION INCENTIVE GRANTS.—For carrying out section 405 of title 23, United States Code, $140,000,000 for fiscal year 2004, $145,000,000 for fiscal year 2005, $150,000,000 for fiscal year 2006, $155,000,000 for fiscal year 2007, $160,000,000 for fiscal year 2008, and $165,000,000 for fiscal year 2009.

(4) ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES INCENTIVE GRANT PROGRAM.—For car-
rying out section 410 of title 23, United States
Code, $135,000,000 for fiscal year 2004,
$140,000,000 for fiscal year 2005, $145,000,000 for
fiscal year 2006, $150,000,000 for fiscal year 2007,
$155,000,000 for fiscal year 2008, and
$160,000,000 for fiscal year 2009.

(5) STATE TRAFFIC SAFETY INFORMATION IM-
PROVEMENTS.—For carrying out section 412 of title
23, United States Code, $25,000,000 for fiscal year
2004, $30,000,000 for fiscal year 2005,
$35,000,000 for fiscal year 2006, $40,000,000 for
fiscal year 2007, $45,000,000 for fiscal year 2008,
and $50,000,000 for fiscal year 2009.

(6) NATIONAL DRIVER REGISTER.—For car-
rying out chapter 303 of title 49, United States
Code, by the National Highway Traffic Safety Ad-
ministration, $4,000,000 for each of fiscal years
2004 through 2009.

(7) HIGH VISIBILITY ENFORCEMENT PRO-
GRAM.—For carrying out section 2005 of this title,
$10,000,000 for each of fiscal years 2004 through
2009.

(b) APPLICABILITY OF TITLE 23.—Amounts made
available under subsection (a) for each of fiscal years 2004
through 2009 shall be available for obligation in the same
manner as if such funds were apportioned under chapter 1 of title 23, United States Code.

(c) TRANSFERS.—In each fiscal year, the Secretary may transfer any amounts remaining available under paragraph (3), (4), or (5) of subsection (a) to the amounts made available under any other of such paragraphs in order to ensure, to the maximum extent possible, that each State receives the maximum incentive funding for which the State is eligible under sections 405, 410, and 412 of title 23, United States Code.

SEC. 2002. OCCUPANT PROTECTION INCENTIVE GRANTS.

(a) GENERAL AUTHORITY.—Section 405(a) of title 23, United States Code, is amended—

(1) in paragraph (2) by striking “Transportation Equity Act for the 21st Century” and inserting “Transportation Equity Act: A Legacy for Users”;

(2) in paragraph (3) by striking “1997” and inserting “2003”; and

(3) in paragraphs (4)(A), (4)(B), and (4)(C) by inserting after “years” the following: “beginning after September 30, 2003,”.

(b) GRANT ELIGIBILITY.—Section 405(b) of title 23, United States Code, is amended by striking “A State shall become eligible” and inserting the following: “A State
shall be eligible for a grant under this section if the State has a seat belt usage rate of 85 percent or greater as of the date of the grant, as determined by the Secretary. A State may also become eligible”.

(c) Grant Amounts.—Section 405(c) of title 23, United States Code, is amended—

(1) by striking “25 percent” and inserting “100 percent”; and

(2) by striking “1997” and inserting “2003”.

SEC. 2003. ALCOHOL-IMPAIRED DRIVING COUNTER-MEASURES.

(a) General Authority.—Section 410(a) of title 23, United States Code, is amended—

(1) in paragraph (2) by striking “Transportation Equity Act for the 21st Century” and inserting “Transportation Equity Act: A Legacy for Users”; and

(2) in paragraph (3) by striking “1997” and inserting “2003”; and

(3) in paragraphs (4)(A), (4)(B), and (4)(C) by inserting after “years” the following: “beginning after September 30, 2003,”.

(b) Basic Grant A.—Section 410(b)(1) of title 23, United States Code, is amended—
(1) by striking “A State shall become eligible” and inserting the following: “A State shall be eligible for a grant under this paragraph if the State has an alcohol-related fatality rate per 100,000,000 vehicle miles traveled of 0.5 or less as of the date of the grant, as determined by the Secretary using the Fatality Analysis Reporting System of the National Highway Traffic Safety Administration. A State may also become eligible”;

(2) by striking “at least 5 of” and inserting “at least 6 of”;

(3) in subparagraph (A) is amended—

(A) by striking “and” at the end of clause (i)(II);

(B) by striking the period at the end of clause (ii) and inserting “; and”; and

(C) by adding at the end the following:

“(iii) the suspension and revocation referred to under clause (i) may allow an individual to operate a motor vehicle to and from employment or in pursuit of employment if an ignition interlock device is installed on each of the motor vehicles owned or operated, or both, by the individual.”;
(4) by striking subparagraph (F) and inserting the following:

“(F) Outreach Program.—A judicial and prosecutorial education, training, and outreach program that provides information on the appropriateness and effectiveness of sentencing options.”; and

(5) by adding at the end the following:

“(H) Self-Sustaining Drunk Driving Prevention Program.—A self-sustaining drunk driving prevention program under which a significant portion of the fines or surcharges collected from individuals apprehended and fined for operating a motor vehicle while under the influence of alcohol are returned to those communities that have comprehensive programs for the prevention of such operations of motor vehicles.

“(I) Programs for Effective Alcohol Rehabilitation.—A program for effective inpatient and outpatient alcohol rehabilitation based on mandatory assessment and appropriate treatment for repeat offenders described in subparagraph (A)(i)(II).”.
(c) Basic Grant B.—Section 410(b) of title 23, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

“(2) Basic Grant B.—A State shall become eligible for a grant under this paragraph if the State—

“(A) has an alcohol-related fatality rate per 100,000,000 vehicle miles traveled of 0.8 or more as of the date of the grant, as determined by the Secretary using the Fatality Analysis Reporting System of the National Highway Traffic Safety Administration; and

“(B) establishes, subject to such requirements as the Secretary may prescribe, a task force to evaluate and recommend changes to the State’s drunk driving programs.”; and

(2) in paragraph (3)—

(A) by striking “25 percent” and inserting “100 percent”; and

(B) by striking “1997” and inserting “2003”.

(d) Supplemental Grants.—Section 410(e) of title 23, United States Code, is amended to read as follows:
“(c) ALLOCATION FOR BASIC GRANTS B.—Not more than $20,000,000 per fiscal year of amounts made available to carry out this section shall be available for making grants under subsection (b)(2).”.

SEC. 2004. STATE TRAFFIC SAFETY INFORMATION SYSTEM IMPROVEMENTS.

(a) IN GENERAL.—Chapter 4 of title 23, United States Code, is amended by adding at the end the following:

“§ 412. State traffic safety information system improvements

“(a) GENERAL AUTHORITY.—

“(1) AUTHORITY TO MAKE GRANTS.—Subject to the requirements of this section, the Secretary shall make grants to States that adopt and implement effective programs to—

“(A) improve the timeliness, accuracy, completeness, uniformity, integration, and accessibility of the safety data of the State that is needed to identify priorities for national, State, and local highway and traffic safety programs;

“(B) evaluate the effectiveness of efforts to make such improvements;
“(C) link these State data systems, including traffic records, with other data systems within the State, such as systems that contain medical, roadway, and economic data; and

“(D) improve the compatibility and interoperability of the data systems of the State with national data systems and data systems of other States and enhance the ability of the Secretary to observe and analyze national trends in crash occurrences, rates, outcomes, and circumstances.

“(2) USE OF GRANTS.—A State may use a grant received under this section only to implement such programs.

“(3) MODEL DATA ELEMENTS.—The Secretary, in consultation with States and other appropriate parties, shall determine the model data elements necessary to observe and analyze State and national trends in crash occurrences, rates, outcomes, and circumstances. In order to become eligible for a grant under this section, a State shall certify to the Secretary the State’s adoption and use of such model data elements.

“(4) MAINTENANCE OF EFFORT.—No grant may be made to a State under this section in any
fiscal year unless the State enters into such agree-
ments with the Secretary as the Secretary may re-
quire ensuring that the State will maintain its ag-
gregate expenditures from all other sources for high-
way safety data programs at or above the average
level of such expenditures in the 2 fiscal years pre-
ceeding the date of enactment of this section.

“(5) FEDERAL SHARE.—The Federal share of
the cost of implementing in a fiscal year a program
of a State pursuant to paragraph (1) shall not ex-
ceed 80 percent.

“(b) FIRST-YEAR GRANTS.—To be eligible for a first-
year grant under this section, a State shall demonstrate
to the satisfaction of the Secretary that the State has—

“(1) established a highway safety data and traf-
fic records coordinating committee with a multidiscipli-
inary membership that includes, among others,
managers, collectors, and users of traffic records
and public health and injury control data systems;
and

“(2) developed a multiyear highway safety data
and traffic records system strategic plan that ad-
dresses existing deficiencies in the State’s highway
safety data and traffic records system and is ap-
proved by the highway safety data and traffic records coordinating committee and—

“(A) specifies how existing deficiencies in the State’s highway safety data and traffic records system were identified;

“(B) prioritizes, based on the identified highway safety data and traffic records system deficiencies, the highway safety data and traffic records system needs and goals of the State, including the activities described in subsection (a)(1);

“(C) identifies performance-based measures by which progress toward those goals will be determined;

“(D) specifies how the grant funds and any other funds of the State will be used to address needs and goals identified in the multiyear plan; and

“(E) includes a current report on the progress in implementing the multiyear plan that documents progress toward the specified goals.

“(e) SUCCEEDING-YEAR GRANTS.—

“(1) ELIGIBILITY.—A State shall be eligible for a grant under this subsection in a fiscal year suc-
ceeding the first fiscal year in which the State receives a grant under subsection (b) if the State, to the satisfaction of the Secretary—

“(A) submits an updated multiyear plan that meets the requirements of subsection (b)(2);

“(B) certifies that its highway safety data and traffic records coordinating committee continues to operate and supports the multiyear plan;

“(C) specifies how the grant funds and any other funds of the State will be used to address needs and goals identified in the multiyear plan;

“(D) demonstrates measurable progress toward achieving the goals and objectives identified in the multiyear plan; and

“(E) includes a current report on the progress in implementing the multiyear plan.

“(d) GRANT AMOUNTS.—

“(1) IN GENERAL.—The amount of a grant made to a State for a fiscal year under this section shall equal an amount determined by multiplying—

“(A) the amount appropriated to carry out this section for such fiscal year; by
“(B) the ratio that the funds apportioned to the State under section 402 for fiscal year 2003 bears to the funds apportioned to all States under section 402 for fiscal year 2003.

“(2) MINIMUM AMOUNT.—Notwithstanding subparagraph (A)—

“(A) a State eligible for a first-year grant under this section shall not receive less than $300,000; and

(B) a State eligible for a succeeding-year grant under this section shall not receive less than $500,000.

“(e) ADMINISTRATIVE EXPENSES.—Funds authorized to be appropriated to carry out this section in a fiscal year shall be subject to a deduction not to exceed 5 percent for the necessary costs of administering the provisions of this section.

“(f) APPLICABILITY OF CHAPTER 1.—The provisions contained in section 402(d) shall apply to this section.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 4 of title 23, United States Code, is amended by adding at the end the following:

“412. State traffic safety information system improvements.”.

SEC. 2005. HIGH VISIBILITY ENFORCEMENT PROGRAM.

The Secretary shall establish a program to support national impaired driving mobilization and enforcement ef-
forts and national safety belt mobilization and enforce-
ment, including the purchase of national paid advertise-
ment (including production and placement) to support
such efforts.

SEC. 2006. MOTORCYCLE CRASH CAUSATION STUDY.
(a) In General.—Using funds made available to
carry out section 403 of title 23, United States Code, the
Secretary shall conduct a study of the causes of motorcycle

crashes.
(b) Report.—Not later than 3 years after the date
of enactment of this Act, the Secretary shall transmit to
Congress a report on the results of the study.

SEC. 2007. CHILD SAFETY AND BOOSTER SEATS.
[Reserved.]

TITLE III—FEDERAL TRANSIT ADMINISTRATION PROGRAMS

SEC. 3001. SHORT TITLE; AMENDMENTS TO TITLE 49, UNITED STATES CODE.
(a) Short Title.—This title may be cited as the
“Federal Public Transportation Act of 2004”.
(b) Amendments to Title 49, United States
Code.—Except as otherwise specifically provided, when-
evver in this title an amendment or repeal is expressed in
terms of an amendment to, or repeal of, a section or other
provision of law, the reference shall be considered to be
made to a section or other provision of title 49, United States Code.

SEC. 3002. POLICIES, FINDINGS, AND PURPOSES.

(a) In General.—Section 5301(a) is amended to read as follows:

“(a) Development and Revitalization of Public Transportation Systems.—It is in the interest of the United States to foster the development and revitalization of public transportation systems that—

“(1) maximize the safe, secure, and efficient mobility of individuals;

“(2) minimize environmental impacts; and

“(3) minimize transportation-related fuel consumption and reliance on foreign oil.”.

(b) Preserving the Environment.—Section 5301(e) is amended—

(1) by striking “an urban” and inserting “a”; and

(2) by striking “under sections 5309 and 5310 of this title”.

(c) General Purposes.—Section 5301(f) is amended—

(1) in paragraph (1)—

(A) by striking “mass” the first place it appears and inserting “public”; and
(B) by striking “public and private mass transportation companies” and inserting “both public transportation companies and private companies engaged in public transportation”;
(2) in paragraph (2)—
(A) by striking “urban mass” and inserting “public”; and
(B) by striking “public and private mass transportation companies” and inserting “both public transportation companies and private companies engaged in public transportation”;
(3) in paragraph (3)—
(A) by striking “urban mass” and inserting “public”; and
(B) by striking “public or private mass transportation companies” and inserting “public transportation companies or private companies engaged in public transportation”; and
(4) in paragraph (5) by striking “urban mass” and inserting “public”.

SEC. 3003. DEFINITIONS.
(a) LEAD-IN.—Section 5302(a) is amended in the matter preceding paragraph (1) by striking “In this chapter” and inserting “Except as otherwise specifically provided, in this chapter”.

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(b) **CAPITAL PROJECT.**—Section 5302(a)(1) is amended—

(1) in subparagraph (G) by inserting “construction, renovation, and improvement of intercity bus stations and terminals,” before “and the renovation and improvement of historic transportation facilities,”;

(2) in subparagraph (G)(ii) by inserting “(other than an intercity bus station or terminal)” after “commercial revenue-producing facility”;

(3) by striking “or” at the end of subparagraph (H);

(4) by striking the period at the end of subparagraph (I) and inserting a semicolon; and

(5) by adding at the end the following:

“(J) crime prevention and security—

“(i) including—

“(I) projects to refine and develop security and emergency response plans;

“(II) projects aimed at detecting chemical and biological agents in public transportation;

“(III) the conduct of emergency response drills with public transpor-
tation agencies and local first re-
response agencies; and

“(IV) security training for public
transportation employees; but

“(ii) excluding all expenses related to
operations, other than such expenses in-
curred in conducting activities described in
subclauses (III) and (IV);

“(K) establishment of a debt service re-
serve made up of deposits with a bondholders’
trustee in a noninterest bearing account for the
purpose of ensuring timely payment of principal
and interest on bonds issued by a grant recipi-
ent for purposes of financing an eligible project
under this chapter; or

“(L) mobility management—

“(i) consisting of short-range planning
and management activities and projects for
improving coordination among public
transportation and other transportation
service providers carried out by a recipient
or subrecipient through an agreement en-
tered into with a person, including a gov-
ernmental entity, under this chapter (other
than section 5309); but
“(ii) excluding operating public transportation services.”.

(c) INDIVIDUAL WITH A DISABILITY.—Section 5302(a)(5) is amended—

(1) by striking “HANDICAPPED INDIVIDUAL” and inserting “INDIVIDUAL WITH A DISABILITY”;

and

(2) by striking “handicapped individual” and inserting “individual with a disability”.

(d) MASS TRANSPORTATION.—Section 5302(a)(7) is amended to read as follows:

“(7) MASS TRANSPORTATION.—The term ‘mass transportation’ means public transportation.”.

(e) PUBLIC TRANSPORTATION.—Section 5302(a)(10) is amended to read as follows:

“(10) PUBLIC TRANSPORTATION.—The term ‘public transportation’ means transportation by a conveyance that provides regular and continuing general or special transportation to the public, but does not include schoolbus, charter, or sightseeing transportation.”.

(f) URBANIZED AREA.—Section 5302(a)(17) is amended to read as follows:

“(17) URBANIZED AREA.—The term ‘urbanized area’ means an area encompassing a population of
at least 50,000 people that has been defined and
designated in the latest decennial census as an ur-
banized area by the Secretary of Commerce.”.

(g) Authority To Modify Definition.—Section
5302(b) is amended—

(1) by striking “HANDICAPPED INDIVIDUAL”
and inserting “INDIVIDUAL WITH A DISABILITY”;
and

(2) by striking “handicapped individual” and
inserting “individual with a disability”.

SEC. 3004. METROPOLITAN PLANNING.

Section 5303 is amended to read as follows:

“§ 5303. Metropolitan planning

“(a) In General.—Grants made under sections
5307, 5308, 5309, 5310, 5311, 5316, and 5317 shall be
carried out in accordance with the metropolitan planning
provisions of chapter 52.

“(b) Certification.—

“(1) In General.—The Secretary shall ensure
and certify that each metropolitan planning organi-
ization in each transportation management area is
carrying out its responsibilities under applicable laws
of the United States. The Secretary may make the
certification only if the organization is complying
with chapter 52 and other applicable requirements
of laws of the United States and the organization and chief executive officer have approved a transportation improvement program for the area.

“(2) LIMITATION ON WITHHOLDING CERTIFICATION.—The Secretary may not withhold certification based on the policies and criteria a metropolitan planning organization or mass transportation grant recipient establishes under section 5306(a) for deciding the feasibility of private enterprise participation.”.

SEC. 3005. STATEWIDE PLANNING.

(a) IN GENERAL.—Section 5304 is amended to read as follows:

“§ 5304. Statewide planning

“Grants made under sections 5307, 5308, 5309, 5310, 5311, 5316, and 5317 shall be carried out in accord-ance with the statewide planning provisions of chapter 52.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by striking the item relating to section 5304 and inserting the following:

“5304. Statewide planning.”.

SEC. 3006. PLANNING PROGRAMS.

(a) IN GENERAL.—Section 5305 is amended to read as follows:
§ 5305. Planning programs

(a) STATE DEFINED.—In this section the term ‘State’ means a State of the United States, the District of Columbia, and Puerto Rico.

(b) GENERAL AUTHORITY.—

(1) ASSISTANCE.—Under criteria to be established by the Secretary, the Secretary may provide assistance for—

(A) the development of transportation plans and programs;

(B) planning, engineering, designing, and evaluating a public transportation project; and

(C) for other technical studies.

(2) GRANTS, AGREEMENTS, AND CONTRACTS.—The Secretary may provide assistance under paragraph (1)—

(A) by making grants to States, authorities of States, metropolitan planning organizations, and local governmental authorities; or

(B) by making agreements with other departments, agencies, and instrumentalities of the Government.

(3) ELIGIBLE ACTIVITIES.—Activities eligible for assistance under paragraph (1) include the following:
“(A) Studies related to management, planning, operations, capital requirements, and economic feasibility.

“(B) Evaluating previously financed projects.

“(C) Peer reviews and exchanges of technical data, information, assistance, and related activities in support of planning and environmental analyses among metropolitan planning organizations and other transportation planners.

“(D) Other similar and related activities preliminary to and in preparation for constructing, acquiring, or improving the operation of facilities and equipment.

“(c) PURPOSE.—To the extent practicable, the Secretary shall ensure that amounts appropriated or made available under section 5338 to carry out this section and sections 5303 and 5304 are used to support balanced and comprehensive transportation planning that considers the relationships among land use and all transportation modes, without regard to the programmatic source of the planning amounts.

“(d) METROPOLITAN PLANNING PROGRAM.—

“(1) APPORTIONMENT TO STATES.—
“(A) IN GENERAL.—The Secretary shall apportion 80 percent of the amounts made available under subsection (g)(1) among the States to carry out sections 5303 and 5306 in the ratio that—

“(i) the population of urbanized areas in each State, as shown by the latest available decennial census of population; bears to

“(ii) the total population of urbanized areas in all States, as shown by that census.

“(B) MINIMUM APPORTIONMENT.—Notwithstanding subparagraph (A), a State may not receive less than 0.5 percent of the amount apportioned under this paragraph.

“(2) ALLOCATION TO MPO’S.—Amounts apportioned to a State under paragraph (1) shall be made available promptly after allocation to metropolitan planning organizations in the State designated under this section under a formula that—

“(A) considers population of urbanized areas;
“(B) provides an appropriate distribution for urbanized areas to carry out the cooperative processes described in this section;

“(C) the State develops in cooperation with the metropolitan planning organizations; and

“(D) the Secretary approves.

“(3) SUPPLEMENTAL AMOUNTS—

“(A) IN GENERAL.—The Secretary shall apportion 20 percent of the amounts made available under subsection (g)(1) among the States to supplement allocations made under paragraph (1) for metropolitan planning organizations.

“(B) FORMULA.—The Secretary shall apportion amounts referred to in subparagraph (A) under a formula that reflects the additional cost of carrying out planning, programming, and project selection responsibilities under sections 5303 and 5306 in certain urbanized areas.

“(e) STATE PLANNING AND RESEARCH PROGRAM.—

“(1) APPORTIONMENT TO STATES.—

“(A) IN GENERAL.—The Secretary shall apportion the amounts made available under subsection (g)(2) among the States for grants
and contracts to carry out sections 5303 through 5306, 5312, 5315, and 5322 in the ratio that—

“(i) the population of urbanized areas in each State, as shown by the latest available decennial census; bears to

“(ii) the population of urbanized areas in all States, as shown by that census.

“(B) MINIMUM APPORTIONMENT.—Notwithstanding subparagraph (A), a State may not receive less than 0.5 percent of the amount apportioned under this paragraph.

“(2) SUPPLEMENTAL AMOUNTS.—A State, as the State considers appropriate, may authorize part of the amount made available under this subsection to be used to supplement amounts made available under subsection (d).

“(f) GOVERNMENT’S SHARE OF COSTS.—The Government’s share of the cost of an activity funded using amounts made available under this section may not exceed 80 percent of the cost of the activity unless the Secretary determines that it is in the interests of the Government not to require a State or local match.

“(g) ALLOCATION OF FUNDS.—Of the funds made available by or appropriated to carry out this section
under section 5338(c) for fiscal years 2004 through 2009—

“(1) 82.72 percent shall be available for the metropolitan planning program under subsection (d); and

“(2) 17.28 percent shall be available to carry out subsection (e).

“(h) AVAILABILITY OF FUNDS.—Funds apportioned under this section in a State shall remain available for obligation in that State for a period of 3 years after the last day of the fiscal year for which the funds are authorized. Any amounts so apportioned that remain unobligated at the end of that period shall be reapportioned among the States.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by striking the item relating to section 5305 and inserting the following:

“5305. Planning programs.”.

SEC. 3007. PRIVATE ENTERPRISE PARTICIPATION.

(a) SECTION HEADING.—Section 5306 is amended by striking the section heading and inserting the following:

“§5306. Private enterprise participation in planning; relationship to other limitations”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by striking the item relating to section 5306 and inserting the following:
SEC. 3008. URBANIZED AREA FORMULA GRANTS.

(a) TECHNICAL AMENDMENTS.—Section 5307 is amended—

(1) by striking subsections (h) and (k); and

(2) by redesignating subsections (i), (j), (l), (m), and (n) as subsections (h), (i), (j), (k), and (l), respectively.

(b) DEFINITIONS.—Section 5307(a)(2)(A) is amended—

(1) by striking “a person” and inserting “an entity”; and

(2) by striking “section 5305(a) of this title” and inserting “chapter 52”.

(c) GENERAL AUTHORITY.—Section 5307(b) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) GRANTS.—The Secretary may make grants under this section for—

“(A) capital projects and associated capital maintenance items;

“(B) planning;

“(C) transit enhancements; and
“(D) operating costs of equipment and facilities for use in public transportation in an urbanized area with a population of less than 200,000.”;

(2) in the heading to paragraph (2) by striking “FISCAL YEAR 2003 AND FOR THE PERIOD OF OCTOBER 1, 2003, THROUGH FEBRUARY 29, 2004” and inserting “FISCAL YEARS 2003 THROUGH 2005”;

(3) in paragraph (2)(A) by striking “fiscal year 2003” and all that follows through “2004” and inserting “fiscal years 2003, 2004, and 2005,”;

(4) in paragraph (3) by striking “section 5305(a) of this title” and inserting “chapter 52”; and

(5) in paragraph (3)(A) by striking “section 5305 of this title” and inserting “chapter 52”.

(d) GRANT RECIPIENT REQUIREMENTS.—Section 5307(d)(1) is amended—

(1) in subparagraph (A) by inserting “, including safety and security aspects of the program” after “program”;

(2) in subparagraph (H) by striking “sections 5301(a) and (d), 5303–5306, and 5310(a)–(d) of this title” and inserting “subsections (a) and (d) of section 5301 and sections 5303 through 5306”;
(3) in subparagraph (I) by striking “and” at the end; and

(4) by adding at the end the following:

“(K) in the case of a recipient for an urbanized area with a population of at least 200,000—

“(i) will expend one percent of the amount the recipient receives each fiscal year under this section for projects for transit enhancements, as defined in section 5302(a); and

“(ii) will submit an annual report listing projects carried out in the preceding fiscal year with those funds; and”.

(e) GOVERNMENT’S SHARE OF COSTS.—Section 5307(e) is amended to read as follows:

“(e) GOVERNMENT’S SHARE OF COSTS.—

“(1) CAPITAL PROJECTS.—A grant for a capital project (including associated capital maintenance items) under this section shall be for 80 percent of the net project cost of the project. The recipient may provide additional local matching amounts.

“(2) OPERATING EXPENSES.—A grant for operating expenses under this section may not exceed 50 percent of the net project cost of the project.
“(3) REMAINDER.—The remainder of the net project cost shall be provided—

“(A) in cash from sources other than amounts of the Government or revenues from providing public transportation (excluding revenues derived from the sale of advertising and concessions);

“(B) from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital; and

“(C) from amounts received under a service agreement with a State or local social service agency or private social service organization.”.

(f) REVIEWS, AUDITS, AND EVALUATIONS.—Section 5307(h)(1)(A) (as redesignated by subsection (a) of this section) is amended by striking “shall” and inserting “may”.

(g) RELATIONSHIP TO OTHER LAWS.—Section 5307(l) (as redesignated by subsection (a) of this section) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraph (1) as paragraph (2);
(3) by inserting "THIS CHAPTER.—" before "Section 5302";

(4) by adding at the end the following:

"(2) CHAPTER 15 OF TITLE 5.—The provision of assistance under this chapter shall not be construed as bringing within the application of chapter 15 of title 5 any nonsupervisory employee of a public transportation system (or any other agency or entity performing related functions) to which such chapter is otherwise inapplicable."; and

(5) by aligning the left margin of paragraph (1) (as so redesignated) with paragraph (2) (as added by paragraph (4) of this subsection).

SEC. 3009. CLEAN FUELS FORMULA GRANT PROGRAM.

Section 5308 is amended to read as follows:

"§ 5308. Clean fuels formula grant program

"(a) DEFINITIONS.—In this section, the following definitions apply:

"(1) CLEAN FUEL BUS.—The term ‘clean fuel bus’ means a passenger vehicle used to provide public transportation that—

"(A) is powered by—

"(i) compressed natural gas;

"(ii) liquefied natural gas;

"(iii) biodiesel fuels;
“(iv) batteries;
“(v) alcohol-based fuels;
“(vi) hybrid electric;
“(vii) fuel cell;
“(viii) clean diesel, to the extent allowed under this section; or
“(ix) other low or zero emissions technology; and
“(B) the Administrator of the Environmental Protection Agency has certified sufficiently reduces harmful emissions.

“(2) Designated Recipient.—The term ‘designated recipient’ has the meaning that term has in section 5307(a)(2).

“(3) Eligible Project.—The term ‘eligible project’—
“(A) means a project for—
“(i) purchasing or leasing clean fuel buses, including buses that employ a lightweight composite primary structure;
“(ii) constructing or leasing clean fuel buses or electrical recharging facilities and related equipment for such buses;
“(iii) improving existing mass transportation facilities to accommodate clean fuel buses;

“(iv) repowering pre-1993 bus engines with clean fuel technology that meets the current urban bus emission standards; or

“(v) retrofitting or rebuilding pre-1993 bus engines if before half life to rebuild; and

“(B) in the discretion of the Secretary, may include projects relating to clean fuel, biodiesel, hybrid electric, or zero emissions technology buses that exhibit equivalent or superior emissions reductions to existing clean fuel or hybrid electric technologies.

“(b) AUTHORITY.—The Secretary shall make grants in accordance with this section to designated recipients to finance eligible projects.

“(c) APPLICATION.—

“(1) IN GENERAL.—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.
“(2) Certification required.—An application submitted under paragraph (1) shall contain a certification by the applicant that the grantee will operate buses purchased with a grant under this section only with clean fuels.

“(d) Apportionment of Funds.—

“(1) Formula.—Not later than February 1 of each year, the Secretary shall apportion amounts made available to carry out this section to designated recipients submitting applications under subsection (c), of which—

“(A) two-thirds shall be apportioned to designated recipients with eligible projects in urban areas with a population of at least 1,000,000, of which—

“(i) 50 percent shall be apportioned, such that each such designated recipient receives a grant under this section in an amount equal to the ratio that—

“(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); bears to
“(II) the total number of vehicles in the bus fleets of all eligible projects in areas with a population of at least 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); and

“(ii) 50 percent shall be apportioned, such that each such designated recipient receives a grant under this section in an amount equal to the ratio that—

“(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); bears to

“(II) the total number of bus passenger miles of all eligible projects in areas with a population of at least 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); and

“(B) one-third shall be apportioned to designated recipients with eligible projects in urban areas with a population of less than 1,000,000, of which—

“(i) 50 percent shall be apportioned, such that each such designated recipient receives a grant under this section in an amount equal to the ratio that—

“(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); bears to

“(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); and
“(ii) 50 percent shall be apportioned, such that each such designated recipient receives a grant under this section in an amount equal to the ratio that—

“(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), the number of buses in the bus 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 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) 1.2 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 the Clean Air Act (42 U.S.C. 7512 et seq.);

“(iv) 1.3 if, at the time of the apportionment, the area is classified as 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

“(v) 1.4 if, at the time of the apportionment, the area is classified as 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

“(vi) 1.5 if, at the time of the apportionment, the area is classified as 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.).

“(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 cal-
culated under subparagraph (A), shall be fur-
ther 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 at
least 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 des-
ignated recipient under this subsection that ex-
ceed the amount described in subparagraph (A)
shall be reapportioned among other designated
recipients in accordance with paragraph (1).

“(e) Additional Requirements.—

“(1) Limitation on Uses.—Not less than 5
percent of the amount made available by or appro-
priated under section 5338 in each fiscal year to
carry out this section shall be available for any eligi-
ble projects for which an application is received from
a designated recipient, for—

“(A) the purchase or construction of hy-
brid electric or battery-powered buses; or

“(B) facilities specifically designed to serv-
ice those buses.

“(2) CLEAN DIESEL BUSES.—Not more than 35
percent of the amount made available by or appro-
priated under section 5338 in each fiscal year to
carry out this section may be made available to fund
clean diesel buses.

“(f) AVAILABILITY OF FUNDS.—Any amount made
available or appropriated under this section—

“(1) shall remain available to a project 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.”.

SEC. 3010. CAPITAL INVESTMENT GRANTS.

(a) SECTION HEADING.—Section 5309 is amended by
striking the section heading and inserting the following:
“§ 5309. Capital investment grants”.

(b) Loans for real property interests.—Section 5309 is amended—

(1) in subsections (a)(1) and (a)(2) by striking “and loans”;

(2) by striking subsections (b) and (c); and

(3) by redesignating subsection (d) as subsection (b).

(c) Project as part of approved program of projects.—Section 5309(b) (as redesignated by subsection (b) of this section) is amended—

(1) by striking “Except as provided in subsections (b)(2) and (c) of the section, the” and inserting “The”; and

(2) by striking “or loan”.

(d) Criteria and funding.—Section 5309 is amended by striking subsections (e) through (p) and inserting the following:

“(c) Major capital investment grants of $75,000,000 or more.—

“(1) Full funding grant agreement.—A major new fixed guideway capital project financed under this subsection shall be carried out through a full funding grant agreement. The Secretary shall enter into a full funding grant agreement based on the evaluations and ratings required under this sub-
section. The Secretary shall not enter into a full funding grant agreement for a project unless that project is authorized for final design and construction.

“(2) APPROVAL OF GRANTS.—The Secretary may approve a grant under this section for a major new fixed guideway capital project only if the Secretary, based upon evaluations and considerations set forth in paragraph (3), determines that the proposal is—

“(A) based on the results of an alternatives analysis and preliminary engineering;

“(B) justified based on a comprehensive review of its mobility improvements, environmental benefits, cost effectiveness, operating efficiencies, transit supportive policies, and existing land use; 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.

“(3) CONSIDERATIONS.—

“(A) RESULTS OF ALTERNATIVES ANALYSIS AND PRELIMINARY ENGINEERING.—In
evaluating a proposed project for purposes of making the finding required by paragraph (2)(A), the Secretary shall analyze and consider the results of the alternatives analysis and preliminary engineering for the project.

“(B) PROJECT JUSTIFICATION.—In evaluating a proposed project for purposes of making the finding required by paragraph (2)(B), the Secretary shall—

“(i) consider the direct and indirect costs of relevant alternatives;

“(ii) consider factors such as congestion relief, improved mobility, air pollution, noise pollution, energy consumption, and all associated ancillary and mitigation costs necessary to carry out each alternative analyzed and recognize reductions in local infrastructure costs achieved through compact land use development;

“(iii) identify and consider public transportation supportive existing land use policies and future patterns and the cost of suburban sprawl;

“(iv) consider the degree to which the project increases the mobility of the public
transportation dependent population or promotes economic development;

“(v) consider population density and current transit ridership in the corridor;

“(vi) consider the technical capability of the grant recipient to construct the project;

“(vii) adjust the project justification to reflect differences in local land, construction, and operating costs; and

“(viii) consider other factors that the Secretary determines appropriate to carry out this chapter.

“(C) LOCAL FINANCIAL COMMITMENT.—In evaluating a proposed project under paragraph (2)(C), the Secretary shall require that—

“(i) the proposed project plan provides for the availability of contingency amounts that the Secretary determines to be reasonable to cover unanticipated cost increases;

“(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 public transportation system (including essential feeder bus and other services necessary to achieve the projected ridership levels) without requiring a reduction in existing public transportation services to operate the proposed project.

“(D) ASSESSMENT OF LOCAL FINANCING.—In assessing the stability, reliability, and availability of proposed sources of local financing under paragraph (2)(C), the Secretary 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 public transportation purpose; and

“(iv) the extent to which the project has a local financial commitment that exceeds the required non-Federal share of the cost of the project.
“(4) Evaluation and rating of projects.—A proposed project under this subsection may advance from alternatives analysis to preliminary engineering, and may advance from preliminary engineering to final design and construction, only if the Secretary finds that the project meets the requirements of this section and there is a reasonable likelihood that the project will continue to meet such requirements. In making the findings, the Secretary shall evaluate and rate the project as ‘highly recommended’, ‘recommended’, or ‘not recommended’ based on the results of alternatives analysis, the project justification criteria, and the degree of local financial commitment, as required under this subsection. In rating the projects, the Secretary shall provide, in addition to the overall project rating, individual ratings for each of the criteria established by regulation.

“(5) Major defined.—In this section, the term ‘major’, as used with respect to a new fixed guideway capital project, means the Federal assistance provided or to be provided under this section for the project is $75,000,000 or more.

“(d) Capital Investment Grants Less Than $75,000,000.—
“(1) IN GENERAL.—Subject to the provisions of this subsection, if the Federal assistance provided or to be provided under this section with respect to a new fixed guideway capital project is less than $75,000,000, and not less than $25,000,000, the project shall be subject to the requirements in this subsection.

“(2) SELECTION CRITERIA.—The Secretary may provide Federal assistance under this subsection with respect to a proposed project only if the Secretary finds that the project is—

“(A) based on the results of planning and alternatives analysis;

“(B) justified based on a review of its public transportation supportive land use policies, cost effectiveness, and effect on local economic development; and

“(C) supported by an acceptable degree of local financial commitment.

“(3) PLANNING AND ALTERNATIVES.—In evaluating a project under paragraph (1)(A), the Secretary shall analyze and consider the results of planning and alternatives analysis for the project.
“(4) PROJECT JUSTIFICATION.—For purposes of making the finding under paragraph (1)(B), the Secretary shall—

“(A) determine the degree to which public transportation supportive land use policies related to the project are consistent with local land use policies and are likely to achieve local developmental goals;

“(B) determine the cost effectiveness of the project at the time of the initiation of revenue service;

“(C) determine the degree to which the project will have a positive effect on local economic development;

“(D) consider the reliability of the forecasts of costs and ridership associated with the project; and

“(E) consider other factors that the Secretary determines appropriate to carry out this subsection.

“(5) LOCAL FINANCIAL COMMITMENT.—For purposes of paragraph (1)(C), the Secretary shall require that each proposed local source of capital and operating financing is stable, reliable, and available within the proposed project timetable.
“(6) ADVANCEMENT OF PROJECT TO DEVELOPMENT AND CONSTRUCTION.—

“(A) GENERAL RULE.—A proposed project under this subsection may advance from planning and alternatives analysis to project development and construction only if—

“(i) the Secretary finds that the project meets the requirements of this subsection and there is a reasonable likelihood that the project will continue to meet such requirements; and

“(ii) the metropolitan planning organization has adopted the locally preferred alternative for the project into the long-range transportation plan.

“(B) EVALUATION.—In making the findings under subparagraph (A), the Secretary shall evaluate and rate the project as ‘recommended’ or ‘not recommended’ based on the results of the analysis of the project justification criteria and the degree of local financial commitment, as required by this subsection.

“(7) CONTENTS OF PROJECT CONSTRUCTION GRANT AGREEMENT.—A project construction grant agreement under this subsection shall specify the
scope of the project to be constructed, the estimated
net project cost of the project, the schedule under
which the project shall be constructed, the maximum
amount of funding to be obtained under this sub-
section, the proposed schedule for obligation of fu-
ture Federal grants, and the sources of funding
from other than the Government. The agreement
may include a commitment on the part of the Sec-
retary to provide funding for the project in future
fiscal years.

“(8) **LIMITATION ON ENTRY INTO CONSTRU-
CTION GRANT AGREEMENT.**—The Secretary may
enter into a project construction grant agreement
for a project under this subsection only if the project
is authorized for construction and has been rated as
‘recommended’ under this subsection.

“(9) **REGULATIONS.**—Not later than 120 days
after the date of enactment of the Federal Public
Transportation Act of 2004, the Secretary shall
issue regulations establishing an evaluation and rat-
ing process for proposed projects under this sub-
section that is based on the results of project jus-
tification and local financial commitment, as re-
quired under this subsection.
“(10) Fixed guideway capital project.—In this subsection, the term ‘fixed guideway capital project’ includes a corridor-based public transportation bus capital project if the majority of the project’s corridor right-of-way is dedicated alignment for exclusive use by public transportation vehicles for all or part of the day.

“(e) Previously issued letter of intent or full funding grant agreement.—Subsections (c) and (d) do 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 Public Transportation Act of 2004.

“(f) Letters of intent, full funding grant agreements, and early systems work agreements.—

“(1) Letters of intent.—

“(A) Amounts intended to be obligated.—The Secretary may issue a letter of intent to an applicant announcing an intention to obligate, for a capital project under this section, an amount from future available budget authority specified in law that is not more than the amount stipulated as the financial participation of the Secretary in the project. When a
letter is issued for fixed guideway projects, the amount shall be sufficient to complete at least an operable segment.

“(B) TREATMENT.—The issuance of a letter under subparagraph (A) is deemed not to be an obligation under sections 1108(c), 1108(d), 1501, and 1502(a) of title 31 or an administrative commitment.

“(2) FULL FUNDING GRANT AGREEMENTS.—

“(A) TERMS.—The Secretary may make a full funding grant agreement with an applicant. The agreement shall—

“(i) establish the terms of participation by the Government in a project under this section;

“(ii) establish the maximum amount of Government financial assistance for the project;

“(iii) cover the period of time for completing the project, including a period extending beyond the period of an authorization; and

“(iv) make timely and efficient management of the project easier according to the law of the United States.
“(B) SPECIAL FINANCIAL RULES.—

“(i) IN GENERAL.—An agreement under this paragraph obligates an amount of available budget authority specified in law and may include a commitment, contingent on amounts to be specified in law in advance for commitments under this paragraph, to obligate an additional amount from future available budget authority specified in law.

“(ii) STATEMENT OF CONTINGENT COMMITMENT.—The agreement shall state that the contingent commitment is not an obligation of the Government.

“(iii) INTEREST AND OTHER FINANCING COSTS.—Interest and other financing costs of efficiently carrying out a part of the project within a reasonable time are a cost of carrying out the project under a full funding grant agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary,
that the applicant has shown reasonable
diligence in seeking the most favorable fi-
nancing terms.

“(iv) Completion of operable
segment.—The amount stipulated in an
agreement under this paragraph for a fixed
guideway project shall be sufficient to com-
plete at least an operable segment.

“(3) Early system work agreements.—

“(A) Conditions.—The Secretary may
make an early systems work agreement with an
applicant if a record of decision under the Na-
tional Environmental Policy Act of 1969 (42
U.S.C. 4321 et seq.) has been issued on the
project and the Secretary finds there is reason
to believe—

“(i) a full funding grant agreement
for the project will be made; and

“(ii) the terms of the work agreement
will promote ultimate completion of the
project more rapidly and at less cost.

“(B) Contents.—

“(i) In general.—A work agreement
under this paragraph obligates an amount
of available budget authority specified in
law and shall provide for reimbursement of preliminary costs of carrying out the project, including land acquisition, timely procurement of system elements for which specifications are decided, and other activities the Secretary decides are appropriate to make efficient, long-term project management easier.

“(ii) PERIOD COVERED.—A work agreement under this paragraph shall cover the period of time the Secretary considers appropriate. The period may extend beyond the period of current authorization.

“(iii) INTEREST AND OTHER FINANCING COSTS.—Interest and other financing costs of efficiently carrying out the work agreement within a reasonable time are a cost of carrying out the agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown
reasonable diligence in seeking the most favorable financing terms.

“(iv) FAILURE TO CARRY OUT PROJECT.—If an applicant does not carry out the project for reasons within the control of the applicant, the applicant shall repay all Government payments made under the work agreement plus reasonable interest and penalty charges the Secretary establishes in the agreement.

“(4) LIMITATION ON AMOUNTS.—

“(A) PROGRAMMATIC.—The total estimated amount of future obligations of the Government and contingent commitments to incur obligations covered by all outstanding letters of intent, full funding grant agreements, and early systems work agreements under this subsection may be not more than the greater of the amount authorized under section 5338(b) for new fixed guideway capital projects or an amount equivalent to the last 3 fiscal years of funding allocated under subsection (m)(1)(B) for new fixed guideway capital projects, less an amount the Secretary reasonably estimates is necessary for grants under this section not cov-
ered by a letter. The total amount covered by new letters and contingent commitments included in full funding grant agreements and early systems work agreements may be not more than a limitation specified in law.


“(C) Appropriation Required.—An obligation may be made under this subsection only when amounts are appropriated for the obligation.

“(5) Notification of Congress.—At least 60 days before issuing a letter of intent or entering into a full funding grant agreement under this subsection, the Secretary shall notify, in writing, the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on
Banking, Housing, and Urban Affairs of the Senate
of the proposed letter or agreement. The Secretary
shall include with the notification a copy of the pro-
posed letter or agreement as well as the evaluations
and ratings for the project.

“(g) Government’s Share of Net Project
Cost.—

“(1) Federal share.—Based on engineering
studies, studies of economic feasibility, and informa-
tion on the expected use of equipment or facilities,
the Secretary shall estimate the net project cost. A
grant for the project shall be for 80 percent of the
net capital project cost, unless the grant recipient
requests a lower grant percentage.

“(2) Remainder of Net Project Cost.—The
remainder of net project costs shall be provided from
an undistributed cash surplus, a replacement or de-
preciation cash fund or reserve, or new capital.

“(3) Limitation on Statutory Construc-
tion.—Nothing in this section, including paragraph
(1) and subsections (c)(3)(D)(iv) and (c)(4), shall be
construed as authorizing the Secretary to require a
non-Federal financial commitment for a project that
is more than 20 percent of the net capital project
cost.
“(4) Special rule for rolling stock costs.—In addition to amounts allowed pursuant to paragraph (1), a planned extension to a fixed guideway system may include the cost of rolling stock previously purchased if the applicant satisfies the Secretary that only amounts other than amounts of the Government were used and that the purchase was made for use on the extension. A refund or reduction of the remainder may be made only if a refund of a proportional amount of the grant of the Government is made at the same time.

“(5) Limitation on applicability.—This subsection does not apply to projects for which the Secretary has entered into a full funding grant agreement before the date of enactment of the Federal Public Transportation Act of 2004.

“(h) Fiscal capacity considerations.—If the Secretary gives priority consideration to financing projects that include more than the non-Government share required under subsection (g), the Secretary shall give equal consideration to differences in the fiscal capacity of State and local governments.

“(i) Reports on new starts.—

“(1) Annual DOT report.—Not later than the first Monday in February of each year, the Sec-
Secretary shall 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 that includes—

“(A) a proposal of allocations of amounts to be available to finance grants for new fixed guideway capital projects among applicants for these amounts;

“(B) evaluations and ratings, as required under subsection (c), for each such project that is authorized by the Federal Public Transportation Act of 2004; and

“(C) recommendations of such 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 currently available to the Secretary.

“(2) Annual GAO Review.—The Comptroller General shall—

“(A) conduct an annual review of—

“(i) the processes and procedures for evaluating, rating, and recommending new fixed guideway capital projects; and
“(ii) the Secretary’s implementation of such processes and procedures; and
“(B) report to Congress on the results of such review by May 31 of each year.

“(j) Undertaking Projects in Advance.—
“(1) In general.—The Secretary may pay the Government’s share of the net capital project cost to a State or local governmental authority that carries out any part of a project described in this section without the aid of amounts of the Government and according to all applicable procedures and require-
ments if—

“(A) the State or local governmental au-
thority applies for the payment;
“(B) the Secretary approves the payment;
and
“(C) before carrying out the part of the project, the Secretary approves the plans and specifications for the part in the same way as other projects under this section.

“(2) Financing Costs.—
“(A) In general.—The cost of carrying out part of a project includes the amount of in-
terest earned and payable on bonds issued by the State or local governmental authority to the
extent proceeds of the bonds are expended in carrying out the part.

“(B) LIMITATION ON AMOUNT OF INTEREST.—The amount of interest under this paragraph may not be more than the most favorable interest terms reasonably available for the project at the time of borrowing.

“(C) CERTIFICATION.—The applicant shall certify, in a manner satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financial terms.

“(3) CAPITAL PROJECT COST INDICES.—The Secretary shall consider changes in capital project cost indices when determining the estimated cost under paragraph (2).

“(k) BUS AND BUS FACILITY GRANTS.—In making grants under subsection (m)(1)(C), the Secretary shall consider the age of buses, bus fleets, related equipment, and bus-related facilities.

“(l) AVAILABILITY OF AMOUNTS.—An amount made available or appropriated under section 5338(b) for replacement, rehabilitation, and purchase of buses and related equipment and construction of bus-related facilities or for new fixed guideway capital projects shall remain
available for 3 fiscal years, including the fiscal year in
which the amount is made available or appropriated. Any
of such amounts that are unobligated at the end of the
3-fiscal-year period shall be deobligated and may be used
by the Secretary for any purpose under this section.

“(m) ALLOCATING AMOUNTS.—

“(1) IN GENERAL.—After the allocation under
section 5338(b)(2)(C) for a fiscal year and subject
to paragraph (4), the remainder of the amounts
made available by or appropriated under section
5338(b) for grants under this section for such fiscal
year shall be allocated as follows:

“(A) 40 percent for fixed guideway modern-
ization;

“(B) 40 percent for major new fixed guid-
way capital projects; and

“(C) 20 percent to replace, rehabilitate,
and purchase buses and related equipment and
to construct bus-related facilities.

“(2) LIMITATION ON AMOUNTS.—Not more
than 8 percent of the amounts made available in
each fiscal year by paragraph (1)(B) shall be avail-
able for alternatives analysis and preliminary engi-
neering.
“(3) Funding for ferry boat systems.—Of the amounts made available under paragraph (1)(B), $10,400,000 shall be available in each of fiscal years 2004 through 2009 for new fixed guideway capital projects in Alaska or Hawaii that are for ferry boats or ferry terminal facilities or that are for approaches to ferry terminal facilities.

“(4) Sources of funding.—All amounts allocated for fixed guideway modernization and all amounts allocated to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities under paragraph (1) shall be derived from the Mass Transit Account of the Highway Trust Fund. All amounts allocated for new fixed guideway capital projects under paragraph (1) shall be derived from the general fund of the Treasury.

“(n) New fixed guideway capital project defined.—In this section, the term ‘new fixed guideway capital project’ means a minimum operable segment of a capital project for a new fixed guideway system or extension to an existing fixed guideway system.”.

(e) Conforming amendments.—
(1) **CHAPTER ANALYSIS.**—The analysis for chapter 53 is amended by striking the item relating to section 5309 and inserting the following:

“§5309. Capital investment grants.”.

(2) **SECTION 5328.**—Section 5328(a) is amended—

(A) in paragraph (2) by striking “§5309(e)” and inserting “§5309(c)”;

(B) in paragraph (4) by striking “under section 5309(o)(1)” and inserting “under section 5309(i)(1)”.

**SEC. 3011. FORMULA GRANTS FOR SPECIAL NEEDS OF ELDERLY INDIVIDUALS AND INDIVIDUALS WITH DISABILITIES.**

(a) **IN GENERAL.**—Section 5310 is amended—

(1) by striking the section heading and inserting the following:

“§5310. Formula grants for special needs of elderly individuals and individuals with disabilities”;

(2) by striking subsections (a) through (g) and inserting the following:

“(a) **GENERAL AUTHORITY.**—

“(1) **GRANTS.**—The Secretary may make grants to States and local governmental authorities under this section for public transportation capital
projects, and operating costs associated with public transportation capital projects, planned, designed, and carried out to meet the special needs of elderly individuals and individuals with disabilities.

“(2) SUBRECIPIENTS.—A State that receives a grant under this section may allocate the amounts of the grant to—

“(A) a private nonprofit organization if the public transportation service provided under paragraph (1) is unavailable, insufficient, or inappropriate; or

“(B) a governmental authority that—

“(i) is approved by the State to co-ordinate services for elderly individuals and individuals with disabilities; or

“(ii) certifies that there are not any nonprofit organizations readily available in the area to provide the services described under paragraph (1).

“(3) Acquiring Public Transportation Services.—A public transportation capital project under this section may include acquisition by a recipient of public transportation services as an eligible capital expense.
“(4) ADMINISTRATIVE EXPENSES.—A State or local governmental authority may use not more than 10 percent of the amounts apportioned to the State under this section to administer, plan, and provide technical assistance for a project funded under this section.

“(b) APPORTIONMENT AND TRANSFERS.—

“(1) APPORTIONMENT FORMULA.—The Secretary shall apportion amounts made available to carry out this section under a formula the Secretary administers that considers the number of elderly individuals and individuals with disabilities in each State.

“(2) TRANSFERS.—Any State’s apportionment remaining available for obligation at the beginning of the 90-day period before the end of the period of availability of the apportionment is available to the State for transfer to supplement amounts apportioned to the State under section 5311(c) or 5336(a)(1), or both. Any funds transferred pursuant to this paragraph shall be made available only for eligible projects as described in this section.

“(c) GOVERNMENT’S SHARE OF COSTS.—

“(1) CAPITAL PROJECTS.—A grant for a capital project under this section shall be for 80 percent of
the net capital costs of the project, as determined by
the Secretary; except that in the case of a State de-
scribed in section 120(b)(1) of title 23, such percent-
age shall be increased in accordance with such sec-
tion.

“(2) OPERATING ASSISTANCE.—A grant made
under this section for operating assistance may not
exceed 50 percent of the net operating costs of the
project, as determined by the Secretary.

“(3) REMAINDER.—The remainder of the net
project costs—

“(A) may be provided from an undistrib-
uted cash surplus, a replacement or depreci-
tion cash fund or reserve, a service agreement
with a State or local social service agency or a
private social service organization, or new cap-
ital; and

“(B) may be derived from amounts appro-
priated to or made available to a department or
agency of the Government (other than the De-
partment of Transportation) that are eligible to
be expended for transportation.

“(4) USE OF CERTAIN FUNDS.—For purposes
of paragraph (3)(B), the prohibitions on the use of
funds for matching requirements under section
403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(vii)) shall not apply to Federal or State funds to be used for transportation purposes.

“(d) GRANT REQUIREMENTS.—

“(1) IN GENERAL.—A grant under this section shall be subject to all requirements of a grant under section 5307. A grant to a subrecipient under this section shall be subject to such requirements to the extent the Secretary considers appropriate.

“(2) COORDINATION WITH NONPROFIT PROVIDERS.—A recipient that transfers funds to an apportionment under section 5336(a)(1) pursuant to subsection (b)(2) shall certify that the project for which the funds are requested under this section has been coordinated with nonprofit providers of services.

“(3) PROJECT SELECTION AND PLANNING.—A recipient of funds under this section shall certify that—

“(A) the projects selected were derived from a locally developed, coordinated public transit-human services transportation plan; and

“(B) the plan was developed through a process that included representatives of public,
private, and nonprofit transportation and
human services providers and participation by
the public.

“(4) FAIR AND EQUITABLE DISTRIBUTION.—A
recipient of a grant under this section shall certify
that allocations of the grant to subrecipients are dis-
tributed on a fair and equitable basis.

“(e) STATE PROGRAM.—

“(1) IN GENERAL.—Amounts made available to
carry out this section may be used for transportation
projects to assist in providing transportation services
for elderly individuals and individuals with disabil-
ities that are included in a State program of
projects.

“(2) SUBMISSION AND APPROVAL.—A program
shall be submitted annually to the Secretary for ap-
proval and shall contain an assurance that the pro-
gram provides for maximum feasible coordination of
transportation services assisted under this section
with transportation services assisted by other Gov-
ernment sources.

“(f) LEASING VEHICLES.—Vehicles acquired under
this section may be leased to local governmental authori-
ties to improve transportation services designed to meet
the special needs of elderly individuals and individuals with disabilities.”; and

(3) by redesignating subsections (h) through (j) as subsections (g) through (i), respectively.

(b) Conforming Amendment.—The analysis for chapter 53 is amended by striking the item relating to section 5310 and inserting the following:

“5310. Formula grants for special needs of elderly individuals and individuals with disabilities.”.

SEC. 3012. FORMULA GRANTS FOR OTHER THAN URBANIZED AREAS.

(a) Definitions.—Section 5311(a) is amended to read as follows:

“(a) Definitions.—In this section, the following definitions apply:

“(1) Recipient.—The term ‘recipient’ means a State that receives a Federal transit program grant directly from the Government.

“(2) Subrecipient.—The term ‘subrecipient’ means a State or local governmental authority, non-profit organization, or operator of public transportation services that receives a Federal transit program grant indirectly through a recipient.”.

(b) General Authority.—Section 5311(b) is amended to read as follows:

“(b) General Authority.—
“(1) GRANTS.—Except as provided in paragraph (2), the Secretary may make grants to other than urbanized areas under this section for the following:

“(A) Public transportation capital projects.

“(B) Operating costs of equipment and facilities for use in public transportation.

“(C) Acquisition of public transportation services, including service agreements with private providers of public transportation services.

“(2) STATE PROGRAM.—

“(A) IN GENERAL.—Amounts made available to carry out this section shall be used for projects included in a State program for public transportation projects, including service agreements with private providers of public transportation.

“(B) SUBMISSION.—The program shall be submitted annually to the Secretary for approval.

“(C) APPROVAL.—The Secretary may approve the program only if the Secretary finds that the program provides a fair distribution of amounts in the State, including Indian reservations, and the maximum feasible coordination of
public transportation service assisted under this section with transportation service assisted by other Federal sources.

“(3) Rural Transportation Assistance Program.—

“(A) In general.—The Secretary shall carry out a rural transportation assistance program in other than urbanized areas.

“(B) Grants and contracts.—In carrying out this paragraph, the Secretary may use not more than 2 percent of the amount made available to carry out this section to make grants and contracts for transportation research, technical assistance, training, and related support services in other than urbanized areas.

“(C) Projects of a national scope.—Not more than 15 percent of the amounts available under subparagraph (B) may be used by the Secretary to carry out projects of a national scope, with the remaining balance provided to the States.”.

(e) Apportionments.—Section 5311(e) is amended to read as follows:

“(e) Apportionments.—
“(1) IN GENERAL.—The Secretary shall apportion amounts made available to carry out this section among the States in the ratio that—

“(A) the population of other than urbanized areas in each State, as shown by the most recent Government decennial census of population; bears to

“(B) the population of all other than urbanized areas in the United States, as shown by that census.

“(2) AVAILABILITY.—The amount apportioned to a State under this subsection may be obligated by the State for 2 fiscal years after the fiscal year in which the amount is apportioned. An amount that is not obligated at the end of that period shall be reapportioned among the States for the next fiscal year.”.

(d) USE FOR ADMINISTRATION, PLANNING, AND TECHNICAL ASSISTANCE.—Section 5311(e) is amended—

(1) in the subsection heading by inserting “, PLANNING,” after “ADMINISTRATION”;

(2) by striking “(1) The Secretary” and inserting “The Secretary”; and

(3) by striking paragraph (2); and
(4) by striking “recipient” and inserting “sub-
recipient”.

(c) INTERCITY BUS TRANSPORTATION.—Section
5311(f) is amended—

(1) in paragraph (1) by striking “after Sep-
tember 30, 1993,”; and

(2) in paragraph (2) by striking “A State” and
inserting “After consultation with affected intercity
bus service providers, a State”.

(f) GOVERNMENT’S SHARE OF COSTS.—Section
5311(g) is amended to read as follows:

“(g) GOVERNMENT’S SHARE OF COSTS.—

“(1) CAPITAL PROJECTS.—A grant for a capital
project under this section shall be for 80 percent of
the net capital costs of the project, as determined by
the Secretary; except that in the case of a State de-
scribed in section 120(b)(1) of title 23, such percent-
age shall be increased in accordance with such sec-
tion.

“(2) OPERATING ASSISTANCE.—A grant made
under this section for operating assistance may not
exceed 50 percent of the net operating costs of the
project, as determined by the Secretary.

“(3) REMAINDER.—The remainder of net
project costs—
“(A) may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, a service agreement with a State or local social service agency or a private social service organization, or new capital; and

“(B) may be derived from amounts appropriated to or made available to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation.

“(4) Use of Certain Funds.—For purposes of paragraph (3)(B), the prohibitions on the use of funds for matching requirements under section 403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(vii)) shall not apply to Federal or State funds to be used for transportation purposes.

“(5) Limitation on Operating Assistance.—A State carrying out a program of operating assistance under this section may not limit the level or extent of use of the Government grant for the payment of operating expenses.”.

(g) Relationship to Other Laws.—Section 5311 is amended—
(1) by striking subsection (h); and

(2) by redesignating subsections (i) and (j) as subsections (h) and (i), respectively.

(h) CORRECTION TO CHAPTER ANALYSIS.—The analysis for chapter 53 is amended by striking the item relating to section 5311 and inserting the following:

“5311. Formula grants for other than urbanized areas.”

SEC. 3013. RESEARCH, DEVELOPMENT, DEMONSTRATION, AND DEPLOYMENT PROJECTS.

(a) IN GENERAL.—Section 5312 is amended—

(1) in subsection (a)—

(A) by striking the first parenthetical phrase;

(B) by striking “or contracts” and inserting “, contracts, cooperative agreements, or other transactions”;

(C) by striking “help reduce urban transportation needs, improve mass transportation service,” and inserting “improve transportation service”;

(D) by striking “urban” each place it appears; and

(E) by striking “and demonstration projects” and inserting “, demonstration or deployment projects, or evaluation of technology of national significance”;
(2) by striking subsections (b) and (c);

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

(4) in subsection (b)(2) (as so redesignated) by striking “other agreements” and inserting “other transactions”; and

(5) in subsection (c)(2) (as so redesignated) by striking “public and” and inserting “public or”.

(b) CONFORMING AMENDMENTS.—

(1) SECTION HEADING.—Section 5312 is amended by striking the section heading and inserting the following:

“§5312. Research, development, demonstration, and deployment projects”.

(2) CHAPTER ANALYSIS.—The analysis for chapter 53 is amended by striking the item relating to section 5312 and inserting the following:

“5312. Research, development, demonstration, and deployment projects.”.

SEC. 3014. COOPERATIVE RESEARCH PROGRAM.

(a) IN GENERAL.—Section 5313 is amended—

(1) in subsection (a) by striking “(1) The amounts made available under paragraphs (1) and (2)(C)(ii) of section 5338(d) of this title” and inserting “The amounts made available under paragraphs (1) and (2)(B)(i) of section 5338(d)”;

(2) by striking subsection (b);
(3) in subsection (a)(2) by striking “(2) The” and inserting “(b) FEDERAL ASSISTANCE.—The”;

and

(4) in subsection (c) by striking “subsection (a) of”.

(b) CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 5313 is amended by striking the section heading and inserting the following:

“§ 5313. Cooperative research program”.

(2) CHAPTER ANALYSIS.—The analysis for chapter 53 is amended by striking the item relating to section 5313 and inserting the following:

“5313. Cooperative research program.”.

SEC. 3015. NATIONAL RESEARCH AND TECHNOLOGY PROGRAMES.

(a) IN GENERAL.—Section 5314 is amended—

(1) by striking the section heading and inserting the following:

“§ 5314. National research and technology programs”;
(B) by striking “and contracts” and inserting “, contracts, cooperative agreements, or other transactions”;  

(C) by striking “5303–5306,”; and  

(D) by striking “5317,”;  

(3) in subsection (a)(2) by striking “Of the amounts” and all that follows through “$3,000,000 to” and inserting “The Secretary shall”;  

(4) by striking subsection (a)(4)(B);  

(5) by redesignating subsection (a)(4)(C) as subsection (a)(4)(B); and  

(6) in subsection (b) by striking “or contract” and all that follows through “section,” and inserting “, contract, cooperative agreement, or other transaction under subsection (a) or section 5312,”.  

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by striking the item relating to section 5314 and inserting the following:  

“5314. National research and technology programs.”.  

SEC. 3016. NATIONAL TRANSIT INSTITUTE.  

Section 5315 is amended—  

(1) in subsection (a) by striking “public mass transportation” and inserting “public transportation”; and  

(2) in subsection (d) by striking “mass” each place it appears.
SEC. 3017. JOB ACCESS AND REVERSE COMMUTE FORMULA GRANTS.

(a) In general.—Chapter 53 is amended by inserting after section 5315 the following:

§ 5316. Job access and reverse commute formula grants

“(a) Definitions.—In this section, the following definitions apply:

“(1) Access to jobs project.—The term ‘access to jobs project’ means a project relating to the development and maintenance of transportation services designed to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment, including—

“(A) transportation projects to finance planning, capital, and operating costs of providing access to jobs under this chapter;

“(B) promoting public transportation by low-income workers, including the use of public transportation by workers with nontraditional work schedules;

“(C) promoting the use of transit vouchers for welfare recipients and eligible low-income individuals; and

“(D) promoting the use of employer-provided transportation, including the transit pass

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benefit program under section 132 of the Internal Revenue Code of 1986.

“(2) 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.

“(3) RECIPIENT.—The term ‘recipient’ means a designated recipient (as defined in section 5307(a)(2)) or State that receives a grant under this section directly.

“(4) REVERSE COMMUTE PROJECT.—The term ‘reverse commute project’ means a public transportation project designed to transport residents of urbanized areas and other than urbanized areas to suburban employment opportunities, including any projects to—

“(A) subsidize the costs associated with adding reverse commute bus, train, carpool, van routes, or service from urbanized areas and other than urbanized areas to suburban workplaces;
“(B) subsidize the purchase or lease by a nonprofit organization or public agency of a van or bus dedicated to shuttling employees from their residences to a suburban workplace; or

“(C) otherwise facilitate the provision of public transportation services to suburban employment opportunities.

“(5) SUBRECIPIENT.—The term ‘subrecipient’ means a State or local governmental authority, nonprofit organization, or operator of public transportation services that receives a grant under this section indirectly through a recipient.

“(6) WELFARE RECIPIENT.—The term ‘welfare recipient’ means an individual who has received assistance under a State or tribal program funded under part A of title IV of the Social Security Act 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) GRANTS.—The Secretary may make grants under this section to a recipient for access to jobs and reverse commute projects carried out by the recipient or a subrecipient.
“(2) ADMINISTRATIVE EXPENSES.—A recipient may use not more than 10 percent of the amounts apportioned to the recipient under this section to administer, plan, and provide technical assistance for a project funded under this section.

“(c) APPORTIONMENTS.—

“(1) FORMULA.—The Secretary shall apportion amounts made available to carry out this section as follows:

“(A) 60 percent of the funds shall be apportioned among designated recipients (as defined in section 5307(a)(2)) for urbanized areas with a population of 200,000 or more in the ratio that—

“(i) the number of eligible low-income individuals and welfare recipients in each such urbanized area; bears to

“(ii) the number of eligible low-income individuals and welfare recipients in all such urbanized areas.

“(B) 20 percent of the funds shall be apportioned among the States in the ratio that—

“(i) the number of eligible low-income individuals and welfare recipients in urban-
ized areas with a population of less than 200,000 in each State; bears to "(ii) the number of eligible low-income individuals and welfare recipients in urbanized areas with a population of less than 200,000 in all States.

"(C) 20 percent of the funds shall be apportioned among the States in the ratio that— "(i) the number of eligible low-income individuals and welfare recipients in other than urbanized areas in each State; bears to "(ii) the number of eligible low-income individuals and welfare recipients in other than urbanized areas in all States.

"(2) USE OF APPORTIONED FUNDS.—Except as provided in paragraph (3)— "(A) funds apportioned under paragraph (1)(A) shall be used for projects serving urbanized areas with a population of 200,000 or more;

"(B) funds apportioned under paragraph (1)(B) shall be used for projects serving urbanized areas with a population of less than 200,000; and
“(C) funds apportioned under paragraph (1)(C) shall be used for projects serving other than urbanized areas.

“(3) EXCEPTIONS.—A State may use funds apportioned under paragraphs (1)(B) and (1)(C)—

“(A) for projects serving areas other than the area specified in paragraph (2)(B) or (2)(C), as the case may be, if the Governor of the State certifies that all of the objectives of this section are being met in the specified area; or

“(B) for projects anywhere in the State if the State has established a statewide program for meeting the objectives of this section.

“(d) COMPETITIVE PROCESS FOR GRANTS TO SUB-RECIPIENTS.—

“(1) AREAWIDE SOLICITATIONS.—A recipient of funds apportioned under subsection (e)(1)(A) shall conduct, in cooperation with the appropriate metropolitan planning organization, an areawide solicitation for applications for grants to the recipient and subrecipients under this section.

“(2) STATEWIDE SOLICITATION.—A recipient of funds apportioned under subsection (e)(1)(B) or (e)(1)(C) shall conduct a statewide solicitation for
applications for grants to the recipient and sub-
recipients under this section.

“(3) APPLICATION.—Recipients and subrecipi-
ents seeking to receive a grant from funds appor-
tioned under subsection (c) shall submit to the re-
cipient an application in the form and in accordance
with such requirements as the recipient shall estab-
lish.

“(4) GRANT AWARDS.—The recipient shall
award grants under paragraphs (1) and (2) on a
competitive basis.

“(e) TRANSFERS.—

“(1) IN GENERAL.—A State may transfer any
funds apportioned to it under subparagraph (B) or
(C) of subsection (c)(1), or both, to an apportion-
ment under section 5311(c) or 5336, or both.

“(2) LIMITED TO ELIGIBLE PROJECTS.—Any
apportionment transferred under this subsection
shall be made available only for eligible job access
and reverse commute projects as described in this
section.

“(3) CONSULTATION.—A State may make a
transfer of an amount under this subsection only
after consulting with responsible local officials and
publicly owned operators of public transportation in
each area for which the amount originally was awarded under this section.

“(f) Grant Requirements.—

“(1) In general.—A grant under this section shall be subject to the requirements of section 5307.

“(2) Fair and equitable distribution.—A recipient of a grant under this section shall certify to the Secretary that allocations of the grant to sub-recipients are distributed on a fair and equitable basis.

“(g) Coordination.—

“(1) In general.—The Secretary shall coordinate activities under this section with related activities under programs of other Federal departments and agencies.

“(2) With nonprofit providers.—A State that transfers funds to an apportionment under section 5336 pursuant to subsection (e) shall certify to the Secretary that any project for which the funds are requested under this section has been coordinated with nonprofit providers of services.

“(3) Project selection and planning.—A recipient of funds under this section shall certify to the Secretary that—
“(A) the projects selected were derived from a locally developed, coordinated public transit-human services transportation plan; and

“(B) the plan was developed through a process that included representatives of public, private, and nonprofit transportation and human services providers and participation by the public.

“(h) GOVERNMENT’S SHARE OF COSTS.—

“(1) CAPITAL PROJECTS.—A grant for a capital project under this section may not exceed 80 percent of the net capital costs of the project, as determined by the Secretary.

“(2) OPERATING ASSISTANCE.—A grant made under this section for operating assistance may not exceed 50 percent of the net operating costs of the project, as determined by the Secretary.

“(3) REMAINDER.—The remainder of the net project costs—

“(A) may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, a service agreement with a State or local social service agency or a private social service organization, or new capital; and
“(B) may be derived from amounts appropriated to or made available to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation.

“(4) USE OF CERTAIN FUNDS.—For purposes of paragraph (3)(B), the prohibitions on the use of funds for matching requirements under section 403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(vii)) shall not apply to Federal or State funds to be used for transportation purposes.

“(5) LIMITATION ON OPERATING ASSISTANCE.—A recipient carrying out a program of operating assistance under this section may not limit the level or extent of use of the Government grant for the payment of operating expenses.

“(i) PROGRAM EVALUATION.—

“(1) COMPTROLLER GENERAL.—Beginning 1 year after the date of enactment of the Federal Public Transportation Act of 2004, and every 2 years thereafter, the Comptroller General shall—

“(A) conduct a study to evaluate the grant program authorized by this section; and
“(B) 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 describing the results of the study under subparagraph (A).

“(2) DEPARTMENT OF TRANSPORTATION.—Not later than 3 years after the date of enactment of Federal Public Transportation Act of 2004, the Secretary shall—

“(A) conduct a study to evaluate the effectiveness of the grant program authorized by this section and the effectiveness of recipients making grants to subrecipients under this section; and

“(B) transmit to the committees referred to in paragraph (1)(B) a report describing the results of the study under subparagraph (A).”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by inserting after the item relating to section 5315 the following:

“5316. Job access and reverse commute formula grants.”.

(c) REPEAL.—Section 3037 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5309 note; 112 Stat. 387) is repealed.
SEC. 3018. NEW FREEDOM PROGRAM.

(a) In General.—Chapter 53 is further amended by inserting after section 5316 the following:

§5317. New freedom program

“(a) Definitions.—In this section, the following definitions apply:

“(1) Recipient.—The term ‘recipient’ means a designated recipient (as defined in section 5307(a)(2)) or State that receives a grant under this section directly.

“(2) Subrecipient.—The term ‘subrecipient’ means a State or local governmental authority, nonprofit organization, or operator of public transportation services that receives a grant under this section indirectly through a recipient.

“(b) General Authority.—

“(1) Grants.—The Secretary may make grants to under this section to a recipient for new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services.

“(2) Administrative Expenses.—A recipient may use not more than 10 percent of the amounts
apportioned to the recipient under this section to ad-
minister, plan, and provide technical assistance for
a project funded under this section.

“(c) APPORTIONMENTS.—

“(1) FORMULA.—The Secretary shall apportion
amounts made available to carry out this section as
follows:

“(A) 60 percent of the funds shall be ap-
portioned among designated recipients (as de-
fining in section 5307(a)(2)) for urbanized areas
with a population of 200,000 or more in the
ratio that—

“(i) the number of individuals with
disabilities in each such urbanized area;
bears to

“(ii) the number of individuals with
disabilities in all such urbanized areas.

“(B) 20 percent of the funds shall be ap-
portioned among the States in the ratio that—

“(i) the number of individuals with
disabilities in urbanized areas with a popu-
lation of less than 200,000 in each State;
bears to
“(ii) the number of individuals with disabilities in urbanized areas with a population of less than 200,000 in all States.

“(C) 20 percent of the funds shall be apportioned among the States in the ratio that—

“(i) the number of individuals with disabilities in other than urbanized areas in each State; bears to

“(ii) the number of individuals with disabilities in other than urbanized areas in all States.

“(2) USE OF APPORTIONED FUNDS.—Except as provided in paragraph (3)—

“(A) funds apportioned under paragraph (1)(A) shall be used for projects serving urbanized areas with a population of 200,000 or more;

“(B) funds apportioned under paragraph (1)(B) shall be used for projects serving urbanized areas with a population of less than 200,000; and

“(C) funds apportioned under paragraph (1)(C) shall be used for projects serving other than urbanized areas.

“(3) TRANSFERS.—
“(A) IN GENERAL.—A State may transfer any funds apportioned to it under subparagraph (B) or (C) of subsection (c)(1), or both, to an apportionment under section 5311(e) or 5336, or both.

“(B) LIMITED TO ELIGIBLE PROJECTS.—Any funds transferred pursuant to this paragraph shall be made available only for eligible projects selected under this section.

“(C) CONSULTATION.—A State may make a transfer of an amount under this subsection only after consulting with responsible local officials and publicly owned operators of public transportation in each area for which the amount originally was awarded under this section.

“(d) COMPETITIVE PROCESS FOR GRANTS TO SUBRECIPIENTS.—

“(1) AREAWIDE SOLICITATIONS.—A recipient of funds apportioned under subsection (e)(1)(A) shall conduct, in cooperation with the appropriate metropolitan planning organization, an areawide solicitation for applications for grants to the recipient and subrecipients under this section.
“(2) STATEWIDE SOLICITATION.—A recipient of funds apportioned under subsection (e)(1)(B) or (c)(1)(C) shall conduct a statewide solicitation for applications for grants to the recipient and sub-recipients under this section.

“(3) APPLICATION.—Recipients and sub-recipients seeking to receive a grant from funds apportioned under subsection (e) shall submit to the recipient an application in the form and in accordance with such requirements as the recipient shall establish.

“(4) GRANT AWARDS.—The recipient shall award grants under paragraphs (1) and (2) on a competitive basis.

“(e) GRANT REQUIREMENTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a grant under this section shall be subject to all the requirements of section 5307.

“(2) EMPLOYEE PROTECTIVE ARRANGEMENTS.—Section 5333(b) shall apply to grants under this section, except that the Secretary of Labor shall utilize, for urbanized areas with a population of less than 200,000 and for other than urbanized areas, a special warranty described in section 215.7 of title 29, Code of Federal Regulations,
that provides a fair and equitable arrangement to protect the interest of employees.

“(3) Fair and equitable distribution.—A recipient of a grant under this section shall certify that allocations of the grant to subrecipients are distributed on a fair and equitable basis.

“(f) Coordination.—

“(1) In general.—The Secretary shall coordinate activities under this section with related activities under programs of other Federal departments and agencies.

“(2) With nonprofit providers.—A recipient that transfers funds to an apportionment under section 5336 pursuant to subsection (c)(2) shall certify that the project for which the funds are requested under this section has been coordinated with nonprofit providers of services.

“(3) Project selection and planning.—A recipient of funds under this section shall certify that—

“(A) the projects selected were derived from a locally developed, coordinated public transit-human services transportation plan; and

“(B) the plan was developed through a process that included representatives of public,
private, and nonprofit transportation and
human services providers and participation by
the public.

“(g) GOVERNMENT’S SHARE OF COSTS.—

“(1) CAPITAL PROJECTS.—A grant for a capital
project under this section may not exceed 80 percent
of the net capital costs of the project, as determined
by the Secretary.

“(2) OPERATING ASSISTANCE.—A grant made
under this section for operating assistance may not
exceed 50 percent of the net operating costs of the
project, as determined by the Secretary.

“(3) REMAINDER.—The remainder of the net
project costs—

“(A) may be provided from an undistrib-
uted cash surplus, a replacement or deprecia-
tion cash fund or reserve, a service agreement
with a State or local social service agency or a
private social service organization, or new cap-
ital; and

“(B) may be derived from amounts appro-
priated to or made available to a department or
agency of the Government (other than the De-
partment of Transportation) that are eligible to
be expended for transportation.
“(4) Use of certain funds.—For purposes of paragraph (3)(B), the prohibitions on the use of funds for matching requirements under section 403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(vii)) shall not apply to Federal or State funds to be used for transportation purposes.

“(5) Limitation on operating assistance.—A recipient carrying out a program of operating assistance under this section may not limit the level or extent of use of the Government grant for the payment of operating expenses.”.

(b) Conforming Amendment.—The analysis for chapter 53 is amended by inserting after the item relating to section 5316 the following:

“5317. New freedom program.”.

SEC. 3019. BUS TESTING FACILITY.

(a) In General.—Section 5318 is amended—

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

“(a) Facility.—The Secretary of Transportation shall maintain one facility for testing a new bus model for maintainability, reliability, safety, performance (including braking performance), structural integrity, fuel economy, emissions, and noise.”;

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(2) in subsection (d) by striking “under section 5309(m)(1)(C) of this title” and inserting “to carry out this section”; and

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

“(e) ACQUIRING NEW BUS MODELS.—Amounts appropriated or made available under this chapter may be obligated or expended to acquire a new bus model only if a bus of that model has been tested at the facility maintained by the Secretary under subsection (a).”.

(b) CONFORMING AMENDMENT.—Section 5323(c) is repealed.

SEC. 3020. BICYCLE FACILITIES.

The first sentence of section 5319 is amended—

(1) by striking “5309(h),” and inserting “5309(g),”; and

(2) by striking “and 5311” and inserting “5311, and 5320”.

SEC. 3021. TRANSIT IN THE PARKS PILOT PROGRAM.

(a) IN GENERAL.—Section 5320 of title 49, United States Code, is amended to read as follows:

“§ 5320. Transit in the parks pilot program

“(a) Public Transportation Defined.—In this section, the term ‘public transportation’ means general or special transportation to the public by a conveyance that
is publicly or privately owned. Such term does not include
schoolbus or charter transportation but does include sight-
seeing transportation.

“(b) ESTABLISHMENT.—Not later than 90 days after
the date of enactment of the Federal Public Transpor-
tation Act of 2004, the Secretary of Transportation and
the Secretary of the Interior shall enter into a memo-
randum of understanding to establish a transit in the
parks pilot program in accordance with the requirements
of this section.

“(c) PURPOSE.—The purpose of the pilot program
shall be to encourage and promote the development of
transportation systems described in section 5301(a) within
units of the National Park System to improve visitor mo-
bility and enjoyment (including visitors with disabilities),
reduce pollution and congestion, and enhance resource
protection through the use of public transportation.

“(d) ADMINISTRATION OF PROGRAM.—The program
shall be administered by the Secretary of Transportation,
in consultation with the Secretary of the Interior.

“(e) MEMORANDUM OF UNDERSTANDING.—
“(1) PLANNING.—The memorandum of under-
standing under subsection (b) shall include transpor-
tation planning procedures that are consistent with
the metropolitan and statewide planning processes
required under chapter 52.

“(2) Programs.—The memorandum ofunder-
standing shall include descriptions of programs and
activities eligible for assistance under the pilot pro-
gram.

“(3) Exceptions.—The memorandum of un-
derstanding shall limit or modify the applicability of
the provisions referred to in subsection (f) to the ex-
tent necessary to carry out the objectives of this sec-
tion and to be compatible with the laws and regula-
tions governing units of the National Park System.

“(f) Eligible Use of Funds.—Except as provided
under subsection (e)(3), the Secretary may provide funds
made available to carry out this section to the Secretary
of the Interior under interagency agreements for the fol-
lowing purposes:

“(1) Planning, Engineering, Design, and
Evaluation.—Planning, engineering, design, and
evaluation of public transportation projects in units
of the National Park System, and for technical stud-
ies, in accordance with section 5305(b)(2).

“(2) Public Transportation Capital
Projects.—Public transportation capital projects
(as defined in section 5302(a)(1)) for such units in
accordance with all the terms and conditions to which a grant is made under subsections (a), (b), (c), and (d) of section 5307 and such other terms and conditions as are determined by the Secretary. The Secretary of the Interior shall act as the designated recipient for the purposes of subsection (a)(2) of section 5307.

“(3) Operating costs.—Operating costs of equipment and facilities used in public transportation for such units.

“(g) Government Share of Costs.—

“(1) Capital Projects.—The Government share of the cost of any capital project or activity under this section shall be 100 percent of the costs of the project, as determined by the Secretary.

“(2) Operating Assistance.—A grant made under this section for operating assistance may not exceed 50 percent of the net operating costs of the project, as determined by the Secretary.

“(h) Savings Clause.—Nothing in this section shall be construed as superseding, amending, modifying, or repealing any provision of law applicable to units of the National Park System.”.
(b) CONFORMING AMENDMENT.—The analysis for such chapter is further amended by inserting after the item relating to section 5319 the following:

"5320. Transit in the parks pilot program."

SEC. 3022. HUMAN RESOURCE PROGRAMS.

Section 5322 is amended—

(1) by inserting "(a) IN GENERAL.—" before "The Secretary"; and

(2) by adding at the end the following:

"(b) GRANTS TO HIGHER LEARNING INSTITUTIONS.—

"(1) AUTHORITY TO MAKE GRANTS.—The Secretary may make grants to nonprofit institutions of higher learning—

"(A) to conduct research and investigations into the theoretical or practical problems of public transportation; and

"(B) to train individuals to conduct further research or obtain employment in an organization that plans, builds, operates, or manages a public transportation system.

"(2) RESEARCH AND INVESTIGATIONS.—Research and investigations under this subsection include—

"(A) the design and use of public transportation systems and public roads and highways;
“(B) the interrelationship between various modes of urban, suburban, rural, and intercity transportation;

“(C) the role of transportation planning in overall urban planning;

“(D) public preferences in transportation;

“(E) the economic allocation of transportation resources; and

“(F) the legal, financial, engineering, and esthetic aspects of public transportation.

“(3) Preference.—When making a grant under this subsection, the Secretary shall give preference to an institution that brings together knowledge and expertise in the various social science and technical disciplines related to public transportation problems.

“(c) Fellowships.—

“(1) Authority to make grants.—The Secretary may make grants to States, local governmental authorities, and operators of public transportation systems to provide fellowships to train personnel employed in managerial, technical, and professional positions in the public transportation field.

“(2) Terms.—
“(A) Period of Training.—A fellowship under this subsection may be for not more than one year of training in an institution that offers a program applicable to the public transportation industry.

“(B) Selection of Individuals.—The recipient of the grant shall select an individual on the basis of demonstrated ability and for the contribution the individual reasonably can be expected to make to an efficient public transportation operation.

“(C) Amount.—A grant for a fellowship may not be more than the lesser of $65,000 or 75 percent of—

“(i) tuition and other charges to the fellowship recipient;

“(ii) additional costs incurred by the training institution and billed to the grant recipient; and

“(iii) the regular salary of the fellowship recipient for the period of the fellowship to the extent the salary is actually paid or reimbursed by the grant recipient.”.
SEC. 3023. GENERAL PROVISIONS ON ASSISTANCE.

(a) INTERESTS IN PROPERTY.—Section 5323(a)(1) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking “private mass transportation company” each place it appears and inserting “private company engaged in public transportation”;

(B) by striking “mass transportation equipment or a mass transportation facility” and inserting “a public transportation facility or equipment”; and

(C) by striking “mass transportation company” and inserting “public transportation company”; and

(2) in subparagraph (B) by striking “private mass transportation companies” and inserting “private companies engaged in public transportation”.

(b) NOTICE AND PUBLIC HEARING.—Section 5323(b) is amended—

(1) in paragraph (1)—

(A) by striking “(1) An application” and inserting the following:

“(1) APPLICATIONS.—An application”;

(B) in the matter preceding subparagraph (A) by striking “or loan”; and
(C) by moving subparagraphs (A) through (D) 2 ems to the right;
(2) in paragraph (2) by striking ‘‘(2) Notice of’’ and inserting the following:
‘‘(2) Notice.—Notice of’’; and
(3) by adding at the end the following:
‘‘(3) Environmental record.—An applicant shall include in the environmental record for a project under this chapter evidence that the applicant has complied with the requirements of subparagraphs (A) through (D) of paragraph (1).’’.

(c) Condition on Charter Bus Transportation Service.—Section 5323(d) is amended—
(1) by striking ‘‘(1) Financial assistance’’ and inserting the following:
‘‘(1) Agreements.—Financial assistance’’; and
(2) by striking paragraph (2) and inserting the following:
‘‘(2) Violations.—
‘‘(A) Investigations.—On receiving a complaint about a violation of the agreement required under paragraph (1), the Secretary shall investigate and decide whether a violation has occurred.
“(B) Enforcement of agreements.—If the Secretary decides that a violation has occurred, the Secretary shall correct the violation under terms of the agreement.

“(C) Additional remedies.—In addition to any remedy specified in the agreement, the Secretary shall bar a recipient or an operator from receiving Federal transit assistance in an amount the Secretary considers appropriate if the Secretary finds a pattern of violations of the agreement.”.

(d) Bond Proceeds Eligible for Local Share.—Section 5323(e) is amended to read as follows:

“(e) Bond Proceeds Eligible for Local Share.—

“(1) Use as Local Matching Funds.—Notwithstanding any other provision of law, a recipient of assistance under section 5307 or 5309 may use the proceeds from the issuance of revenue bonds as part of the local matching funds for a capital project.

“(2) Maintenance of Effort.—The Secretary shall approve of the use of the proceeds from the issuance of revenue bonds for the remainder of the net project cost only if the Secretary finds that
the aggregate amount of financial support for public transportation in the urbanized area provided by the State and affected local governmental authorities during the next 3 fiscal years, as programmed in the State transportation improvement program under chapter 52 is not less than the aggregate amount provided by the State and affected local governmental authorities in the urbanized area during the preceding 3 fiscal years.

“(3) DEBT SERVICE RESERVE.—The Secretary may reimburse an eligible recipient for deposits of bond proceeds in a debt service reserve that recipient established pursuant to section 5302(a)(1)(K) from amounts made available to the recipient under section 5307 or 5309, or both; except that such reimbursement in a fiscal year may not exceed 10 percent of the amounts made available to the recipient under section 5307 in such fiscal year.”.

(e) SCHOOLBUS TRANSPORTATION.—Section 5323(f) is amended—

(1) by striking “(1) Financial assistance” and inserting the following:

“(1) AGREEMENTS.—Financial assistance”;

(2) in paragraph (1) by moving subparagraphs (A), (B), and (C) 2 ems to the right; and
(3) by striking paragraph (2) and inserting the following:

“(2) VIOLATIONS.—If the Secretary finds that an applicant, governmental authority, or publicly owned operator has violated the agreement required under paragraph (1), the Secretary shall bar a recipient or an operator from receiving Federal transit assistance in an amount the Secretary considers appropriate.”.

(f) BUYING BUSES UNDER OTHER LAWS.—Section 5323(g) is amended by striking “103(e)(4)” each place it appears and inserting “133”.

(g) BUY AMERICA.—Section 5323(j)(5) is amended by striking “the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240, 105 Stat. 1914)” and inserting “the Federal Public Transportation Act of 2004”.

(h) RELATIONSHIP TO OTHER LAWS.—Section 5323(l) is amended to read as follows:

“(l) RELATIONSHIP TO OTHER LAWS.—Section 1001 of title 18 applies to a certificate, submission, or statement provided under this chapter. The Secretary may terminate financial assistance under this chapter and seek reimbursement directly, or by offsetting amounts, available under this chapter, when a false or fraudulent statement
or related act within the meaning of section 1001 is made in connection with a Federal transit program.”.

(i) Grant Requirements.—Section 5323(o) is amended by striking “the Transportation Infrastructure Finance and Innovation Act of 1998” and inserting “chapter 6 (other than section 609) of title 23”.

(j) Transfer of Lands or Interests in Lands Owned by the United States.—Section 5323 is amended by adding at the end the following:

“(p) Transfer of Lands or Interests in Lands Owned by the United States.—

“(1) Identification of Lands Necessary for Transit Purposes.—If the Secretary determines that any part of the lands or interests in lands owned by the United States and made available as a result of a military base closure is necessary for public transportation purposes eligible under this chapter, including corridor preservation, the Secretary shall file with the Secretary of the Department supervising the administration of such lands or interests in lands a map showing the portion of such lands or interests in lands which is desired to be transferred for public transportation purposes.
“(2) **Deadline for certification.**—If, within 4 months of such filing, the Secretary of such Department has not certified to the Secretary that the proposed transfer of such land is contrary to the public interest or inconsistent with the purposes for which such land has been reserved or has agreed to the transfer under conditions that the Secretary of such Department considers necessary for the adequate protection and utilization of the reserve, then such land and materials may be appropriated and transferred to a State, or local government, or public transportation operator for such purposes and subject to the conditions so specified.

“(3) **Reversion.**—If at any time such lands are no longer needed for public transportation purposes, notice shall be given to the Secretary by the State, local government, or public transportation operator that received the land, and such lands shall immediately revert to the control of the Secretary of the Department from which the land was originally transferred.”.

**SEC. 3024. SPECIAL PROVISIONS FOR CAPITAL PROJECTS.**

(a) **In general.**—Section 5324 is amended to read as follows:
§ 5324. Special provisions for capital projects

(a) Relocation Program Requirements.—Financial assistance may be provided under section 5309 only if the Secretary decides that—

(1) an adequate relocation program is being carried out for families displaced by a project; and

(2) an equal number of decent, safe, and sanitary dwellings are being, or will be, provided to those families in the same area or in another area generally not less desirable for public utilities and public and commercial facilities, at rents or prices within the financial means of those families, and with reasonable access to their places of employment.

(b) Advance Real Property Acquisitions.—

[Reserved.]

(c) Consideration of Economic, Social, and Environmental Interests.—

(1) Cooperation and consultation.—In carrying out the policy of section 5301(e), the Secretary shall cooperate and consult with the Secretaries of the Interior, Health and Human Services, and Housing and Urban Development and the Administrator of the Environmental Protection Agency on each project that may have a substantial impact on the environment.
“(2) Public participation in environmental reviews.—In performing environmental reviews, the Secretary shall review each transcript of a hearing submitted under section 5323(b) to establish that an adequate opportunity to present views was given to all parties having a significant economic, social, or environmental interest in the project, and that the project application includes a record of—

“(A) the environmental impact of the proposal;

“(B) adverse environmental effects that cannot be avoided;

“(C) alternatives to the proposal; and

“(D) irreversible and irretrievable impacts on the environment.

“(3) Approval of applications for assistance.—

“(A) Findings by the Secretary.—The Secretary may approve an application for financial assistance for a capital project in accordance with this chapter only if the Secretary makes written findings, after reviewing the application and the transcript of any hearing held
before a State or local governmental authority under section 5323(b), that—

“(i) an adequate opportunity to present views was given to all parties having a significant economic, social, or environmental interest;

“(ii) the preservation and enhancement of the environment and the interest of the community in which the project is located were considered; and

“(iii) no adverse environmental effect is likely to result from the project, or no feasible and prudent alternative to the effect exists and all reasonable steps have been taken to minimize the effect.

“(B) HEARING.—If a hearing has not been conducted or the Secretary decides that the record of the hearing is inadequate for making the findings required by this subsection, the Secretary shall conduct a hearing on an environmental issue raised by the application after giving adequate notice to interested persons.

“(C) AVAILABILITY OF FINDINGS.—The Secretary’s findings under subparagraph (A) shall be made a matter of public record.”.
(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by striking the item relating to section 5324 and inserting the following:

“5324. Special provisions for capital projects.”.

SEC. 3025. CONTRACT REQUIREMENTS.

(a) IN GENERAL.—Section 5325 is amended—

(1) by striking subsections (a) and (b) and inserting the following:

“(a) COMPETITION.—Recipients of Federal assistance under this chapter shall conduct all procurement transactions involving such assistance in a manner providing full and open competition, as determined by the Secretary.

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

“(1) PROCEDURES FOR AWARDING CONTRACT.—A contract or requirement for program management, architectural engineering, construction management, a feasibility study, and preliminary engineering, design, architectural, engineering, surveying, mapping, or related services for a project for which Federal assistance is provided under this chapter shall be awarded in the same way as a contract for architectural and engineering services is negotiated under chapter 11 of title 40 or an equivalent qualifications-based requirement of a State.
“(2) Effect of State laws.—This subsection does not apply to the extent a State has adopted, before the date of enactment of the Federal Public Transportation Act of 2004, by law a formal procedure for procuring those services.

“(3) Administration of contracts.—When awarding such contracts, recipients of assistance under this chapter shall maximize efficiencies of administration by accepting nondisputed audits conducted by other governmental agencies as follows:

“(A) Performance of audits.—Any contract or subcontract awarded under this chapter shall be performed and audited in compliance with cost principles contained in the Federal Acquisition Regulation (part 31 of title 48, Code of Federal Regulations).

“(B) Indirect cost rates.—Instead of performing its own audits, a recipient of funds under a contract or subcontract awarded under this chapter shall accept indirect cost rates established in accordance with the Federal Acquisition Regulation for one-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute.
“(C) Application of rates.—Once a firm’s indirect cost rates are accepted under this paragraph, the recipient of the funds shall apply such rates for the purposes of contract estimation, negotiation, administration, reporting, and contract payment and shall not be limited by administrative or de facto ceilings.

“(D) Prenotification; confidentiality of data.—A recipient of funds requesting or using the cost and rate data described in paragraph (3) shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided, in whole or in part, to another firm or to any government agency that is not part of the group of agencies sharing cost data under this paragraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.”; and

(2) by adding at the end the following:

“(d) Design-Build System Projects.—

“(1) Definition.—In this section, the term ‘design-build system project’ means a project under which a recipient enters into a contract with a seller,
firm, or consortium of firms to design and build a public transportation system or an operable segment thereof that meets specific performance criteria. Such project may also include an option to finance, or operate for a period of time, the system or segment or any combination of designing, building, operating, or maintaining such system or segment.

“(2) Financial assistance.—Government financial assistance under this chapter may be made available for the capital costs of a design-build system project after the recipient complies with Government requirements.

“(e) Multiyear Rolling Stock.—

“(1) Contracts.—A recipient procuring rolling stock with Government financial assistance under this chapter may make a multiyear contract to buy the rolling stock and replacement parts under which the recipient has an option to buy additional rolling stock or replacement parts for not more than 5 years after the date of the original contract.

“(2) Cooperation among recipients.—The Secretary shall allow at least 2 recipients to act on a cooperative basis to procure rolling stock in compliance with this subsection and other Government procurement requirements.
“(f) Acquiring Rolling Stock.—A recipient of financial assistance under this chapter may enter into a contract to expend that assistance to acquire rolling stock—

“(1) based on—

“(A) initial capital costs; or

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

“(2) with a party selected through a competitive procurement process.

“(g) Examination of the Records.—Upon request, the Secretary, the Comptroller General, or a representative of the Secretary or the Comptroller General shall have access to and the right to examine and inspect all records, documents, papers, including contracts, related to a project for which a grant is made under this chapter.

“(h) Grant Prohibitions.—A grant may not be used to support a procurement that uses an exclusionary or discriminatory specification.”.

(b) Conforming Amendments.—Section 5326, and the item relating to section 5326 in the analysis for chapter 53, are repealed.
SEC. 3026. PROJECT MANAGEMENT OVERSIGHT AND REVIEW.

(a) Project Management Plan Requirements.—Section 5327(a) is amended—

(1) by striking “and” at the end of paragraph (11);

(2) by striking the period at the end of paragraph (12) and inserting “; and”; and

(3) by adding at the end the following:

“(13) safety and security management.”.

(b) Limitations.—Section 5327(c) is amended to read as follows:

“(c) Limitations.—

“(1) Limitations on use of available amounts.—The Secretary may use not more than .5 percent of amounts made available for a fiscal year to carry out section 5311, not more than .75 percent of amounts made available for a fiscal year to carry out section 5307, and not more than 1 percent of amounts made available for a fiscal year to carry out section 5309 to make contracts for the following activities:

“(A) To oversee the construction of a major project.

“(B) To review and audit the safety and security, procurement, management, and finan-
cial compliance of a recipient or subrecipient of funds under sections 5307, 5309, and 5311.

“(C) To provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section.

“(2) LIMITATIONS ON APPLICABILITY.—Subsections (a), (b), and (e) do not apply to contracts under this section for activities described in paragraphs (1)(B) and (1)(C).

“(3) GOVERNMENT’S SHARE OF COSTS.—The Government shall pay the entire cost of carrying out a contract under this subsection.”.

SEC. 3027. INVESTIGATIONS OF SAFETY AND HAZARDS.

(a) IN GENERAL.—Section 5329 is amended to read as follows:

“§ 5329. Investigation of safety and hazards

“(a) IN GENERAL.—The Secretary may investigate safety and security risks associated with a condition in equipment, a facility, or an operation financed under this chapter that the Secretary believes causes a serious hazard of death or injury to establish the nature and extent of the condition and how to eliminate, mitigate, or correct it.

“(b) PLANS FOR ELIMINATING, MITIGATING, OR CORRECTING HAZARDS.—If the Secretary establishes that
a condition causes a hazard, the Secretary shall require
the local governmental authority receiving amounts under
this chapter to submit a plan for eliminating, mitigating,
or correcting it.

“(c) WITHHOLDING FINANCIAL ASSISTANCE.—Fi-
nancial assistance under this chapter, in an amount to be
determined by the Secretary, may be withheld until a plan
is approved and carried out.”.

(b) CONFORMING AMENDMENT.—The analysis for
chapter 53 is amended by striking the item relating to
section 5329 and inserting the following:

“5329. Investigation of safety and hazards.”.

SEC. 3028. STATE SAFETY OVERSIGHT.

(a) IN GENERAL.—Section 5330 is amended—

(1) by striking the section heading and all that
follows through subsection (a) and inserting the fol-
lowing:

“§ 5330. State safety oversight

“(a) APPLICATION.—This section applies only to—

“(1) States that have rail fixed guideway public
transportation systems not subject to regulation by
the Federal Railroad Administration; and

“(2) States that are designing rail fixed guide-
way public transportation systems that will not be
subject to regulation by the Federal Railroad Ad-
ministration.”;
(2) in subsection (d) by inserting “shall ensure uniform safety standards and enforcement and” after “affected States”; and
(3) by striking subsection (f).

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by striking the item relating to section 5330 and inserting the following:

“5330. State safety oversight.”.

SEC. 3029. CONTROLLED SUBSTANCES AND ALCOHOL MISUSE TESTING.

(a) DEFINITIONS.—Section 5331(a)(3) is amended by inserting after “title” the following: “or section 2303a, 7101(i), or 7302(e) of title 46. The Secretary may also decide that a form of public transportation is covered adequately, for employee alcohol and controlled substances testing purposes, under the alcohol and controlled substance statutes or regulations of an agency within the Department of Transportation or the Coast Guard.”.

(b) TECHNICAL CORRECTIONS.—Subsections (b)(1) and (g) of section 5331 are each amended by striking “or section 103(e)(4) of title 23”.

(c) REGULATIONS.—Section 5331(f) is amended by striking paragraph (3).

SEC. 3030. EMPLOYEE PROTECTIVE ARRANGEMENTS.

Section 5333(b)(1) is amended by striking “5318(d), 5323(a)(1), (b), (d), and (e), 5328, 5337, and 5338(b)”
each place it appears and inserting “5316, 5317, 5318, 5320, 5323(a)(1), 5323(b), 5323(d), 5328, 5337, and 5338(b)’’.

SEC. 3031. ADMINISTRATIVE PROCEDURES.

Section 5334 is amended—

(1) in subsection (a)—

(A) by striking “and” at the end of paragraph (9);

(B) by striking the period at the end of paragraph (10) and inserting “; and”;

(C) by adding at the end the following:

“(11) issue regulations as necessary to carry out the purposes of this chapter.”;

(2) by striking subsection (i);

(3) by redesignating subsections (b) through (h) as subsections (e) through (i), respectively;

(4) by inserting after subsection (a) the following:

“(b) PROHIBITIONS AGAINST REGULATING OPERATIONS AND CHARGES.—

“(1) In general.—Except for purposes of national defense or in the event of a national or regional emergency, the Secretary may not regulate the operation, routes, or schedules of a public transportation system for which a grant is made under...
this chapter, nor may the Secretary regulate the
rates, fares, tolls, rentals, or other charges pre-
scribed by any provider of public transportation.

“(2) LIMITATION ON STATUTORY CONSTRUC-
TION.—Nothing in this subsection shall be construed
to prevent the Secretary from requiring a recipient
of funds under this chapter to comply with the
terms and conditions of its Federal assistance agree-
ment.”; and

(5) in subsection (c)(4) (as so redesignated)—

(A) by striking “subsections (h) and (i)”
and inserting “subsection (i)”; and

(B) by striking “5323(e), 5323(e),
5324(c),”.

SEC. 3032. NATIONAL TRANSIT DATABASE.

(a) IN GENERAL.—Section 5335 is amended—

(1) by striking the section heading and insert-
ing the following:

“§ 5335. National transit database”;

(2) by striking subsection (b); and

(3) in subsection (a)—

(A) by striking “(1) To help” and insert-
ing “To help”; and
(B) by striking “(2) The Secretary” and
inserting “(b) REPORTING AND UNIFORM SYS-
tems.—The Secretary”.

(b) CONFORMING AMENDMENT.—The analysis for
chapter 53 is amended by striking the item relating to
section 5335 and inserting the following:

“5335. National transit database.”.

SEC. 3033. APPORTIONMENTS BASED ON FIXED GUIDEWAY
FACTORS.

(a) DISTRIBUTION.—Section 5337 is amended by
striking the section designation and all that follows before
paragraph (1) of subsection (a) and inserting the fol-
lowing:

“§ 5337. Apportionment based on fixed guideway fac-
tors

“(a) DISTRIBUTION.—The Secretary shall apportion
amounts made available for fixed guideway modernization
under section 5338(b) as follows:”.

(b) ROUTE SEGMENTS TO BE INCLUDED IN APPOR-
TIONMENT FORMULAS.—Section 5337(e) is amended by
striking paragraph (1) and all that follows through “(2)
OTHER STANDARDS.—”.

(c) CONFORMING AMENDMENT.—The item relating
to section 5337 in the table of sections for chapter 53 is
amended to read as follows:

“5337. Apportionment based on fixed guideway factors.”.

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SEC. 3034. AUTHORIZATIONS.

Section 5338 is amended to read as follows:

“§ 5338. Authorizations

“(a) Formula Grants.—

“(1) Fiscal Year 2004.—

“(A) From Trust Fund.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5307, 5310, 5311, 5316, 5317, and 5320 of this chapter, 1118(e) of the Transportation Equity Act: A Legacy for Users (relating to the nonmotorized transportation pilot program), and section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note; 112 Stat. 392–393) $3,582,400,000 for fiscal year 2004.

“(B) From General Fund.—In addition to amounts made available under subparagraph (A), there are authorized to be appropriated to carry out sections 5307, 5310, 5311, 5316, and 5317, of this chapter, 1118(e) of the Transportation Equity Act: A Legacy for Users (relating to the nonmotorized transportation pilot program) and section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C.

“(C) Allocation of Funds.—Of the aggregate of amounts made available by and appropriated under this paragraph for a fiscal year—

“(i) $4,849,950 shall be available to the Alaska Railroad for improvements to its passenger operations under section 5307;

“(ii) $175,000,000 shall be available to provide job access and reverse commute formula grants under section 5316;

“(iii) $100,000,000 shall be available to carry out the New Freedom program under section 5317;

“(iv) $100,000,000 shall be available to provide clean fuels formula grants under section 5308;

“(v) $10,000,000 shall be available to carry out the transit in the parks pilot program under section 5320;

“(vi) $5,000,000 shall be available to carry out the nonmotorized transportation pilot program under section 1118(e) of the
Transportation Equity Act: A Legacy for
Users;

“(vii) $10,000,000 shall be available
to provide over-the-road bus accessibility
grants under section 3038 of the Trans-
portation Equity Act for the 21st Century
(49 U.S.C. 5310 note);

“(viii) $100,503,751 shall be available
to provide transportation services to elderly
individuals and individuals with disabilities
under section 5310;

“(ix) $321,612,004 shall be available
to provide financial assistance for other
than urbanized areas under section 5311;
and

“(x) $3,598,034,295 shall be available
to provide financial assistance for urban-
ized areas under section 5307, subject to
section 3041(h) of the Federal Public

“(2) FISCAL YEARS 2005 THROUGH 2009.—

“(A) FROM TRUST FUND.—There shall be
available from the Mass Transit Account of the
Highway Trust Fund to carry out sections
5307, 5308, 5310, 5311, 5316, 5317, 5318,
and 5320 of this chapter, section 3038 of the
Transportation Equity Act for the 21st Century
(49 U.S.C. 5310 note; 112 Stat. 392–393), and
section 1118(c) of the Transportation Equity
Act: A Legacy for Users (relating to the non-
motorized transportation pilot program)—

“(i) $5,249,750,000 for fiscal year
2005;
“(ii) $5,908,750,000 for fiscal year
2006;
“(iii) $6,623,500,000 for fiscal year
2007;
“(iv) $7,282,500,000 for fiscal year
2008; and
“(v) $8,053,000,000 for fiscal year
2009.

“(B) Allocation of funds for clean
fuels formula grants, bus testing, over-
the-road bus accessibility, and Alaska
railroad.—Of the aggregate of amounts made
available by this paragraph for a fiscal year—

“(i) $100,000,000 shall be available
to carry out section 5308;
“(ii) $3,500,000 shall be available to
carry out section 5318;
“(iii) $10,000,000 shall be available to carry out section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note); and

“(iv) $4,849,950 shall be available to the Alaska Railroad for improvements to its passenger operations under section 5307.

“(C) Allocation of funds for job access and reverse commute formula grants.—Of the aggregate of amounts made available by this paragraph, $185,000,000 for fiscal year 2005, $195,000,000 for fiscal year 2006, $205,000,000 for fiscal year 2007, $215,000,000 for fiscal year 2008, and $225,000,000 for fiscal year 2009 shall be available to carry out section 5316.

“(D) Allocation of funds for new freedom program.—Of the aggregate of amounts made available by this paragraph, $120,000,000 for fiscal year 2006, $125,000,000 for fiscal year 2007, $150,000,000 for fiscal year 2008, and
$175,000,000 for fiscal year 2009 shall be
available to carry out section 5317.

“(E) ALLOCATION OF FUNDS FOR TRANSIT
IN THE PARKS PILOT PROGRAM.—Of the aggre-
gate of amounts made available by this para-
graph, $10,000,000 for fiscal year 2005,
$20,000,000 for fiscal year 2006, $20,000,000
for fiscal year 2007, $20,000,000 for fiscal year
2008, and $20,000,000 for fiscal year 2009
shall be available to carry out section 5320.

“(F) ALLOCATION OF FUNDS FOR NON-
motorized transportation pilot pro-
gram.—Of the aggregate of amounts made
available by this paragraph, $5,000,000 for fis-
cal year 2005, $5,000,000 for fiscal year 2006,
$10,000,000 for fiscal year 2007, $10,000,000
for fiscal year 2008, and $10,000,000 for fiscal
year 2009 shall be available to carry out section
1118(c) of the Transportation Equity Act: A
Legacy for Users (relating to the nonmotorized
transportation pilot program).

“(G) REMAINDER.—Of the remainder of
the aggregate amounts made available by this
paragraph for a fiscal year after the allocations
under subparagraphs (B) through (F) for such fiscal year—

“(i) 2.5 percent shall be available to provide transportation services to elderly individuals and individuals with disabilities under section 5310;

“(ii) 8.0 percent shall be available to provide financial assistance for other than urbanized areas under section 5311; and

“(iii) 89.5 percent shall be available to provide financial assistance for urbanized areas under section 5307, subject to section 3041(h) of the Federal Public Transportation Act of 2004.

“(b) CAPITAL PROGRAM GRANTS.—

“(1) FISCAL YEAR 2004.—

“(A) FROM TRUST FUND.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out section 5309, $2,820,800,000 for fiscal year 2004.

“(B) FROM GENERAL FUND.—In addition to amounts made available by subparagraph (A), there is authorized to be appropriated to carry out section 5309, $705,200,000 for fiscal year 2004.
“(2) FISCAL YEARS 2005 THROUGH 2009.—

“(A) FROM TRUST FUND.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out section 5309—

“(i) $2,394,600,000 for fiscal year 2005;
“(ii) $2,686,200,000 for fiscal year 2006;
“(iii) $3,003,600,000 for fiscal year 2007;
“(iv) $3,295,200,000 for fiscal year 2008; and
“(v) $3,638,400,000 for fiscal year 2009.

“(B) FROM GENERAL FUND.—In addition to amounts made available by subparagraph (A), there are authorized to be appropriated to carry out section 5309—

“(i) $1,776,400,000 for fiscal year 2005;
“(ii) $2,000,800,000 for fiscal year 2006;
“(iii) $2,242,400,000 for fiscal year 2007;
“(iv) $2,466,800,000 for fiscal year 2008; and

“(v) $2,725,600,000 for fiscal year 2009.

“(C) SMALL CAPITAL PROJECTS.—Before allocating under section 5309(m) amounts appropriated under subparagraphs (A) and (B), the Secretary shall make available for capital investment grants of less than $75,000,000 under section 5309(d)—

“(i) $150,000,000 for fiscal year 2004;

“(ii) $180,000,000 for fiscal year 2005;

“(iii) $210,000,000 for fiscal year 2006;

“(iv) $240,000,000 for fiscal year 2007;

“(v) $270,000,000 for fiscal year 2008; and

“(vi) $300,000,000 for fiscal year 2009.

“(e) PLANNING.—

“(1) FISCAL YEAR 2004.—
“(A) FROM TRUST FUND.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5303, 5304, and 5305, $82,000,000 for fiscal year 2004.

“(B) FROM GENERAL FUND.—In addition to amounts made available by subparagraph (A), there is authorized to be appropriated to carry out sections 5303, 5304, and 5305, $20,500,000 for fiscal year 2004.

“(2) FISCAL YEARS 2005 THROUGH 2009.—

“(A) FROM THE TRUST FUND.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5303, 5304, and 5305—

“(i) $121,250,000 for fiscal year 2005;

“(ii) $136,250,000 for fiscal year 2006;

“(iii) $152,500,000 for fiscal year 2007;

“(iv) $167,500,000 for fiscal year 2008; and

“(v) $185,000,000 for fiscal year 2009.
“(B) Allocation of Funds.—Of the funds made available by this paragraph for a fiscal year—

“(i) 82.72 percent shall be available for metropolitan planning under sections 5303, 5304, and 5305 (other than 5305(e)); and

“(ii) 17.28 percent shall be available for State planning under section 5305(e).

“(d) Research.—

“(1) Fiscal Year 2004.—

“(A) From Trust Fund.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5311(b), 5312, 5313, 5314, 5315, and 5322, $44,800,000 for fiscal year 2004.

“(B) From General Fund.—In addition to amounts made available by subparagraph (A), there is authorized to be appropriated to carry out sections 5311(b), 5312, 5313, 5314, 5315, and 5322, $11,200,000 for fiscal year 2004.

“(2) Fiscal Years 2005 Through 2009.—
“(A) FROM THE GENERAL FUND.—There is authorized to be appropriated to carry out sections 5312, 5313, 5314, 5315, and 5322—

“(i) $67,000,000 for fiscal year 2005;
“(ii) $74,000,000 for fiscal year 2006;
“(iii) $81,000,000 for fiscal year 2007;
“(iv) $88,000,000 for fiscal year 2008; and
“(v) $95,000,000 for fiscal year 2009.

“(B) ALLOCATION OF FUNDS FOR NATIONAL TRANSIT INSTITUTE, NATIONAL TRANSIT DATABASE, AND PROJECT ACTION EASTERN SEALS.—Of the funds appropriated pursuant to this paragraph for a fiscal year—

“(i) not less than $5,000,000 shall be available to carry out programs under the National Transit Institute under section 5315;
“(ii) not less than $4,000,000 shall be available to carry out section 5335; and
“(iii) not less than $4,000,000 shall be available to carry out section 5314(a)(2).
“(C) Allocation of Funds for Transit Cooperative Research Program.—Of the funds appropriated pursuant to this paragraph, $12,500,000 for fiscal year 2005, $12,500,000 for fiscal year 2006, $15,000,000 for fiscal year 2007, $15,000,000 for fiscal year 2008, and $15,000,000 for fiscal year 2009 shall be available to carry out section 5313(a).

“(D) Remainder.—The remainder of the funds appropriated pursuant to this paragraph for a fiscal year after the allocations under subparagraphs (A) and (B) for such fiscal year shall be available to carry out national research and technology programs under sections 5312, 5314, and 5322.

“(e) University Transportation Research.—

“(1) Fiscal Year 2004.—

“(A) From Trust Fund.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5505 and 5506, $8,000,000 for fiscal year 2004.

“(B) From General Fund.—In addition to amounts made available by subparagraph (A), there is authorized to be appropriated to
carry out sections 5505 and 5506, $2,000,000 for fiscal year 2004.

“(2) Fiscal Years 2005 Through 2009.—Subject to paragraph (3), there is authorized to be appropriated to carry out sections 5505 and 5506, $10,000,000 for each of fiscal years 2005 through 2009.

“(3) Funding of University Transportation Centers.—

“(A) In general.—Of the amounts made available by and appropriated under paragraphs (1) and (2)—

“(i) $2,000,000 for each fiscal year shall be available for the institution identified in section 5505(j)(4)(A), as in effect on the day before the date of enactment of the Federal Public Transportation Act of 2004;

“(ii) $2,000,000 for each fiscal year shall be available for the institution identified in section 5505(j)(4)(F), as so in effect; and

“(iii) $2,000,000 for each of fiscal years 2004, 2005, and 2006 shall be avail-
able for the institution identified in section 5505(j)(3)(E), as so in effect.

“(B) Use of Funds.—Funds made available for each of the institutions identified in subparagraphs (A)(i) and (A)(ii) shall be used to make grants under section 5505(d) for those institutions. Funds made available for the institution identified in subparagraph (A)(iii) shall be used to make grants under 5506(f)(5) for that institution.

“(C) Special Rule.—Nothing in this subsection shall be construed to limit the transportation research conducted by the centers funded by this section.

“(f) Administration.—

“(1) Fiscal Year 2004.—

“(A) From Trust Fund.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out section 5334, $61,600,000 for fiscal year 2004.

“(B) From General Fund.—In addition to amounts made available under subparagraph (A), there are authorized to be appropriated to carry out section 5334, $15,400,000 for fiscal year 2004.
“(2) Fiscal years 2005 through 2009.—

There are authorized to be appropriated to carry out section 5334—

“(A) $81,000,000 for fiscal year 2005;
“(B) $84,000,000 for fiscal year 2006;
“(C) $87,000,000 for fiscal year 2007;
“(D) $90,000,000 for fiscal year 2008;
and
“(E) $93,000,000 for fiscal year 2009.

“(g) Grants as Contractual Obligations.—

“(1) Grants financed from Highway Trust Fund.—A grant or contract approved by the Secretary, that is financed with amounts made available under subsection (a)(1)(A), (a)(2), (b)(1)(A), (b)(2), (c)(2), (d)(1)(A), (e)(1)(A), or (f)(1)(A) is a contractual obligation of the Government to pay the Government’s share of the cost of the project.

“(2) Grants financed from General Fund.—A grant or contract, approved by the Secretary, that is financed with amounts made available under subsection (a)(1)(B), (b)(1)(B), (b)(2)(B), (c)(1)(B), (d)(1)(B), (d)(2), (e)(1)(B), (e)(2), (f)(1)(B), or (f)(2) is a contractual obligation of the 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.

“(h) AVAILABILITY OF AMOUNTS.—Amounts made available by or appropriated under subsections (a) through (f) shall remain available until expended.”.

SEC. 3035. OVER-THE-ROAD BUS ACCESSIBILITY PROGRAM.

(a) IN GENERAL.—Section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note; 112 Stat. 392) is amended—

(1) by striking the section heading and inserting the following:

“SEC. 3038. OVER-THE-ROAD BUS ACCESSIBILITY PROGRAM”;

(2) by striking subsection (e) and inserting the following:

“(e) FEDERAL SHARE OF COSTS.—The Federal share of costs under this section shall be provided from funds made available to carry out this section. The Federal share of the costs for a project shall not exceed 50 percent of the project cost.”; and

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

“(g) FUNDING.—

“(1) Of the amounts made available to carry out this section in each fiscal year, 75 percent shall
be available for operators of over-the-road buses used substantially or exclusively in intercity, fixed-route over-the-road bus service to finance the incremental capital and training costs of the Department of Transportation’s final rule regarding accessibility of over-the-road buses. Such amounts shall remain available until expended.

“(2) Of the amounts made available to carry out this section in each fiscal year, 25 percent shall be available for operators of other over-the-road bus service to finance the incremental capital and training costs of the Department of Transportation’s final rule regarding accessibility of over-the-road buses. Such amounts shall remain available until expended.”.

(b) CONFORMING AMENDMENTS.—The table of contents contained in section 1(b) of the Transportation Equity Act for the 21st Century (112 Stat. 107) is amended by striking the item relating to section 3038 and inserting the following:

“Sec. 3038. Over-the-road bus accessibility program.”.

SEC. 3036. UPDATED TERMINOLOGY.

Chapter 53, including the chapter analysis, is amended by striking “mass” each place it appears before “transportation” and inserting “public”, except in sections
5301(f), 5302(a)(7), 5315, 5323(a)(1), and 5323(a)(1)(B).

SEC. 3037. PROJECTS FOR NEW FIXED GUIDEWAY SYSTEMS AND EXTENSIONS TO EXISTING SYSTEMS.

(a) EXISTING FULL FUNDING GRANT AGREEMENTS.—The following projects are authorized for final design and construction for existing full funding grant agreements:

(1) Atlanta-North Springs Extension.
(2) Baltimore-Central LRT Double Tracking.
(3) Boston-South Boston Piers Transitway MOS-2.
(4) Chicago-Chicago Transit Authority Douglas Branch Reconstruction.
(5) Dallas-North Central LRT Extension.
(6) Denver Southeast Corridor LRT.
(7) Fort Lauderdale-Tri-Rail Commuter Rail Upgrade.
(9) Memphis-Medical Center Extension.
(10) Metra North Central Corridor Commuter Rail.
(11) Metra Southwest Corridor Commuter Rail.
(12) Metra Union-Pacific West Line Extension.
(13) Minneapolis-Hiawatha Corridor LRT.
(14) New Jersey Urban Core-Hudson-Bergen LRT.

(15) Newark Rail Link.

(16) New Orleans-Canal Street.

(17) Northern New Jersey—Hudson-Bergen LRT MOS-2.

(18) Pittsburgh-Stage II LRT Reconstruction.

(19) Portland-Interstate MAX LRT Extension.

(20) Salt Lake City-CBD to University LRT.

(21) Salt Lake City-Medical Center.

(22) San Diego-Mission Valley East LRT Extension.

(23) San Diego-Oceanside Escondido Rail Corridor.

(24) San Francisco-BART Extension to San Francisco Airport.

(25) San Juan-Tren Urbano.

(26) Seattle-Central Link Initial Segment LRT.

(27) St. Louis St. Clair-MetroLink Extension Phase IIa.


(b) ALTERNATIVES ANALYSIS, PRELIMINARY ENGINEERING, FINAL DESIGN, AND CONSTRUCTION.—The following projects are authorized for alternatives analysis,
preliminary engineering, final design, and construction for fiscal years 2004 through 2009 under section 5309(m)(1)(B) of title 49, United States Code: [List to be supplied.]

SEC. 3038. PROJECTS FOR BUS AND BUS-RELATED FACILITIES.

Of the amounts made available to carry out section 5309(m)(1)(C) of title 49, United States Code, for each of fiscal years 2004 through 2006, the Secretary shall make funds available for the following projects in not less than the amounts specified for the fiscal year: [List to be supplied.]

SEC. 3039. FUEL CELL BUS PROGRAM.

[Reserved.]

SEC. 3040. EXTENSION OF PUBLIC TRANSIT VEHICLE EXEMPTION FROM AXLE WEIGHT RESTRICTIONS.


SEC. 3041. HIGH-INTENSITY SMALL-URBANIZED AREA FORMULA GRANT PROGRAM.

(a) DEFINITIONS.—In this section, the following definitions apply:
(1) **Eligible Area.**—The term “eligible area” means an urbanized area with a population of less than 200,000 that meets or exceeds in one or more performance categories the industry average for all urbanized areas with a population of at least 200,000 but not more than 999,999, as determined by the Secretary in accordance with subsection (c)(2).

(2) **Performance Category.**—The term “performance category” means each of the following:

(A) Passenger miles traveled per vehicle revenue mile.

(B) Passenger miles traveled per vehicle revenue hour.

(C) Vehicle revenue miles per capita.

(D) Vehicle revenue hours per capita.

(E) Passenger miles traveled per capita.

(F) Passengers per capita.

(b) **General Authority.**—In order to address the needs of small urbanized areas with unusually high levels of public transportation service, the Secretary shall make capital and operating grants under this section to eligible recipients described in subsection (d) for use in eligible areas.

(c) **Apportionment.**—
(1) **Apportionment Formula.**—Funds made available for grants under this section in a fiscal year shall be apportioned among eligible areas in the ratio that—

(A) the number of performance categories for which each eligible area meets or exceeds the industry average in urbanized areas with a population of at least 200,000 but not more than 999,999; bears to

(B) the aggregate number of performance categories for which all eligible areas meet or exceed the industry average in urbanized areas with a population of at least 200,000 but not more than 999,999.

(2) **Data Used in Formula.**—The Secretary shall calculate apportionments under this subsection for a fiscal year using data from the national transit database used to calculate apportionments for that fiscal year under section 5336 of title 49, United States Code.

(d) **Eligible Recipient.**—Grant amounts apportioned to an eligible area under this section shall be made available to a public transportation agency or other governmental entity in the eligible area for obligation in the eligible area.
(c) Government’s Share of Costs.—

(1) Capital Grants.—A grant for a capital project under this section (including associated capital maintenance items) shall be for 80 percent of the net capital costs of the project, as determined by the Secretary. The recipient may provide additional local matching amounts for such projects.

(2) Operating Grants.—A grant under this section for operating assistance may not exceed 50 percent of the net operating costs of the project, as determined by the Secretary.

(3) Remainder.—The remainder of the net project costs may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital.

(f) Period of Availability.—Funds apportioned under this section to an eligible area shall remain available for obligation in that eligible area for a period of 3 years after the last day of the fiscal year for which the funds are authorized. Any amounts so apportioned that remain unobligated at the end of that period shall be added to the amount that may be apportioned under this section in the next fiscal year.

(g) Application of Other Sections.—Sections 5302, 5318, 5323, 5332, 5333, and 5336(e) of title 49,
(h) **FUNDING.**—Of the amounts made available to carry out section 5307 of title 49, United States Code, $35,000,000 for fiscal year 2004, $38,000,000 for fiscal year 2005, $41,000,000 for fiscal year 2006, $44,000,000 for fiscal year 2007, $47,000,000 for fiscal year 2008, and $50,000,000 for fiscal year 2009 shall be available to carry out this section.

(i) **TECHNICAL AMENDMENTS.**—Section 5336 is amended—

(1) in subsection (a) by striking “of this title” and inserting “to carry out section 5307”;

(2) in subsection (j) by striking “a grant made under” each place it appears and inserting “a grant made with funds apportioned under”; and

(3) in subsection (k)(1) by striking “section 5302(a)(13) of this title” and inserting “section 5302(a)”.

**SEC. 3042. ALLOCATIONS FOR NATIONAL RESEARCH AND TECHNOLOGY PROGRAMS.**

(a) **IN GENERAL.**—Amounts appropriated pursuant to section 5338(d) of title 49, United States Code, for national research and technology programs under sections
5312, 5314, and 5322 of such title shall be allocated as follows:

1. **Safety and Emergency Preparedness.**—For carrying out safety and emergency preparedness research activities consisting of technical assistance, training, and data analysis and reporting to improve public transportation system safety and security and emergency preparedness—
   
   (A) $6,300,000 for fiscal year 2004;
   
   (B) $7,900,000 for fiscal year 2005;
   
   (C) $9,200,000 for fiscal year 2006;
   
   (D) $10,100,000 for fiscal year 2007;
   
   (E) $11,400,000 for fiscal year 2008; and
   
   (F) $12,750,000 for fiscal year 2009.

2. **Equipment and Infrastructure.**—For carrying out equipment and infrastructure research activities on public transportation and infrastructure technologies and methods and voluntary industry standards development—
   
   (A) $5,200,000 for fiscal year 2004;
   
   (B) $6,500,000 for fiscal year 2005;
   
   (C) $7,700,000 for fiscal year 2006;
   
   (D) $8,400,000 for fiscal year 2007;
   
   (E) $9,500,000 for fiscal year 2008; and
   
   (F) $10,600,000 for fiscal year 2009.
(3) **Public Transportation Operations Efficiency.**—For carrying out public transportation operations efficiency research activities on high-performance public transportation services and other innovations in fleet operations and maintenance—

(A) $4,200,000 for fiscal year 2004;
(B) $5,300,000 for fiscal year 2005;
(C) $6,100,000 for fiscal year 2006;
(D) $6,700,000 for fiscal year 2007;
(E) $7,600,000 for fiscal year 2008; and
(F) $8,500,000 for fiscal year 2009.

(4) **Energy Independence and Environmental Protection.**—For carrying out energy independence and environmental protection research activities on improved public transportation energy use and propulsion systems and public transportation oriented development—

(A) $3,100,000 for fiscal year 2004;
(B) $4,000,000 for fiscal year 2005;
(C) $4,600,000 for fiscal year 2006;
(D) $5,000,000 for fiscal year 2007;
(E) $5,700,000 for fiscal year 2008; and
(F) $6,400,000 for fiscal year 2009.

(5) **Mobility Management.**—For carrying out research activities on mobility management, as de-
scribed in section 5302(a)(1) of title 49, United States Code—

(A) $6,300,000 for fiscal year 2004;
(B) $7,900,000 for fiscal year 2005;
(C) $9,200,000 for fiscal year 2006;
(D) $10,100,000 for fiscal year 2007;
(E) $11,400,000 for fiscal year 2008; and
(F) $12,750,000 for fiscal year 2009.

(6) Public Transportation Capacity Building.—For carrying out public transportation capacity building activities consisting of workforce and industry development, the International Mass Transportation Program, and technology transfer and industry adoption activities—

(A) $2,100,000 for fiscal year 2004;
(B) $2,600,000 for fiscal year 2005;
(C) $3,100,000 for fiscal year 2006;
(D) $3,400,000 for fiscal year 2007;
(E) $3,800,000 for fiscal year 2008; and
(F) $4,300,000 for fiscal year 2009.

(7) Strategic Planning and Performance Measures.—For carrying out strategic planning and performance measures consisting of policy and program development, research program planning
and performance, evaluation, and industry outreach—

(A) $3,100,000 for fiscal year 2004;
(B) $4,000,000 for fiscal year 2005;
(C) $4,600,000 for fiscal year 2006;
(D) $5,000,000 for fiscal year 2007;
(E) $5,700,000 for fiscal year 2008; and
(F) $6,400,000 for fiscal year 2009.

(b) REMAINDER.—After making allocations under subsection (a) of this section and section 5338(d)(2) of title 49, United States Code, the remainder of funds made available by section 5338(d)(2) of such title for national research and technology programs under sections 5312, 5314, and 5322 for a fiscal year shall be allocated at the discretion of the Secretary to other transit research, development, demonstration and deployment projects authorized by sections 5312, 5314 and 5322 of such title.

SEC. 3043. OBLIGATION CEILING.

Notwithstanding any other provision of law, the total of all obligations from amounts made available from the Mass Transit Account of the Highway Trust Fund by, and amounts appropriated under, subsections (a) through (f) of section 5338 of title 49, United States Code, shall not exceed—

(1) $8,200,000,000 for fiscal year 2004;
(2) $9,700,000,000 for fiscal year 2005;
(3) $10,900,000,000 for fiscal year 2006;
(4) $12,200,000,000 for fiscal year 2007;
(5) $13,400,000,000 for fiscal year 2008; and
(6) $14,800,000,000 for fiscal year 2009.

SEC. 3044. ADJUSTMENTS FOR THE SURFACE TRANSPORTATION EXTENSION ACT OF 2003.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall ensure that the total apportionments and allocations made to a designated grant recipient under section 5338 of title 49, United States Code, for fiscal year 2004 shall be reduced by the amount apportioned to such designated recipient pursuant to section 8 of the Surface Transportation Extension Act of 2003 (117 Stat. 1121).

(b) FIXED GUIDEWAY MODERNIZATION ADJUSTMENT.—In making the apportionments described in subsection (a), the Secretary shall adjust the amount apportioned to each urbanized area for fixed guideway modernization for fiscal year 2004 to reflect the method for apportioning funds in section 5337(a) of title 49, United States Code.
TITLE IV—MOTOR CARRIER SAFETY

SEC. 4001. AUTHORIZATION OF APPROPRIATIONS.

(a) ADMINISTRATIVE EXPENSES.—Section 31104 of title 49, United States Code, is amended by adding the following at the end:

“(i) ADMINISTRATIVE EXPENSES.—

“(1) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for the Secretary of Transportation to pay administrative expenses of the Federal Motor Carrier Safety Administration—

“(A) $235,000,000 for fiscal year 2004;

“(B) $244,000,000 for fiscal year 2005;

“(C) $252,000,000 for fiscal year 2006;

“(D) $261,000,000 for fiscal year 2007;

“(E) $269,000,000 for fiscal year 2008;

and

“(F) $279,000,000 for fiscal year 2009.

“(2) USE OF FUNDS.—The funds authorized by this subsection shall be used for personnel costs; administrative infrastructure; rent; information technology; programs for research and technology, information management, regulatory development (in-
cluding a medical review board), the administration
of the performance and registration information sys-
tem management, and outreach and education; other
operating expenses; and such other expenses as may
from time to time become necessary to implement
statutory mandates of the Administration not fund-
ed from other sources.

“(3) Period of availability.—The amounts
made available under this section shall remain avail-
able until expended.

“(4) Initial date of availability.—Author-
izations from the Highway Trust Fund (other than
the Mass Transit Account) to carry out subtitle IV,
part B, and subtitle VI, part B, of this title, or the
provisions of title IV of the Transportation Equity
Act: A Legacy for Users, shall be available for obli-
gation on the date of their apportionment or alloca-
tion or on October 1 of the fiscal year for which they
are authorized, whichever occurs first.

“(5) Contract authority.—Approval by the
Secretary of a grant with funds made available
under paragraph (4) imposes upon the United
States a contractual obligation for payment of the
Government’s share of costs incurred in carrying out
the objectives of the grant.”.
(b) GRANT PROGRAMS.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) the following sums for the following Federal Motor Carrier Safety Administration programs:

(1) For commercial driver’s license program improvement grants under section 31313 of title 49, United States Code—

(A) $22,000,000 for fiscal year 2004;
(B) $22,000,000 for fiscal year 2005;
(C) $23,000,000 for fiscal year 2006;
(D) $23,000,000 for fiscal year 2007;
(E) $24,000,000 for fiscal year 2008; and
(F) $25,000,000 for fiscal year 2009.

(2) For border enforcement grants under section 31107 of such title—

(A) $32,000,000 for fiscal year 2004;
(B) $33,000,000 for fiscal year 2005;
(C) $33,000,000 for fiscal year 2006;
(D) $34,000,000 for fiscal year 2007;
(E) $35,000,000 for fiscal year 2008; and
(F) $36,000,000 for fiscal year 2009.

(3) For the performance and registration information system management grant program under section 31109 of such title—
(A) $4,000,000 for fiscal year 2004;
(B) $4,000,000 for fiscal year 2005;
(C) $4,000,000 for fiscal year 2006;
(D) $4,000,000 for fiscal year 2007;
(E) $4,000,000 for fiscal year 2008; and
(F) $4,000,000 for fiscal year 2009.

(4) Commercial vehicle information systems and networks deployment.—For carrying out the commercial vehicle information systems and networks deployment program under section 4009 of this Act, $25,000,000 for each of fiscal years 2004 through 2009.

(c) Period of availability.—The amounts made available under subsection (b) of this section shall remain available until expended.

(d) Initial date of availability.—Amounts authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) by subsection (b) shall be available for obligation on the date of their apportionment or allocation or on October 1 of the fiscal year for which they are authorized, whichever occurs first.

(e) Contract authority.—Approval by the Secretary of a grant with funds made available under subsection (b) imposes upon the United States a contractual
obligation for payment of the Government’s share of costs incurred in carrying out the objectives of the grant.

SEC. 4002. MOTOR CARRIER SAFETY GRANTS.

(a) STATE PLAN CONTENTS.—Section 31102(b)(1) of title 49, United States Code, is amended—

(1) by striking subparagraph (A) and inserting the following:

“(A) implements performance-based activities, including deployment of technology to enhance the efficiency and effectiveness of commercial motor vehicle safety programs;”;

(2) by striking subparagraph (Q) and inserting the following:

“(Q) provides that the State has established a program to ensure accurate, complete, and timely motor carrier safety data is collected and reported to the Secretary and includes a procedure to allow necessary corrections of incorrect data;”;

(3) by aligning subparagraph (R) with subparagraph (S);

(4) by striking “and” at the end of subparagraph (S);

(5) by striking the period at the end of subparagraph (T) and inserting a semicolon; and

(6) by adding at the end the following:
“(U) provides that the State will include in the training manual for the licensing examination to drive a noncommercial motor vehicle and a commercial motor vehicle, information on best practices for driving safely in the vicinity of commercial motor vehicles and in the vicinity of noncommercial motor vehicles, respectively;

“(V) provides that the State will enforce the registration requirements of section 13902 by placing out of service any vehicle discovered to be operated by a motor carrier without a registration issued under such section or to be operating beyond the scope of such registration; and

“(W) provides that the State will conduct comprehensive and highly visible traffic enforcement and commercial motor vehicle safety inspection programs in high-risk locations and corridors.”.

(b) Use of Grants To Enforce Other Laws.—

Section 31102 of such title is amended—

(1) by striking subsection (c) and inserting the following:
“(c) USE OF GRANTS TO ENFORCE OTHER LAWS.—

A State may use amounts received under a grant under subsection (a)—

“(1) for the following activities if the activities are carried out in conjunction with an appropriate inspection of the commercial motor vehicle to enforce Government or State commercial motor vehicle safety regulations:

“(A) enforcement of commercial motor vehicle size and weight limitations at locations other than fixed weight facilities, at specific locations such as steep grades or mountainous terrains where the weight of a commercial motor vehicle can significantly affect the safe operation of the vehicle, or at ports where intermodal shipping containers enter and leave the United States; and

“(B) detection of the unlawful presence of a controlled substance (as defined under section 102 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802)) in a commercial motor vehicle or on the person of any occupant (including the operator) of the vehicle; and
“(2) for documented enforcement of State traffic laws and regulations designed to promote the safe operation of commercial motor vehicles, including documented enforcement of such laws and regulations relating to noncommercial motor vehicles when necessary to promote the safe operation of commercial motor vehicles if the number of roadside safety inspections conducted in the State is maintained at a level at least equal to the average number conducted in the State in fiscal years 2001, 2002, and 2003; except that the State may not use more than 5 percent of the aggregate amount the State receives under the grant under subsection (a) for enforcement activities relating to noncommercial motor vehicles described in this paragraph.”; and

(2) by adding at the end the following:

“(e) ANNUAL REPORT.—The Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science and Transportation of the Senate an annual report that describes the effect of activities carried out with funds from grants made under this section on commercial motor vehicle safety.”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 31104(a) of such title is amended to read as follows:
“(a) In General.—Subject to subsection (f), there
are authorized to be appropriated from the Highway Trust
Fund (other than the Mass Transit Account) to carry out
section 31102—

“(1) $182,000,000 for fiscal year 2004;
“(2) $187,000,000 for fiscal year 2005;
“(3) $193,000,000 for fiscal year 2006;
“(4) $198,000,000 for fiscal year 2007;
“(5) $204,000,000 for fiscal year 2008; and
“(6) $210,000,000 for fiscal year 2009.”.

(d) New Entrant Audits.—Section 31104(f) of
such title is amended—

(1) in paragraph (1) by striking “deduction
under subsection (e)” and inserting “deductions
under subsection (e) and paragraphs (2) and (3)”;

(2) the first sentence of paragraph (2)(A)—

(A) by striking “or”; and

(B) by inserting after “technologies” the
following: “, or improve the quality and accu-

racy of data provided by the State”;

(3) in paragraph (2)—

(A) by striking “AND BORDER ACTIVI-

TIES.—” and all that follows through “5 per-

cent” and inserting “ACTIVITIES.—The Sec-

retary may designate up to 10 percent”; and
(B) by striking subparagraph (B); and

(4) by adding at the end the following:

“(3) NEW ENTRANT AUDITS.—The Secretary may deduct up to $17,000,000 of the amounts available under subsection (a) for a fiscal year for audits of new entrant motor carriers under section 31144(g).”.

(e) TECHNICAL AMENDMENT.—Section 31102(b) of such title is amended by striking “(1)(D)” and inserting “(1)(E)”.

SEC. 4003. BORDER ENFORCEMENT GRANTS.

(a) IN GENERAL.—Chapter 311 of title 49, United States Code, is amended—

(1) by striking

“SUBCHAPTER I—STATE GRANTS AND OTHER COMMERCIAL MOTOR VEHICLE PROGRAMS”

and inserting the following:

“SUBCHAPTER I—GENERAL AUTHORITY AND STATE GRANTS”

; and

(2) by striking section 31107 and inserting the following:

“§ 31107. Border enforcement grants

“(a) GENERAL AUTHORITY.—The Secretary of Transportation may make a grant in a fiscal year to a
State that shares a land border with another country for carrying out border commercial motor vehicle safety programs and related enforcement activities and projects.

“(b) MAINTENANCE OF EXPENDITURES.—The Secretary may make a grant to a State under this section only if the State agrees that the total expenditure of amounts of the State and political subdivisions of the State, exclusive of amounts from the United States, for carrying out border commercial motor vehicle safety programs and related enforcement activities and projects will be maintained at a level at least equal to the average level of that expenditure by the State and political subdivisions of the State for the last 2 fiscal years of the State ending before the date of enactment of the Transportation Equity Act: A Legacy for Users.

“(c) GOVERNMENTS SHARE OF COSTS.—The Secretary shall reimburse a State under a grant made under this section an amount that is not more than 100 percent of the costs incurred by the State in a fiscal year for carrying out border commercial motor vehicle safety programs and related enforcement activities and projects.

“(d) AVAILABILITY AND REALLOCATION OF AMOUNTS.—Allocations to a State remain available for expenditure in the State for the fiscal year in which they are allocated and for the next fiscal year. Amounts not
expended by a State during those 2 fiscal years are available to the Secretary for reallocation under this section.”.

(b) CONFORMING AMENDMENTS.—The analysis for such chapter is amended—

(1) by striking “SUBCHAPTER I—STATE GRANTS AND OTHER COMMERCIAL MOTOR VEHICLE PROGRAMS” and inserting the following:

“SUBCHAPTER I—GENERAL AUTHORITY AND STATE GRANTS”

; and

(2) by striking the item relating to section 31107 and inserting the following:

“31107. Border enforcement grants.”.

SEC. 4004. COMMERCIAL DRIVER’S LICENSE IMPROVEMENTS.

(a) STATE GRANTS.—Chapter 313 of title 49, United States Code, is amended by inserting after section 31312 the following:

“§ 31313. Grants for commercial driver’s license program improvements

“(a) GRANTS FOR COMMERCIAL DRIVER’S LICENSE PROGRAM IMPROVEMENTS.—

“(1) GENERAL AUTHORITY.—The Secretary of Transportation may make a grant to a State in a fiscal year—
“(A) to comply with the requirements of section 31311; and

“(B) in the case of a State that is in substantial compliance with the requirements of section 31311 and this section, to improve its implementation of its commercial driver’s license program.

“(2) Purposes for which grants may be used.—A State may use grants under paragraphs (1)(A) and (1)(B) only for expenses directly related to its compliance with section 31311; except that a grant under paragraph (1)(B) may be used for improving implementation of the State’s commercial driver’s license program, including expenses for computer hardware and software, publications, testing, personnel, training, and quality control. The grant may not be used to rent, lease, or buy land or buildings.

“(3) Application.—In order to receive a grant under this section, a State must submit an application for such grant that is in such form, and contains such information, as the Secretary may require. The application shall include the State’s assessment of its commercial drivers license program.
“(4) MAINTENANCE OF EXPENDITURES.—The Secretary may make a grant to a State under this subsection only if the State agrees that the total expenditure of amounts of the State and political subdivisions of the State, exclusive of amounts from the United States, for the State’s commercial driver’s license program will be maintained at a level at least equal to the average level of that expenditure by the State and political subdivisions of the State for the last 2 fiscal years of the State ending before the date of enactment of the Transportation Equity Act: A Legacy for Users.

“(5) GOVERNMENT SHARE.—The Secretary shall reimburse a State under a grant made under this subsection an amount that is not more than 80 percent of the costs incurred by the State in a fiscal year in complying with section 31311 and improving its implementation of its commercial driver’s license program. In determining such costs, the Secretary shall include in-kind contributions by the State. Amounts required to be expended by the State under paragraph (4) may not be included as part of the non-Federal share of such costs.

“(b) HIGH-PRIORITY ACTIVITIES.—
“(1) **GRANTS FOR NATIONAL CONCERNS.**—The Secretary may make a grant to a State agency, local government, or other person for 100 percent of the costs of research, development, demonstration projects, public education, and other special activities and projects relating to commercial driver licensing and motor vehicle safety that are of benefit to all jurisdictions of the United States or are designed to address national safety concerns and circumstances.

“(2) **FUNDING.**—The Secretary may deduct up to 10 percent of the amounts made available to carry out this section for a fiscal year to make grants under this subsection.”.

(b) **CONFORMING AMENDMENT.**—The analysis for such chapter is amended by inserting after the item relating to section 31312 the following:

“31313. Grants for commercial driver’s license program improvements.”.

(c) **AMOUNTS WITHHELD.**—Subsections (a) and (b) of section 31314 of such title are each amended by inserting “up to” after “withhold”.

**SEC. 4005. HOBBS ACT.**

(a) **JURISDICTION OF COURT OF APPEALS OVER COMMERCIAL MOTOR VEHICLE SAFETY REGULATION AND OPERATORS AND MOTOR CARRIER SAFETY.**—Section 2342(3)(A) of title 28, United States Code, is amended
by inserting before “of title 49” the following: “, sub-
chapter III of chapter 311, chapter 313, or chapter 315”.

(b) Judicial Review.—Section 351(a) of title 49, 
United States Code, is amended by striking “Federal 
Highway Administration” and inserting “Federal Motor 
Carrier Safety Administration”.

(c) Authority To Carry Out Certain Trans-
ferred Duties and Powers.—Section 352 of title 49, 
United States Code, is amended by striking “Federal 
Highway Administration” and inserting “Federal Motor 
Carrier Safety Administration”.

SEC. 4006. PENALTY FOR DENIAL OF ACCESS TO RECORDS.

Section 521(b) of title 49, United States Code, is 
amended—

(1) by striking “(b)(1)(A) If the Secretary” and 
inserting the following:

“(b) Violations Relating to Commercial 
Motor Vehicle Safety Regulation and Oper-
ators.—

“(1) Notice.—

“(A) In General.—If the Secretary”; and

(2) by adding at the end of paragraph (2) the 
following:

“(E) Copying of records and access 
to equipment, lands, and buildings.—A
person subject to chapter 51 or part B of sub-
title VI who fails to allow the Secretary, or an
employee designated by the Secretary, promptly
upon demand to inspect and copy any record or
inspect and examine equipment, lands, build-
ings, and other property in accordance with sec-
tion 504(c), 5121(e), or 14122(b) shall be liable
to the United States for a civil penalty not to
exceed $1,000 for each offense. Each day the
Secretary is denied the right to inspect and
copy any record or inspect and examine equip-
ment, lands, buildings, and other property shall
constitute a separate offense; except that the
total of all civil penalties against any violator
for all offenses related to a single violation shall
not exceed $10,000. It shall be a defense to
such penalty that the records did not exist at
the time of the Secretary’s request or could not
be timely produced without unreasonable ex-
pense or effort. Nothing in this subparagraph
shall be construed as amending or superseding
any remedy available to the Secretary under
section 502(d), section 507(c), or any other
provision of this title.”.
SEC. 4007. MEDICAL REVIEW BOARD.

Section 113 of title 49, United States Code, is amended by adding at the end the following:

“(j) MEDICAL REVIEW BOARD.—

“(1) ESTABLISHMENT AND FUNCTION.—The Administrator shall establish a Medical Review Board as an advisory committee to provide the Administration with medical advice and recommendations on driver qualification medical standards and guidelines, medical examiner education, and medical research.

“(2) COMPOSITION.—The Medical Review Board shall consist of 5 members appointed for a term not to exceed 3 years by the Secretary from medical institutions and private medical practice. The membership shall reflect expertise in a variety of medical specialties relevant to the functions of the Administration.”.

SEC. 4008. INCREASED PENALTIES FOR OUT-OF-SERVICE VIOLATIONS AND FALSE RECORDS.

(a) RECORDKEEPING AND REPORTING VIOLATIONS.—Section 521(b)(2)(B) of title 49, United States Code, is amended—

(1) in clause (i) by striking “$500” and inserting “$1,000”; and
(2) by striking “$5,000” each place it appears and inserting “$10,000”.

(b) VIOLATIONS OF OUT-OF-SERVICE ORDERS.—Section 31310(i)(2) of title 49, United States Code, is amended—

(1) by striking “Not later than December 18, 1992, the” and inserting “The”;

(2) in subparagraph (A)—

(A) by striking “90 days” and inserting “180 days”; and

(B) by striking “$1,000” and inserting “$2,500”; and

(3) in subparagraph (B)—

(A) by striking “one year” and inserting “2 years”; and

(B) by striking “$1,000; and” and inserting “$5,000;”; and

(4) in subparagraph (C) by striking “$10,000.” and inserting “$25,000; and”; and

(5) by adding at the end the following:

“(D) an employer that knowingly and willfully allows or requires an employee to operate a commercial motor vehicle in violation of an out-of-service order shall, upon conviction, be subject for each offense to imprisonment for a
term not to exceed one year or a fine under title
18, or both.”.

SEC. 4009. COMMERCIAL VEHICLE INFORMATION SYSTEMS
AND NETWORKS DEPLOYMENT.

(a) In General.—The Secretary shall carry out a
commercial vehicle information systems and networks pro-
gram to—

(1) improve the safety and productivity of com-
mercial vehicles and drivers; and

(2) reduce costs associated with commercial ve-
hicle operations and Federal and State commercial
vehicle regulatory requirements.

(b) Purpose.—The program shall advance the tech-
nological capability and promote the deployment of intel-
ligent transportation system applications for commercial
motor vehicle operations, commercial driver, and carrier-
specific information systems and networks.

(c) Core Deployment Grants.—

(1) In General.—The Secretary shall make
grants to eligible States for the core deployment of
commercial vehicle information systems and net-
works.

(2) Amount of Grants.—The maximum ag-
gregate amount the Secretary may grant to a State
for the core deployment of commercial vehicle infor-
information systems and networks under this subsection and sections 5001(a)(5) and 5001(a)(6) of the Transportation Equity Act for the 21st Century (112 Stat. 420) may not exceed $2,500,000.

(3) Use of Funds.—Funds from a grant under this subsection may only be used for the core deployment of commercial vehicle information systems and networks. An eligible State that has either completed the core deployment of commercial vehicle information systems and networks or completed such deployment before grant funds are expended under this subsection may use the grant funds for the expanded deployment of commercial vehicle information systems and networks in the State.

(d) Expanded Deployment Grants.—

(1) In General.—For each fiscal year, from the funds remaining after the Secretary has made grants under subsection (c), the Secretary may make grants to each eligible State, upon request, for the expanded deployment of commercial vehicle information systems and networks.

(2) Eligibility.—Each State that has completed the core deployment of commercial vehicle information systems and networks in such State is eli-
eligible for an expanded deployment grant under this subsection.

(3) Amount of Grants.—Each fiscal year, the Secretary may distribute funds available for expanded deployment grants equally among the eligible States, but not to exceed $1,000,000 per State.

(4) Use of Funds.—A State may use funds from a grant under this subsection only for the expanded deployment of commercial vehicle information systems and networks.

(e) Eligibility.—To be eligible for a grant under this section, a State—

(1) shall have a commercial vehicle information systems and networks program plan approved by the Secretary that describes the various systems and networks at the State level that need to be refined, revised, upgraded, or built to accomplish deployment of core capabilities;

(2) shall certify to the Secretary that its commercial vehicle information systems and networks deployment activities, including hardware procurement, software and system development, and infrastructure modifications—

(A) are consistent with the national intelligent transportation systems and commercial
vehicle information systems and networks architectures and available standards; and

(B) promote interoperability and efficiency to the extent practicable; and

(3) shall agree to execute interoperability tests developed by the Federal Motor Carrier Safety Administration to verify that its systems conform with the national intelligent transportation systems architecture, applicable standards, and protocols for commercial vehicle information systems and networks.

(f) Federal Share.—The Federal share of the cost of a project payable from funds made available to carry out this section shall not exceed 50 percent. The total Federal share of the cost of a project payable from all eligible sources shall not exceed 80 percent.

(g) Definitions.—In this section, the following definitions apply:

(1) Commercial vehicle information systems and networks.—The term “commercial vehicle information systems and networks” means the information systems and communications networks that provide the capability to—

(A) improve the safety of commercial motor vehicle operations;
(B) increase the efficiency of regulatory inspection processes to reduce administrative burdens by advancing technology to facilitate inspections and increase the effectiveness of enforcement efforts;

(C) advance electronic processing of registration information, driver licensing information, fuel tax information, inspection and crash data, and other safety information;

(D) enhance the safe passage of commercial motor vehicles across the United States and across international borders; and

(E) promote the communication of information among the States and encourage multistate cooperation and corridor development.

(2) COMMERCIAL MOTOR VEHICLE OPERATIONS.—The term “commercial motor vehicle operations”—

(A) means motor carrier operations and motor vehicle regulatory activities associated with the commercial motor vehicle movement of goods, including hazardous materials, and passengers; and
(B) with respect to the public sector, in-
cludes the issuance of operating credentials, the
administration of motor vehicle and fuel taxes,
and roadside safety and border crossing inspec-
tion and regulatory compliance operations.

(3) CORE DEPLOYMENT.—The term “core de-
ployment” means the deployment of systems in a
State necessary to provide the State with the fol-
lowing capabilities:

(A) Safety information exchange to—

(i) electronically collect and transmit
commercial motor vehicle and driver in-
spection data at a majority of inspection
sites in the State;

(ii) connect to the safety and fitness
electronic records system for access to
interstate carrier and commercial motor
vehicle data, summaries of past safety per-
formance, and commercial motor vehicle
credentials information; and

(iii) exchange carrier data and com-
mercial motor vehicle safety and creden-
tials information within the State and con-
nect to such system for access to interstate
carrier and commercial motor vehicle data.
(B) Interstate credentials administration to—

(i) perform end-to-end processing, including carrier application, jurisdiction application processing, and credential issuance, of at least the international registration plan and international fuel tax agreement credentials and extend this processing to other credentials, including intrastate registration, vehicle titling, oversize vehicle permits, overweight vehicle permits, carrier registration, and hazardous materials permits;

(ii) connect to such plan and agreement clearinghouses; and

(iii) have at least 10 percent of the credentialing transaction volume in the State handled electronically and have the capability to add more carriers and to extend to branch offices where applicable.

(C) Roadside electronic screening to electronically screen transponder-equipped commercial vehicles at a minimum of one fixed or mobile inspection site in the State and to replicate this screening at other sites in the State.
(4) **Expanded Deployment.**—The term “expanded deployment” means the deployment of systems in a State that exceed the requirements of a core deployment of commercial vehicle information systems and networks, improve safety and the productivity of commercial motor vehicle operations, and enhance transportation security.

(h) **Repeal.**—Section 5209 of the Transportation Equity Act for the 21st Century (23 U.S.C. 502 note; 112 Stat. 460–461) is repealed.

**SEC. 4010. SAFETY FITNESS.**

(a) **In General.**—Subsection (a) of section 31144 of title 49, United States Code, is amended to read as follows:

“(a) **In General.**—The Secretary shall—

“(1) determine whether an owner or operator is fit to operate safely commercial motor vehicles, utilizing among other things the accident record of an owner or operator operating in interstate commerce and the accident record and safety inspection record of such owner or operator in operations that affect interstate commerce;

“(2) periodically update such safety fitness determinations;
“(3) make such final safety fitness determinations readily available to the public; and

“(4) prescribe by regulation penalties for violations of this section consistent with section 521.”.

(b) PROHIBITED TRANSPORTATION.—The first subsection (e) of such section 31144 is amended by adding at the end the following:

“(5) TRANSPORTATION AFFECTING INTERSTATE COMMERCE.—Owners or operators of commercial motor vehicles prohibited from operating in interstate commerce pursuant to paragraphs (1) through (3) may not operate any commercial motor vehicle that affects interstate commerce until the Secretary determines that such owner or operator is fit.”.

(e) DETERMINATION OF UNFITNESS BY A STATE.—Such section 31144 is further amended—

(1) by redesignating subsections (d), (e), and the second subsection (c) as subsections (e), (f), and (g), respectively;

(2) by inserting after the first subsection (e) the following:

“(d) DETERMINATION OF UNFITNESS BY A STATE.—If a State that receives a grant under section 31102 determines, by applying the standards prescribed by the Sec-
retary under subsection (b), that an owner or operator of
commercial motor vehicles that has its principal place of
business in that State and operates in intrastate com-
merce is unfit under such standards and prohibits the
owner or operator from operating such vehicles in the
State, the Secretary shall prohibit the owner or operator
from operating such vehicles in interstate commerce until
the State determines that the owner or operator is fit.”;
and

(3) in subsection (g) (as redesignated by para-
graph (1) of this subsection) by adding at the end
the following:

“(5) GRANTS FOR AUDITS.—From amounts de-
ducted under section 31104(f)(3), the Secretary may
make grants to States and local governments for
new entrant motor carrier audits under this sub-
section without requiring a matching contribution
from such States or local governments.

“(6) DOT AUDITS.—If the Secretary deter-
mines that a State or local government is unable to
use government employees to conduct new entrant
motor carrier audits, the Secretary may utilize the
funds deducted under section 31104(f)(3) to conduct
such audits in areas under the jurisdiction of such
State or local government.”.
SEC. 4011. PATTERN OF SAFETY VIOLATIONS BY MOTOR CARRIER OR BROKER MANAGEMENT.

(a) Duties of Employers and Employees.—Section 31135 of title 49, United States Code, is amended—

(1) by inserting “(a) IN GENERAL.—” before “Each”; and

(2) by adding at the end the following:

“(b) Pattern of Noncompliance.—If an officer of a motor carrier or broker engages in a pattern or practice of avoiding compliance, or masking or otherwise concealing noncompliance, with regulations prescribed under this chapter, the Secretary may suspend, amend, or revoke any part of the registration of the motor carrier or broker under section 13905.

“(c) List of Proposed Officers.—Each person seeking registration as a motor carrier under section 13902 or as a broker under section 13904 shall submit a list of the proposed officers of the motor carrier or broker. If the Secretary determines that any of the proposed officers has previously engaged in a pattern or practice of avoiding compliance, or masking or otherwise concealing noncompliance, with regulations prescribed under this chapter, the Secretary may deny the person’s application for registration as a motor carrier under section 13902(a)(3) or as a broker under section 13904(a).
“(d) REGULATIONS.—The Secretary shall by regulation establish standards to implement subsections (b) and (c) and a procedure to allow a person who is denied registration under subsection (c) or whose registration is suspended, amended, or revoked under subsection (b) to remedy the pattern or practice that results in the denial, suspension, amendment, or revocation.

“(e) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) MOTOR CARRIER AND BROKER.—The terms ‘motor carrier’ and ‘broker’ have the meanings such terms have under section 13102.

“(2) OFFICER.—The term ‘officer’ means an owner, chief executive officer, chief operating officer, chief financial officer, safety director, vehicle maintenance supervisor, and driver supervisor of a motor carrier, regardless of the title attached to those functions.”.

(b) MOTOR CARRIER REGISTRATION.—Section 13902(a)(1)(B) of such title is amended to read as follows:

“(B)(i) any safety regulations imposed by the Secretary;

“(ii) the duties of employers and employees established by the Secretary under section 31135; and
“(iii) the safety fitness requirements established by the Secretary under section 31144; and”.

SEC. 4012. MOTOR CARRIER RESEARCH AND TECHNOLOGY PROGRAM.

(a) IN GENERAL.—Section 31108 of title 49, United States Code, is amended to read as follows:

“§ 31108. Motor carrier research and technology program

“(a) RESEARCH, TECHNOLOGY, AND TECHNOLOGY TRANSFER ACTIVITIES.—

“(1) ESTABLISHMENT.—The Secretary of Transportation shall establish and carry out a motor carrier research and technology program.

“(2) MULTI-YEAR PLAN.—The program must include a multi-year research plan that focuses on nonredundant innovative research.

“(3) RESEARCH, DEVELOPMENT, AND TECHNOLOGY TRANSFER ACTIVITIES.—The Secretary may carry out under the program research, development, technology, and technology transfer activities with respect to—

“(A) the causes of accidents, injuries, and fatalities involving commercial motor vehicles;
“(B) means of reducing the number and severity of accidents, injuries, and fatalities involving commercial motor vehicles;

“(C) improving commercial motor vehicle and motor carrier safety, and industry efficiency, through technological improvement;

“(D) improving technology used by enforcement officers when conducting roadside inspections and compliance reviews to increase efficiency and information transfers; and

“(E) increasing the safety and security of hazardous materials transportation.

“(4) Tests and Development.—The Secretary may test, develop, or assist in testing and developing any material, invention, patented article, or process related to the research and technology program.

“(5) Training.—The Secretary may use the funds made available to carry out this section for training or education of commercial motor vehicle safety personnel, including training in accident reconstruction and detection of controlled substances or other contraband and stolen cargo or vehicles.

“(6) Procedures.—The Secretary may carry out this section—
“(A) independently;

“(B) in cooperation with other Federal depart-
ments, agencies, and instrumentalities and
Federal laboratories; or

“(C) by making grants to, or entering into
contracts, cooperative agreements, and other
transactions with, any Federal laboratory, State
agency, authority, association, institution, for-
profit or nonprofit corporation, organization,
foreign country, or person.

“(7) DEVELOPMENT AND PROMOTION OF USE
OF PRODUCTS.—The Secretary shall use funds made
available to carry out this section to develop, admin-
ister, communicate, and promote the use of products
of research, technology, and technology transfer pro-
grams under this section.

“(b) COLLABORATIVE RESEARCH AND DEVELOP-
MENT.—

“(1) IN GENERAL.—To advance innovative solu-
tions to problems involving commercial motor vehicle
and motor carrier safety, security, and efficiency,
and to stimulate the deployment of emerging tech-
nology, the Secretary may carry out, on a cost-
shared basis, collaborative research and development
with—
“(A) non-Federal entities, including State
and local governments, foreign governments,
colleges and universities, corporations, institu-
tions, partnerships, and sole proprietorships
that are incorporated or established under the
laws of any State; and

“(B) Federal laboratories.

“(2) COOPERATIVE AGREEMENTS.—In carrying
out this subsection, the Secretary may enter into co-
operative research and development agreements (as
defined in section 12 of the Stevenson-Wydler Tech-
nology Innovation Act of 1980 (15 U.S.C. 3710a)).

“(3) COST SHARING.—

“(A) FEDERAL SHARE.—The Federal
share of the cost of activities carried out under
a cooperative research and development agree-
ment entered into under this subsection shall
not exceed 50 percent; except that, if there is
substantial public interest or benefit associated
with any such activity, the Secretary may ap-
prove a greater Federal share.

“(B) TREATMENT OF DIRECTLY INCURRED
NON-FEDERAL COSTS.—All costs directly in-
curred by the non-Federal partners, including
personnel, travel, and hardware or software de-
velopment costs, shall be credited toward the 
non-Federal share of the cost of the activities 
described in subparagraph (A).

“(4) USE OF TECHNOLOGY.—The research, de-
velopment, or use of a technology under a coopera-
tive research and development agreement entered 
into under this subsection, including the terms 
under which the technology may be licensed and the 
resulting royalties may be distributed, shall be sub-
ject to the Stevenson-Wydler Technology Innovation 

“(c) FUNDING.—From amounts made available 
under section 31104(i), the Secretary shall make available 
$7,000,000 for each of fiscal years 2004 and 2005, 
$8,000,000 for each of fiscal years 2006 and 2007, 
$9,000,000 for fiscal year 2008, and $10,000,000 for fis-
cal year 2009 to carry out this section.”.

(b) CONFORMING AMENDMENT.—The analysis for 
chapter 311 of such title is amended by striking the item 
relating to section 31108 and inserting the following:

“31108. Motor carrier research and technology program.”.

SEC. 4013. INTERNATIONAL COOPERATION.

(a) IN GENERAL.—Chapter 311 of title 49, United 
States Code, is amended by adding at the end the fol-
lowing:
“SUBCHAPTER IV—MISCELLANEOUS

§31161. International cooperation

“The Secretary of Transportation is authorized to use funds made available by section 31104(i) to participate and cooperate in international activities to enhance motor carrier, driver, and highway safety by such means as exchanging information, conducting research, and examining needs, best practices, and new technology.”.

(b) Clerical Amendment.—The analysis for such chapter is amended by adding at the end the following:

“31161. International cooperation.”.

SEC. 4014. PERFORMANCE AND REGISTRATION INFORMATION SYSTEM MANAGEMENT.

(a) Design and Conditions for Participation.—Section 31106(b) of title 49, United States Code, is amended by striking paragraphs (2), (3), and (4) and inserting the following:

“(2) Design.—The program shall link Federal motor carrier safety information systems with State commercial vehicle registration and licensing systems and shall be designed to enable a State to—

“(A) determine the safety fitness of a motor carrier or registrant when licensing or registering the registrant or motor carrier or while the license or registration is in effect; and
“(B) deny, suspend, or revoke the commercial motor vehicle registrations of a motor carrier or registrant that has been issued an operations out-of-service order by the Secretary.

“(3) CONDITIONS FOR PARTICIPATION.—The Secretary shall require States, as a condition of participation in the program, to—

“(A) comply with the uniform policies, procedures, and technical and operational standards prescribed by the Secretary under subsection (a)(4); and

“(B) possess or seek the authority to deny, suspend, or revoke commercial motor vehicle registrations based on the issuance of an operations out-of-service order by the Secretary.”.

(b) PERFORMANCE AND REGISTRATION INFORMATION SYSTEM MANAGEMENT GRANTS.—

(1) IN GENERAL.—Subchapter I of chapter 311 of title 49, United States Code, is further amended by adding at the end the following:

“§31109. Performance and registration information system management

“(a) IN GENERAL.—The Secretary of Transportation may make a grant to a State to implement the perform-
ance and registration information system management require-
ments of section 31106(b).

“(b) Availability of Amounts.—Amounts made
available to a State under this section shall remain avail-
able until expended.”.

(2) Conforming Amendment.—The analysis
for such subchapter is amended by adding at the
end the following:

“31109. Performance and registration information system management.”.

SEC. 4015. DATA QUALITY IMPROVEMENT.

Section 31106(a)(3) of title 49, United States Code,
is amended—

(1) by striking “and” at the end of subpara-
graph (D);

(2) by striking the period at the end of sub-
paragraph (E) and inserting “; and”; and

(3) by adding at the end the following:

“(F) ensure, to the maximum extent prac-
tically, all the data is complete, timely, and ac-
curate across all information systems and ini-
tiatives.”.

SEC. 4016. COMPLETION OF UNIFORM CARRIER REGISTRA-
TION.

(a) In General.—Section 14504 of title 49, United
States Code, and the item relating to such section in anal-
ysis for chapter 145 of such title, are repealed.
(b) CONFORMING AMENDMENTS.—Section 13908 of such title is amended—

(1) in subsection (a) by striking “the single State registration system under section 14504,”;

(2) in subsection (b)—

(A) by striking paragraphs (2) and (3);

and

(B) by redesignating paragraphs (4), (5), and (6) as paragraphs (2), (3), and (4), respectively;

(3) by striking subsection (d); and

(4) by striking “(e) DEADLINE FOR CONCLUSION; MODIFICATION.—” and all that follows through “1996,” and inserting the following:

“(d) DEADLINE FOR COMPLETION.—Not later than 1 year after the date of enactment of the Transportation Equity Act: A Legacy for Users.”.

SEC. 4017. REGISTRATION OF MOTOR CARRIERS AND FREIGHT FORWARDERS.

(a) DEFINITIONS RELATING TO MOTOR CARRIERS.—

Paragraphs (6), (7), (12), and (13) of section 13102 of title 49, United States Code, are each amended by striking “motor vehicle” and inserting “commercial motor vehicle (as defined in section 31132)”. 

(b) Freight Forwarders.—Section 13903(a) of title 49, United States Code, is amended—

(1) by striking “The Secretary” and inserting the following:

“(1) Household Goods.—The Secretary”;

(2) by inserting “of household goods” after “freight forwarder”; and

(3) by adding at the end the following:

“(2) Others.—The Secretary may register a person to provide service subject to jurisdiction under subchapter III of chapter 135 as a freight forwarder (other than a freight forwarder of household goods) if the Secretary finds that such registration is needed for the protection of shippers and that the person is fit, willing, and able to provide the service and to comply with this part and applicable regulations of the Secretary and Board.”.

SEC. 4018. DEPOSIT OF CERTAIN CIVIL PENALTIES INTO HIGHWAY TRUST FUND.

Sections 31138(d)(5) and 31139(f)(5) of title 49, United States Code, are each amended by striking “Treasury as miscellaneous receipts” and inserting “Highway Trust Fund (other than the Mass Transit Account)”.

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SEC. 4019. OUTREACH AND EDUCATION.

(a) In General.—The Secretary shall conduct, through any combination of grants, contracts, or cooperative agreements, an outreach and education program to be administered by the Federal Motor Carrier Safety Administration and the National Highway Traffic Safety Administration.

(b) Program Elements.—The program shall include, at a minimum, the following:

(1) A program to promote a more comprehensive and national effort to educate commercial motor vehicle drivers and passenger vehicle drivers about how commercial motor vehicle drivers and passenger vehicle drivers can more safely share the road with each other.

(2) A program to promote enhanced traffic enforcement efforts aimed at reducing the incidence of the most common unsafe driving behaviors that cause or contribute to crashes involving commercial motor vehicles and passenger vehicles.

(3) A program to establish a public-private partnership to provide resources and expertise for the development and dissemination of information relating to sharing the road referred to in paragraphs (1) and (2) to each partner’s constituents and to the general public through the use of bro-
chures, videos, paid and public advertisements, the
Internet, and other media.

(c) **FEDERAL SHARE.**—The Federal share of a pro-
gram or activity for which a grant is made under this sec-
tion shall be 100 percent of the cost of such program or
activity.

(d) **ANNUAL REPORT.**—The Secretary shall prepare
and transmit to Congress an annual report on the pro-
grams and activities carried out under this section.

(e) **FUNDING.**—From amounts made available under
section 31104(i) of title 49, United States Code, the Sec-
retary shall make available $1,250,000 to the Federal
Motor Carrier Safety Administration, and $3,750,000 to
the National Highway Traffic Safety Administration, for
2009 to carry out this section.

**SEC. 4020. INSULIN TREATED DIABETES MELLITUS.**

(a) **NO PERIOD OF COMMERCIAL DRIVING WHILE
USING INSULIN REQUIRED FOR QUALIFICATION.**—The
Secretary may not require individuals with insulin-treated
diabetes mellitus to have experience operating commercial
motor vehicles while using insulin in order to qualify to
operate a commercial motor vehicle in interstate com-
merce.
(b) Minimum period of insulin use.—Subject to subsection (a), the Secretary shall require individuals with insulin-treated diabetes mellitus to have a minimum period of insulin use to demonstrate stable control of diabetes before operating a commercial motor vehicle in interstate commerce. For individuals who have been newly diagnosed with type 1 diabetes, the minimum period of insulin use may not exceed 2 months, unless directed by the treating physician. For individuals who have type 2 diabetes and are converting to insulin use, the minimum period of insulin use may not exceed 1 month, unless directed by the treating physician.

(c) Limitations.—Insulin-treated individuals may not be held by the Secretary to a higher standard of physical qualification in order to operate a commercial motor vehicle in interstate commerce than other individuals applying to operate, or operating, a commercial motor vehicle in interstate commerce; except to the extent that limited operating, monitoring, and medical requirements are deemed medically necessary under regulations issued by the Secretary.

SEC. 4021. GRANT PROGRAM FOR COMMERCIAL MOTOR VEHICLE OPERATORS.

(a) Establishment.—The Secretary shall establish a grant program for training operators of commercial
motor vehicles (as defined in section 31301 of title 49, United States Code). The purpose of the program shall be to train operators and future operators in the safe use of such vehicle.

(b) FEDERAL SHARE.—The Federal share of the cost for which a grant is made under this section shall be 80 percent.

c) FUNDING.—From amounts made available under section 31104(i) of title 49, United States Code, the Secretary shall make available $1,000,000 for each of fiscal years 2004, 2005, 2006, 2007, 2008, and 2009 to carry out this section.

SEC. 4022. COMMERCIAL MOTOR VEHICLE SAFETY ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary shall establish a commercial motor vehicle safety advisory committee to provide advice and recommendations to the Secretary on commercial motor vehicle safety regulations and other matters relating to activities and functions of the Federal Motor Carrier Safety Administration.

(b) COMPOSITION.—The members of the advisory committee shall be appointed by the Secretary and shall include representatives of the motor carrier industry, drivers, safety advocates, manufacturers, safety enforcement officials, law enforcement agencies of border States, and
other individuals affected by rulemakings under consider-
ation by the Department of Transportation. Representa-
tives of a single interest group may not constitute a major-
ity of the members of the advisory committee.

(c) **TERMINATION DATE.**—The advisory committee
shall remain in effect until September 30, 2009.

**SEC. 4023. SAFETY DATA IMPROVEMENT PROGRAM.**

(a) **IN GENERAL.**—The Secretary shall make grants
to States for projects and activities to improve the accu-
racy, timeliness, and completeness of commercial motor
vehicle safety data reported to the Secretary.

(b) **ELIGIBILITY.**—A State shall be eligible for a
grant under this section in a fiscal year if the Secretary
determines that the State has—

(1) conducted a comprehensive audit of its com-
mercial motor vehicle safety data system within the
preceding 2 years;

(2) developed a plan that identifies and
prioritizes its commercial motor vehicle safety data
needs and goals; and

(3) identified performance-based measures to
determine progress toward those goals.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There is
authorized to be appropriated from the Highway Trust
Fund (other than the Mass Transit Account) to carry out
this section $3,000,000 for each of fiscal years 2004 though 2009.

(d) APPLICABILITY OF TITLE 23, UNITED STATES CODE.—Funds authorized to be appropriated by this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project or activity carried out using such funds shall be 80 percent and such funds shall remain available until expended.

(e) BIENNIAL REPORT.—Not later 2 years after the date of enactment of this Act, and biennially thereafter, the Secretary shall transmit to Congress a report on the activities and results of the program carried out under this section, together with any recommendations the Secretary determines appropriate.

SEC. 4024. HOUSEHOLD GOODS TRANSPORTATION.

[Reserved.]

SEC. 4025. COMMERCIAL DRIVER'S LICENSE INFORMATION SYSTEM IMPROVEMENTS.

[Reserved.]

SEC. 4026. TECHNICAL CORRECTIONS.

(a) INTERMODAL TRANSPORTATION ADVISORY BOARD.—Section 5502(b) of title 49, United States Code, is amended—
(1) by striking “and” at the end of paragraph (4);
(2) by striking the period at the end of paragraph (5) and inserting “; and”; and
(3) by adding at the end the following:
“(6) the Federal Motor Carrier Safety Administration.”.

(b) Reference to Agency.—Section 31502(c) of such title is amended—
(1) in paragraph (2) by striking “Regional Director of the Federal Highway Administration” and inserting “Field Administrator of the Federal Motor Carrier Safety Administration”; and
(2) in paragraph (3) by striking “Regional Director” and inserting “Field Administrator”.

TITLE V—TRANSPORTATION RESEARCH AND EDUCATION
Subtitle A—Funding
SEC. 5101. AUTHORIZATION OF APPROPRIATIONS.
(a) In General.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):
(1) Surface Transportation Research, Development, and Deployment Program.—To carry out sections 502, 503, 506, 507, 509, and 510
of title 23, United States Code, and sections 5207, 5210, 5211, and 5402 of this title—

(A) $360,000,000 for fiscal year 2004;
(B) $352,000,000 for fiscal year 2005;
(C) $352,000,000 for fiscal year 2006;
(D) $352,000,000 for fiscal year 2007;
(E) $354,000,000 for fiscal year 2008; and
(F) $356,000,000 for fiscal year 2009.

(2) Training and Education.—To carry out section 504 of title 23, United States Code, and section 5211 of this Act, $40,000,000 for each of fiscal years 2004 through 2009.

(3) Bureau of Transportation Statistics.—For the Bureau of Transportation Statistics to carry out section 111 of title 49, United States Code, $35,000,000 for each of fiscal years 2004 through 2009.

(4) University Transportation Research.—To carry out sections 5505 and 5506 of title 49, United States Code, $90,000,000 for each of fiscal years 2004 through 2009.

(5) Intelligent Transportation Systems Research.—To carry out subtitle F of this title, $138,000,000 for each of fiscal years 2004 through 2009.
(b) Applicability of Title 23, United States Code.—Funds authorized to be appropriated by subsection (a) shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the cost of a project or activity carried out using such funds shall be 50 percent, unless otherwise expressly provided by this Act (including the amendments made by this Act) or otherwise determined by the Secretary, and such funds shall remain available until expended.

SEC. 5002. OBLIGATION CEILING.

Notwithstanding any other provision of law, the total of all obligations from amounts made available from the Highway Trust Fund (other than the Mass Transit Account) by section 5001(a) of this Act shall not exceed $658,000,000 for fiscal year 2004, $660,000,000 for fiscal year 2005, $661,000,000 for fiscal year 2006, $662,000,000 for fiscal year 2007, $663,000,000 for fiscal year 2008, and $664,000,000 for fiscal year 2009.

Subtitle B—Research, Technology, and Education

SEC. 5201. RESEARCH, TECHNOLOGY, AND EDUCATION.

(a) Research, Technology, and Education.—Title 23, United States Code, is amended—
(1) in the table of chapters by striking the item relating to chapter 5 and inserting the following:

“5. Research, Technology, and Education ................................................ 501”;

and

(2) by striking the heading for chapter 5 and inserting the following:

“CHAPTER 5—RESEARCH, TECHNOLOGY, AND EDUCATION”.

(b) STATEMENT OF PRINCIPLES GOVERNING RESEARCH AND TECHNOLOGY INVESTMENTS.—Section 502 of such title is amended—

(1) by redesignating subsections (a) through (g) as subsections (b) through (h), respectively; and

(2) by inserting before subsection (b) (as so redesignated) the following:

“(a) BASIC PRINCIPLES GOVERNING RESEARCH AND TECHNOLOGY INVESTMENTS.—

“(1) COVERAGE.—Surface transportation research and technology development shall include all activities leading to technology development and transfer, as well as the introduction of new and innovative ideas, practices, and approaches, through such mechanisms as field applications, education and training, and technical support.

“(2) FEDERAL RESPONSIBILITY.—Funding and conducting surface transportation research and tech-
technology transfer activities shall be considered a basic responsibility of the Federal Government when the work—

“(A) is of national significance;

“(B) supports research in which there is a clear public benefit and private sector investment is less than optimal;

“(C) supports a Federal stewardship role in assuring that State and local governments use national resources efficiently; or

“(D) presents the best means to support Federal policy goals compared to other policy alternatives.

“(3) ROLE.—Consistent with these Federal responsibilities, the Secretary shall—

“(A) conduct research;

“(B) support and facilitate research and technology transfer activities by State highway agencies;

“(C) share results of completed research; and

“(D) support and facilitate technology and innovation deployment.

“(4) PROGRAM CONTENT.—A surface transportation research program shall include—
“(A) fundamental, long-term highway research;

“(B) research aimed at significant highway research gaps and emerging issues with national implications; and

“(C) research related to policy and planning.

“(5) STAKEHOLDER INPUT.—Federally sponsored surface transportation research and technology development activities shall address the needs of partners and stakeholders, and provide for stakeholder input in preparation of a strategic plan for surface transportation research and technology development.

“(6) COMPETITION.—To the greatest extent possible, investment decisions for surface transportation research and technology development activities shall be based on the well-established principles of competition and merit review.

“(7) PERFORMANCE REVIEW.—Surface transportation research and technology development activities shall include a component of performance measurement.”.

(c) PROCUREMENT FOR RESEARCH, DEVELOPMENT, AND TECHNOLOGY TRANSFER ACTIVITIES.—Section
502(b)(3) of such title (as redesignated by subsection (b) of this section) is amended to read as follows:

“(3) COOPERATION, GRANTS, AND CONTRACTS.—The Secretary may carry out research, development, and technology transfer activities related to transportation—

“(A) independently;

“(B) in cooperation with other Federal departments, agencies, and instrumentalities and Federal laboratories; or

“(C) by making grants to, or entering into contracts, cooperative agreements, and other transactions with one or more of the following: the National Academy of Sciences, the American Association of State Highway and Transportation Officials, any Federal laboratory, Federal agency, State agency, authority, association, institution, for-profit or nonprofit corporation, organization, foreign country, any other person.”.

(d) TRANSPORTATION POOLED FUND PROGRAM.—Section 502(b) of such title (as redesignated by subsection (b) of this section), is amended by adding at the end the following:

“(6) POOLED FUNDING.—
“(A) Cooperation.—To promote effective utilization of available resources, the Secretary may cooperate with the States and other appropriate agencies in funding research, development, and technology transfer activities of mutual interest on a pooled funds basis.

“(B) Secretary as Agent.—The Secretary may enter into contracts, cooperative agreements, grants, and other transactions as agent for all participating parties in carrying out such research, development, or technology transfer.”.

(e) Operations Elements in Research Activities.—Section 502 of such title is further amended—

(1) in subsection (b)(1) (as redesignated by subsection (b) of this section) by striking subparagraphs (B) and (C) and inserting the following:

“(B) all phases of transportation planning and development (including construction, operation, transportation system management and operations, modernization, development, design, maintenance, safety, financing, and traffic conditions); and

“(C) the effect of State laws on the activities described in subparagraphs (A) and (B).”;}
(2) in subsection (d)(5)(C) (as redesignated by subsection (b) of this section) by inserting “system management and” after “transportation”; and

(3) by inserting at the end of subsection (d) (as redesignated by subsection (b) of this section) the following:

“(12) Investigation and development of various operational methodologies to reduce the occurrence and impact of recurrent congestion and nonrecurrent congestion and increase transportation system reliability.

“(13) Investigation of processes, procedures, and technologies to secure container and hazardous material transport, including the evaluation of regulations and the impact of good security practices on commerce and productivity.

“(14) Research, development, and technology transfer related to asset management.”.

(f) FACILITATING TRANSPORTATION RESEARCH AND TECHNOLOGY DEPLOYMENT PARTNERSHIPS.—Section 502(c)(2) of such title (as redesignated by subsection (b) of this section) is amended to read as follows:

“(2) COOPERATION, GRANTS, CONTRACTS, AND AGREEMENTS.—Notwithstanding any other provision of law, the Secretary may directly initiate contracts,
cooperative research and development agreements
(as defined in section 12 of the Stevenson-Wydler
3710a)), and other transactions to fund, and accept
funds from, the Transportation Research Board of
the National Research Council of the National Acad-
emy of Sciences, State departments of transpor-
tation, cities, counties, and their agents to conduct
joint transportation research and technology ef-
forts.”.

(g) EXPLORATORY ADVANCED RESEARCH PRO-
gram.—Section 502(e) of such title (as redesignated by
subsection (b) of this section) is amended to read as fol-
lows:

“(e) EXPLORATORY ADVANCED RESEARCH.—
“(1) IN GENERAL.—The Secretary shall estab-
lish an exploratory advanced research program, con-
sistent with the surface transportation research and
technology development strategic plan developed
under section 508 that involves and draws upon
basic research results to provide a better under-
standing of problems and develop innovative solu-
tions. In carrying out the program, the Secretary
shall strive to develop partnerships with public and
private sector entities.
“(2) RESEARCH AREAS.—In carrying out the
program, the Secretary may make grants and enter
into cooperative agreements and contracts in such
areas of surface transportation research and tech-
nology as the Secretary determines appropriate, in-
cluding the following:

“(A) Characterization of materials used in
highway infrastructure, including analytical
techniques, microstructure modeling, and the
deterioration processes.

“(B) Assessment of the effects of transpor-
tation decisions on human health.

“(C) Development of surrogate measures
of safety.

“(D) Environmental research.

“(E) Data acquisition techniques for sys-

tem condition and performance monitoring.

“(F) System performance data and infor-

mation processing needed to assess the day-to-
day operational performance of the system in
support of hour-to-hour operational decision-

making.”.

(h) LONG-TERM PAVEMENT PERFORMANCE PRO-

GRAM.—
(1) IN GENERAL.—Section 502(f) of such title (as redesignated by subsection (b) of this section) is amended to read as follows:

“(f) LONG-TERM PAVEMENT PERFORMANCE PROGRAM.—

“(1) AUTHORITY.—The Secretary shall complete the 20-year long-term pavement performance program tests initiated under the strategic highway research program established under section 307(d) (as in effect on June 8, 1998).

“(2) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary shall make grants and enter into cooperative agreements and contracts to—

“(A) monitor, material-test, and evaluate highway test sections in existence as of the date of the grant, agreement, or contract;

“(B) analyze the data obtained under subparagraph (A); and

“(C) prepare products to fulfill program objectives and meet future pavement technology needs.”.

(2) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $30,000,000 for each of fiscal years 2004 through 2009 shall be
available to carry out section 502(f) of title 23, United States Code.

(i) TURNER-FAIRBANK HIGHWAY RESEARCH CENTER.—Section 502 of title 23, United States Code, is further amended by adding at the end the following:

“(i) TURNER-FAIRBANK HIGHWAY RESEARCH CENTER.—

“(1) IN GENERAL.—The Secretary shall operate in the Federal Highway Administration a Turner-Fairbank Highway Research Center.

“(2) USES OF THE CENTER.—The Turner-Fairbank Highway Research Center shall support—

“(A) the conduct of highway research and development related to new highway technology;

“(B) the development of understandings, tools, and techniques that provide solutions to complex technical problems through the development of economical and environmentally sensitive designs, efficient and quality-controlled construction practices, and durable materials; and

“(C) the development of innovative highway products and practices.”.
SEC. 5202. LONG-TERM BRIDGE PERFORMANCE PROGRAM; INNOVATIVE BRIDGE RESEARCH AND DEPLOYMENT PROGRAM.

(a) LONG-TERM BRIDGE PERFORMANCE PROGRAM.—

(1) IN GENERAL.—Section 502 of title 23, United States Code, is further amended by adding at the end the following:

“(j) LONG-TERM BRIDGE PERFORMANCE PROGRAM.—

“(1) AUTHORITY.—The Secretary shall establish a 20-year long-term bridge performance program.

“(2) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary shall make grants and enter into cooperative agreements and contracts to—

“(A) monitor, material-test, and evaluate test bridges;

“(B) analyze the data obtained under subparagraph (A); and

“(C) prepare products to fulfill program objectives and meet future bridge technology needs.”.

(2) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $25,000,000 for
each of fiscal years 2004 through 2009 shall be available to carry out section 502(j) of title 23, United States Code.

(b) INNOVATIVE BRIDGE RESEARCH AND DEPLOYMENT PROGRAM.—

(1) IN GENERAL.—Section 503(b)(1) of such title is amended to read as follows:

“(1) IN GENERAL.—The Secretary shall establish and carry out a program to promote, demonstrate, evaluate, and document the application of innovative designs, materials, and construction methods in the construction, repair, and rehabilitation of bridges and other highway structures.”.

(2) GOALS.—Section 503(b)(2) of such title is amended to read as follows:

“(2) GOALS.—The goals of the program shall include—

“(A) the development of new, cost-effective, innovative highway bridge applications;

“(B) the development of construction techniques to increase safety and reduce construction time and traffic congestion;

“(C) the development of engineering design criteria for innovative products, materials, and
structural systems for use in highway bridges and structures;

“(D) the reduction of maintenance costs and life-cycle costs of bridges, including the costs of new construction, replacement, or rehabilitation of deficient bridges;

“(E) the development of highway bridges and structures that will withstand natural disasters;

“(F) the documentation and wide dissemination of objective evaluations of the performance and benefits of these innovative designs, materials, and construction methods;

“(G) the effective transfer of resulting information and technology; and

“(H) the development of improved methods to detect bridge scour and economical bridge foundation designs that will withstand bridge scour.”.

(3) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $20,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out section 503(b) of title 23, United States Code.
SEC. 5203. SURFACE TRANSPORTATION ENVIRONMENT AND PLANNING COOPERATIVE RESEARCH PROGRAM.

(a) In General.—Section 507 of title 23, United States Code, is amended to read as follows:

“§ 507. Surface transportation environment and planning cooperative research program

“(a) Establishment.—The Secretary shall establish and carry out a collaborative, public-private surface transportation environment and planning cooperative research program.

“(b) Agreement.—The Secretary shall enter into an agreement with the National Academy of Sciences to carry out administrative and management activities relating to the governance of the surface transportation environment and planning cooperative research program.

“(c) Advisory Committee.—

“(1) Establishment.—The Secretary shall establish a committee that will be responsible for program oversight and project selection.

“(2) Membership.—The members of the committee shall be appointed by the Secretary and shall be composed of—

“(A) representatives of State, regional, and local transportation agencies, including transit agencies;
“(B) representatives of State environmental agencies and other environmental organizations;

“(C) representatives of the transportation private sector;

“(D) transportation and environmental scientists and engineers; and

“(E) representatives of the Federal Highway Administration, Federal Transit Administration, Environmental Protection Agency, United States Fish and Wildlife Service, Corps of Engineers, American Association of State Highway and Transportation Officials, and American Public Transportation Association, who shall serve in an ex officio capacity.

“(3) BALANCE.—The majority of the committee’s voting members shall be representatives of government transportation agencies.

“(4) MEETINGS.—The National Academy of Sciences shall convene meetings of the committee.

“(d) GOVERNANCE.—The program established under this section shall include the following administrative and management elements:

“(1) NATIONAL RESEARCH AGENDA.—The advisory committee, in consultation with interested par-
ties, shall develop, recommend, and periodically update a national research agenda for the program. The national research agenda shall include a multiyear strategic plan.

“(2) INVOLVEMENT.—Interested parties may—

“(A) submit research proposals;

“(B) participate in merit reviews of research proposals and peer reviews of research products; and

“(C) receive research results.

“(3) OPEN COMPETITION AND PEER REVIEW OF RESEARCH PROPOSALS.—The National Academy of Sciences may award under the program research contracts and grants through open competition and merit review conducted on a regular basis.

“(4) EVALUATION OF RESEARCH.—

“(A) PEER REVIEW.—Research contracts and grants may allow peer review of the research results.

“(B) PROGRAMMATIC EVALUATIONS.—The National Academy of Sciences may conduct periodic programmatic evaluations on a regular basis.

“(5) DISSEMINATION OF RESEARCH FINDINGS.—The National Academy of Sciences shall dis-
seminate research findings to researchers, practitioners, and decisionmakers, through conferences and seminars, field demonstrations, workshops, training programs, presentations, testimony to government officials, World Wide Web, and publications for the general public.

“(e) CONTENTS.—The national research agenda for the program required under subsection (d)(1) shall include research in the following areas for the purposes described:

“(1) HUMAN HEALTH.—Human health to establish the links between transportation activities and human health; substantiate the linkages between exposure to concentration levels, emissions, and health impacts; examine the potential health impacts from the implementation and operation of transportation infrastructure and services; develop strategies for avoidance and reduction of these impacts; and develop strategies to understand the economic value of health improvements and for incorporating health considerations into valuation methods.

“(2) ECOLOGY AND NATURAL SYSTEMS.—Ecology and natural systems to measure transportation’s short- and long-term impact on natural systems; develop ecologically based performance measures; develop insight into both the spatial and temporal
issues associated with transportation and natural systems; study the relationship between highway density and ecosystem integrity, including the impacts of highway density on habitat integrity and overall ecosystem health; develop a rapid assessment methodology for use by transportation and regulatory agencies in determining the relationship between highway density and ecosystem integrity; and develop ecologically based performance techniques to evaluate the success of highway project mitigation and enhancement measures.

“(3) **ENVIRONMENTAL AND SOCIOECONOMIC RELATIONSHIPS.**—Environmental and socioeconomic relationships to understand differences in mobility, access, travel behavior, and travel preferences across socioeconomic groups; develop improved planning approaches that better reflect and respond to community needs; improve evaluation methods for examining the incidence of benefits and costs; examine the differential impacts of current methods of finance and explore alternatives; understand the socioeconomic implications of emerging land development patterns and new transportation technologies; develop cost-effective applications of technology that improve the equity of the transport system; and de-
develop improved methods for community involvement, collaborative planning, and conflict resolution.

“(4) **EMERGING TECHNOLOGIES.**—Emerging technologies to assist in the transition to environmentally benign fuels and vehicles for passengers and freight; develop responses to and demand for new technologies that could offer improved environmental performance; identify possible applications of intelligent transportation systems technologies for environmental benefit; develop policy instruments that would encourage the development of beneficial new technologies in a cost-effective manner; and respond to the impact of new technologies.

“(5) **LAND USE.**—Land use to assess land consumption trends and contributing factors of transportation investment, housing policies, school quality, and consumer preferences; incorporate impacts of transportation investments on location decision and land use; identify the costs and benefits of current development patterns and their transportation implications; determine the effect of the built environment on people’s willingness to walk, drive, or take public transportation; determine the roles of public policy and institutional arrangements in current and prospective land use and transportation
choices; and develop improved data, methods, and processes for considering land use, transportation, and the environment in an integrated, systematic fashion.

“(6) Planning and performance measures.—Planning and performance measures to improve understanding of travel needs and preferences; improve planning methods for system analysis, forecasting, and decisionmaking; expand information on consumer choice processes and travel and activity patterns for both local and long-distance trips and both passenger and freight transportation analysis of social, environmental, and economic benefits and cost of various transport options; develop tools for measuring and forecasting complex transportation decisions for all modes and users; and develop performance measures and policy analysis approaches that can be used to determine effectiveness.

“(7) Other research areas.—Other research areas to identify and address the emerging and future surface transportation research needs related to planning and environment.

“(f) Funding.—

“(1) Federal share.—The Federal share of the cost of an activity carried out under this section
shall be up to 100 percent, and such funds shall re-
main available until expended.

“(2) USE OF NON-FEDERAL FUNDS.—In addi-
tion to using funds authorized to be appropriated to
carry out this section, the National Academy of
Sciences may seek and accept additional funding
sources to carry out this section from public and pri-

tate entities capable of attracting and accepting
funding from the Department of Transportation,
Environmental Protection Agency, Department of
Energy, United States Fish and Wildlife Service,
and other Federal environmental agencies, States,
local governments, nonprofit foundations, and the
private sector.”.

(b) CONFORMING AMENDMENT.—The analysis for
chapter 5 of such title is amended by striking the item
relating to section 507 and inserting the following:

“507. Surface transportation environment and planning cooperative research
program.”.

(e) FUNDING.—Of the amounts made available by
section 5101(a)(1) of this Act, $20,000,000 for each of
fiscal years 2004 through 2009 shall be available to carry
out section 507 of title 23, United States Code.

SEC. 5204. TECHNOLOGY DEPLOYMENT.

(a) TECHNOLOGY DEPLOYMENT PROGRAM.—Section
503(a) of title 23, United States Code, is amended—
(1) in the subsection heading by striking “INITIATIVES AND PARTNERSHIPS”;

(2) by striking paragraph (1) and inserting the following:

“(1) ESTABLISHMENT.—The Secretary shall develop and administer a national technology deployment program.”;

(3) by striking paragraph (7) and inserting the following:

“(7) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—

“(A) IN GENERAL.—Under the program, the Secretary shall make grants to, and enter into cooperative agreements and contracts with, 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 activities concerning innovative materials.

“(B) APPLICATIONS.—To receive a grant under this subsection, an entity described in subparagraph (A) shall submit an application to the Secretary. The application shall be in such form and contain such information as the Sec-
retary may require. The Secretary shall select and approve an application based on whether the project that is the subject of the grant meets the purpose of the program described in paragraph (2).”; and

(4) by striking paragraph (8) and inserting the following:

“(8) TECHNOLOGY AND INFORMATION TRANSFER.—The Secretary shall ensure that the information and technology resulting from research conducted under paragraph (3) is made available to State and local transportation departments and other interested parties as specified by the Secretary.”.

(b) INNOVATIVE PAVEMENT RESEARCH AND DEPLOYMENT PROGRAM.—

(1) IN GENERAL.—Section 503 of such title is further amended by adding at the end the following:

“(c) INNOVATIVE PAVEMENT RESEARCH AND DEPLOYMENT PROGRAM.—

“(1) IN GENERAL.—The Secretary shall establish and implement a program to promote, demonstrate, support, and document the application of innovative pavement technologies, practices, performance, and benefits.
“(2) GOALS.—The goals of the innovative pavement research and deployment program shall include—

“(A) the deployment of new, cost-effective, innovative designs, materials, and practices to extend pavement life and performance and to improve customer satisfaction;

“(B) the reduction of initial costs and life-cycle costs of pavements, including the costs of new construction, replacement, maintenance, and rehabilitation;

“(C) the deployment of accelerated construction techniques to increase safety and reduce construction time and traffic disruption and congestion;

“(D) the deployment of engineering design criteria and specifications for innovative practices, products, and materials for use in highway pavements;

“(E) the deployment of new nondestructive and real-time pavement evaluation technologies and techniques;

“(F) the evaluation, refinement, and documentation of the performance and benefits of innovative technologies deployed to improve life,
performance, cost effectiveness, safety, and cus-
tomer satisfaction;

“(G) effective technology transfer and in-
formation dissemination to accelerate imple-
mentation of innovative technologies and to im-
prove life, performance, cost effectiveness, safe-
ty, and customer satisfaction; and

“(H) the development of designs and mate-
rials to reduce storm water runoff.

“(3) RESEARCH TO IMPROVE NHS PAVE-
MENT.—The Secretary shall obligate not less than
$10,000,000 per fiscal year from funds made avail-
able to carry out this subsection to conduct research
to improve asphalt pavement, concrete pavement,
and aggregates used in highways on the National
Highway System.”.

(2) FUNDING.—Of the amounts made available
by section 5101(a)(1) of this Act, $25,000,000 for
each of fiscal years 2004 through 2009 shall be
available to carry out section 503(c) of title 23,
United States Code.

(c) SAFETY INNOVATION DEPLOYMENT PROGRAM.—

(1) IN GENERAL.—Section 503 of such title is
further amended by adding the following:
“(d) SAFETY INNOVATION DEPLOYMENT PROGRAM.—

“(1) IN GENERAL.—The Secretary shall establish and implement a program to demonstrate the application of innovative technologies in highway safety.

“(2) GOALS.—The goals of the program shall include—

“(A) the deployment and evaluation of safety technologies and innovations at State and local levels; and

“(B) the deployment of best practices in training, management, design, and planning.

“(3) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—

“(A) IN GENERAL.—Under the program, the Secretary shall make grants to, and enter into cooperative agreements and contracts with, States, other Federal agencies, universities and colleges, private sector entities, and nonprofit organizations for research, development, and technology transfer for innovative safety technologies.

“(B) APPLICATIONS.—To receive a grant under this subsection, an entity described in
subparagraph (A) shall submit an application to
the Secretary. The application shall be in such
form and contain such information as the Sec-
retary may require. The Secretary shall select
and approve the applications based on whether
the project that is the subject of the application
meets the goals of the program described in
paragraph (2).

“(4) TECHNOLOGY AND INFORMATION TRANS-
FER.—The Secretary shall take such action as is
necessary to ensure that the information and tech-
ology resulting from research conducted under
paragraph (3) is made available to State and local
transportation departments and other interested
parties as specified by the Secretary.”.

(2) FUNDING.—Of the amounts made available
by section 5101(a)(1) of this Act, $20,000,000 for
each of fiscal years 2004 through 2009 shall be
available to carry out section 503(d) of title 23,
United States Code.

(d) AUTHORITY TO PURCHASE PROMOTIONAL
ITEMS.—Section 503 of such title is further amended by
adding at the end the following:

“(e) PROMOTIONAL AUTHORITY.—Funds authorized
to be appropriated for necessary expenses for administra-
tion and operation of the Federal Highway Administration shall be available to purchase promotional items of nominal value for use in the recruitment of individuals and to promote the programs of the Federal Highway Administration.”.

SEC. 5205. TRAINING AND EDUCATION.

(a) NATIONAL HIGHWAY INSTITUTE.—

(1) IN GENERAL.—Section 504(a)(3) of title 23, United States Code, is amended to read as follows:

“(3) COURSES.—The Institute may develop and administer courses in modern developments, techniques, methods, regulations, management, and procedures in areas, including surface transportation, environmental mitigation, compliance, stewardship, and streamlining, acquisition of rights-of-way, relocation assistance, engineering, safety, transportation system management and operations, construction, maintenance, contract administration, inspection, and highway finance.”.

(2) FUNDING.—Of the amounts made available by section 5101(a)(2) of this Act, $8,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out section 504(a) of title 23, United States Code.
(b) **Local Technical Assistance Program.**—

(1) **In General.**—Section 504(b) of such title is amended by adding at the end the following:

“(3) **Federal share.**—

“(A) **Grants.**—A grant under this subsection may be used to pay up to 50 percent of local technical assistance program costs. Funds available for technology transfer and training purposes under this title and title 49 may be used to cover the remaining 50 percent of the program costs.

“(B) **Tribal Technical Assistance Centers.**—The Federal share of the cost of activities carried out by the tribal technical assistance centers under paragraph (2)(D)(ii) shall be 100 percent.”.

(2) **Funding.**—Of the amounts made available by section 5101(a)(2) of this Act, $15,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out section 504(b) of title 23, United States Code.

(c) **Eisenhower Transportation Fellowship Program.**—Of the amounts made available by section 5101(a)(2) of this Act, $3,000,000 for each of fiscal years
2004 through 2009 shall be available to carry out section 504(e)(2) of title 23, United States Code.

(d) GARRETT MORGAN PROGRAM.—[Reserved.]  
(e) SURFACE TRANSPORTATION WORKFORCE DEVELOPMENT, TRAINING, AND EDUCATION.—Section 504 of such title is amended by adding at the end the following:

“(d) SURFACE TRANSPORTATION WORKFORCE DEVELOPMENT, TRAINING, AND EDUCATION.—

“(1) FUNDING.—Subject to project approval by the Secretary, a State may obligate funds apportioned to the State under sections 104(b)(1), 104(b)(2), 104(b)(3), 104(b)(4), and 144(e) for surface transportation workforce development, training and education, including—

“(A) tuition and direct educational expenses, excluding salaries, in connection with the education and training of employees of State and local transportation agencies;

“(B) employee professional development;

“(C) student internships;

“(D) university or community college support; and
“(E) education activities, including outreach, to develop interest and promote participation in surface transportation careers.

“(2) Federal share.—The Federal share of the cost of activities carried out in accordance with this subsection shall be 100 percent.

“(3) Surface transportation workforce development, training, and education defined.—In this subsection, the term ‘surface transportation workforce development, training, and education’ means activities associated with surface transportation career awareness, student transportation career preparation, and training and professional development for surface transportation workers, including activities for women and minorities.”.

(f) Definitions and Declaration of Policy.—

Section 101(a)(3) of such title is amended—

(1) by striking “and” at the end of subparagraph (G);

(2) by striking the period at the end of subparagraph (H) and inserting “; and”;

(3) by adding at the end the following:

“(I) surface transportation workforce development, training, and education.”.
SEC. 5206. FREIGHT PLANNING CAPACITY BUILDING.

(a) IN GENERAL.—Section 504 of title 23, United States Code, is amended by adding at the end the following:

“(e) FREIGHT CAPACITY BUILDING PROGRAM.—

“(1) ESTABLISHMENT.—The Secretary shall establish a freight planning capacity building initiative to support enhancements in freight transportation planning in order to—

“(A) better target investments in freight transportation systems to maintain efficiency and productivity; and

“(B) strengthen the decisionmaking capacity of State transportation departments and local transportation agencies with respect to freight transportation planning and systems.

“(2) AGREEMENTS.—The Secretary shall enter into agreements to support and carry out administrative and management activities relating to the governance of the freight planning capacity initiative.

“(3) STAKEHOLDER INVOLVEMENT.—In carrying out this section, the Secretary shall consult with the Association of Metropolitan Planning Organizations, the American Association of State Highway and Transportation Officials, and other freight
planning stakeholders, including the other Federal agencies, State transportation departments, local governments, nonprofit entities, academia, and the private sector.

“(4) ELIGIBLE ACTIVITIES.—The freight planning capacity building initiative shall include research, training, and education in the following areas:

“(A) The identification and dissemination of best practices in freight transportation.

“(B) Providing opportunities for freight transportation staff to engage in peer exchange.

“(C) Refinement of data and analysis tools used in conjunction with assessing freight transportation needs.

“(D) Technical assistance to State transportation departments and local transportation agencies reorganizing to address freight transportation issues.

“(E) Facilitating relationship building between governmental and private entities involved in freight transportation.

“(F) Identifying ways to target the capacity of State transportation departments and local transportation agencies to address freight
considerations in operations, security, asset management, and environmental excellence in connection with long-range multimodal transportation planning and project implementation.

“(5) FUNDING.—

“(A) FEDERAL SHARE.—The Federal share of the cost of an activity carried out under this section shall be up to 100 percent, and such funds shall remain available until expended.

“(B) USE OF NON-FEDERAL FUNDS.—

Funds made available for the program established under this subsection may be used for research, program development, information collection and dissemination, and technical assistance. The Secretary may use such funds independently or make grants to, or enter into contracts, cooperative agreements, and other transactions with, a Federal agency, State agency, local agency, Federally recognized Indian tribal government or tribal consortium, authority, association, nonprofit or for-profit corporation, or institution of higher education, to carry out the purposes of this subsection.”.
(b) FUNDING.—Of the amounts made available by
section 5101(a)(2) of this Act, $10,000,000 for each of
fiscal years 2004 through 2009 shall be available to carry
out section 504(e) of title 23, United States Code.

(c) TECHNICAL AMENDMENT.—Section 508(e)(3)(C)
of such title is amended by inserting “of title 31” after
“1116”.

SEC. 5207. ADVANCED TRAVEL FORECASTING PROCEDURES

PROGRAM.

(a) CONTINUATION AND ACCELERATION OF
TRANSIMS DEPLOYMENT.—The Secretary shall accel-
erate the deployment of the advanced transportation
model known as the “Transportation Analysis Simulation
System” (in this section referred to as “TRANSIMS”),
developed by the Los Alamos National Laboratory. The
program shall assist State departments of transportation
and metropolitan planning organizations in the implemen-
tation of TRANSIMS, develop methods for TRANSIMS
applications to transportation planning and air quality
analysis, and provide training and technical assistance for
the implementation of TRANSIMS. The program may
support the development of methods to plan for the trans-
portation response to chemical and biological terrorism
and other security concerns.
(b) ELIGIBLE ACTIVITIES.—The Secretary shall use funds made available by section 5101(a)(1) to—

(1) provide funding to State departments of transportation and metropolitan planning organizations serving transportation management areas designated under chapter 52 of title 49, United States Code, representing a diversity of populations, geographic regions, and analytic needs to implement TRANSIMS;

(2) develop methods to demonstrate a wide spectrum of TRANSIMS applications to support metropolitan and statewide transportation planning, including integrating highway and transit operational considerations into the transportation planning process; and

(3) provide training and technical assistance with respect to the implementation and application of TRANSIMS to States, local governments, and metropolitan planning organizations with responsibility for travel modeling.

(c) ALLOCATION OF FUNDS.—Not more than 75 percent of the funds made available to carry out this section may be allocated to activities described in subsection (b)(1).
(d) **FUNDING.**—Of the amounts made available by section 5101(a)(1) of this Act, $5,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out this section.

**SEC. 5208. NATIONAL COOPERATIVE FREIGHT TRANSPORTATION RESEARCH PROGRAM.**

(a) **IN GENERAL.**—Chapter 5 of title 23, United States Code, is further amended by adding at the end the following:

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§ 509. National cooperative freight transportation research program

“(a) **ESTABLISHMENT.**—The Secretary shall establish and support a national cooperative freight transportation research program.

“(b) **AGREEMENT.**—The Secretary shall enter into an agreement with the National Academy of Sciences to support and carry out administrative and management activities relating to the governance of the national cooperative freight transportation research program.

“(c) **ADVISORY COMMITTEE.**—The National Academy of Sciences shall select an advisory committee consisting of a representative cross-section of freight stakeholders, including the Department of Transportation, other Federal agencies, State transportation departments,
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local governments, nonprofit entities, academia, and the private sector.

“(d) GOVERNANCE.—The national cooperative freight transportation research program established under this section shall include the following administrative and management elements:

“(1) NATIONAL RESEARCH AGENDA.—The advisory committee, in consultation with interested parties, shall recommend a national research agenda for the program. The agenda shall include a multiyear strategic plan.

“(2) INVOLVEMENT.—Interested parties may—

“(A) submit research proposals to the advisory committee;

“(B) participate in merit reviews of research proposals and peer reviews of research products; and

“(C) receive research results.

“(3) OPEN COMPETITION AND PEER REVIEW OF RESEARCH PROPOSALS.—The National Academy of Sciences may award research contracts and grants under the program through open competition and merit review conducted on a regular basis.

“(4) EVALUATION OF RESEARCH.—
“(A) PEER REVIEW.—Research contracts and grants under the program may allow peer review of the research results.

“(B) PROGRAMMATIC EVALUATIONS.—The National Academy of Sciences may conduct periodic programmatic evaluations on a regular basis of research contracts and grants.

“(5) DISSEMINATION OF RESEARCH FINDINGS.—The National Academy of Sciences shall disseminate research findings to researchers, practitioners, and decisionmakers, through conferences and seminars, field demonstrations, workshops, training programs, presentations, testimony to government officials, World Wide Web, publications for the general public, and other appropriate means.

“(e) CONTENTS.—The national research agenda required under subsection (d)(1) shall include research in the following areas:

“(1) Techniques for estimating and quantifying public benefits derived from freight transportation projects.

“(2) Alternative approaches to calculating the contribution of truck and rail traffic to congestion on specific highway segments.
“(3) The feasibility of consolidating origins and destinations for freight movement.

“(4) Methods for incorporating estimates of international trade into landside transportation planning.

“(5) The use of technology applications to increase capacity of highway lanes dedicated to truck-only traffic.

“(6) Development of physical and policy alternatives for separating car and truck traffic.

“(7) Ways to synchronize infrastructure improvements with freight transportation demand.

“(8) The effect of changing patterns of freight movement on transportation planning decisions relating to rest areas.

“(9) Other research areas to identify and address the emerging and future research needs related to freight transportation by all modes.

“(f) FUNDING.—

“(1) FEDERAL SHARE.—The Federal share of the cost of an activity carried out under this section shall be up to 100 percent, and such funds shall remain available until expended.

“(2) USE OF NON-FEDERAL FUNDS.—In addition to using funds authorized for this section, the
National Academy of Sciences may seek and accept additional funding sources from public and private entities capable of accepting funding from the Department of Transportation, States, local governments, nonprofit foundations, and the private sector.”.

(b) CONFORMING AMENDMENT.—The analysis for such chapter is further amended by adding at the end the following:

“509. National cooperative freight transportation research program.”.

(c) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $10,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out section 509 of title 23, United States Code.

SEC. 5209. FUTURE STRATEGIC HIGHWAY RESEARCH PROGRAM.

(a) IN GENERAL.—Chapter 5 of title 23, United States Code, is further amended by adding at the end the following:

“§ 510. Future strategic highway research program

“(a) ESTABLISHMENT.—The Secretary, in consulta-
tion with the American Association of State Highway and Transportation Officials, shall establish and carry out, acting through the National Research Council of the Na-
tional Academy of Sciences, the future strategic highway research program.

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“(b) COOPERATIVE AGREEMENTS.—The Secretary may make grants to, and enter into cooperative agreements with, the American Association of State Highway and Transportation Officials and the National Academy of Sciences to carry out such activities under this subsection as the Secretary determines are appropriate.

“(c) PERIOD OF AVAILABILITY.—Funds made available to carry out this section shall remain available for the fiscal year in which such funds are made available and the 3 succeeding fiscal years.

“(d) PROGRAM PRIORITIES.—

“(1) PROGRAM ELEMENTS.—The program established under this section shall be based on the National Research Council Special Report 260, entitled ‘Strategic Highway Research: Saving Lives, Reducing Congestion, Improving Quality of Life’ and the results of the detailed planning work subsequently carried out in 2002 and 2003 to identify the research areas through National Cooperative Research Program Project 20–58. The research program shall include an analysis of the following:

“(A) Renewal of aging highway infrastructure with minimal impact to users of the facilities.
“(B) Driving behavior and likely crash causal factors to support improved countermeasures.

“(C) Reducing highway congestion due to nonrecurring congestion.

“(D) Planning and designing new road capacity to meet mobility, economic, environmental, and community needs.

“(2) DISSEMINATION OF RESULTS.—The research results of the program, expressed in terms of technologies, methodologies, and other appropriate categorizations, shall be disseminated to practicing engineers for their use, as soon as practicable.

“(e) PROGRAM ADMINISTRATION.—In carrying out the program under this section, the National Research Council shall ensure, to the maximum extent practicable, that—

“(1) projects and researchers are selected to conduct research for the program on the basis of merit and open solicitation of proposals and review by panels of appropriate experts;

“(2) State department of transportation officials and other stakeholders, as appropriate, are involved in the governance of the program at the over-
all program level and technical level through the use of expert panels and committees;

“(3) the Council acquires a qualified, permanent core staff with the ability and expertise to manage the program and multiyear budget; and

“(4) there is no duplication of research effort between the program and any other research effort of the Department.

“(f) REPORT ON IMPLEMENTATION OF RESULTS.—

“(1) REPORT.—The Transportation Research Board of the National Research Council shall complete a report on the strategies and administrative structure to be used for implementation of the results of the future strategic highway research program.

“(2) COMPONENTS.—The report under paragraph (1) shall include with respect to the program—

“(A) an identification of the most promising results of research under the program (including the persons most likely to use the results);

“(B) a discussion of potential incentives for, impediments to, and methods of, implementing those results;
“(C) an estimate of costs of implementation of those results; and

“(D) recommendations on methods by which implementation of those results should be conducted, coordinated, and supported in future years, including a discussion of the administrative structure and organization best suited to carry out those recommendations.

“(3) CONSULTATION.—In developing the report, the Transportation Research Board shall consult with a wide variety of stakeholders, including—

“(A) the Federal Highway Administration;

“(B) the National Highway Traffic Safety Administration; and

“(C) the American Association of State Highway and Transportation Officials.

“(4) SUBMISSION.—Not later than February 1, 2009, the report shall be submitted to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

“(g) LIMITATION OF REMEDIES.—

“(1) SAME REMEDY AS IF UNITED STATES.—
The remedy against the United States provided by sections 1346(b) and 2672 of title 28 for injury, loss
of property, personal injury, or death shall apply to
any claim against the National Academy of Sciences
for money damages for injury, loss of property, per-
sonal injury, or death caused by any negligent or
wrongful act or omission by employees and individ-
uals described in paragraph (3) arising from activi-
ties conducted under or in connection with this sec-
tion. Any such claim shall be subject to the limita-
tions and exceptions which would be applicable to
such claim if such claim were against the United
States. With respect to any such claim, the Sec-
retary shall be treated as the head of the appro-
priate Federal agency for purposes of sections 2672
and 2675 of title 28.

“(2) EXCLUSIVENESS OF REMEDY.—The rem-
edy referred to in paragraph (1) shall be exclusive
of any other civil action or proceeding for the pur-
pose of determining liability arising from any such
act or omission without regard to when the act or
omission occurred.

“(3) TREATMENT.—Employees of the National
Academy of Sciences and other individuals appointed
by the president of the National Academy of
Sciences and acting on its behalf in connection with
activities carried out under this section shall be
treated as if they are employees of the Federal Gov-
ernment under section 2671 of title 28 for purposes
of a civil action or proceeding with respect to a claim
described in paragraph (1). The civil action or pro-
ceeding shall proceed in the same manner as any
proceeding under chapter 171 of title 28 or action
against the United States filed pursuant to section
1346(b) of title 28 and shall be subject to the limita-
tions and exceptions applicable to such a proceeding
or action.

“(4) SOURCES OF PAYMENTS.—Payment of any
award, compromise, or settlement of a civil action or
proceeding with respect to a claim described in para-
graph (1) shall be paid first out of insurance main-
tained by the National Academy of Sciences, second
from funds made available to carry out this section,
and then from sums made available under section
1304 of title 31. For purposes of such section, such
an award, compromise, or settlement shall be
deemed to be a judgment, award, or settlement pay-
able under section 2414 or 2672 of title 28. The
Secretary may establish a reserve of funds made
available to carry out this section for making pay-
ments under this paragraph.

“(f) FUNDING.—
“(1) FEDERAL SHARE.—The Federal share of the cost of an activity carried out using amounts made available under a grant or cooperative agreement under this section shall be 100 percent, and such funds shall remain available until expended.

“(2) ADVANCE PAYMENTS.—The Secretary may make advance payments as necessary to carry out the program under this section.”.

(b) CONFORMING AMENDMENT.—The analysis for such chapter is further amended by adding at the end the following:

“510. Future strategic highway research program.”.

(c) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $75,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out section 510 of title 23, United States Code.

SEC. 5210. TRANSPORTATION SAFETY INFORMATION MANAGEMENT SYSTEM PROJECT.

(a) IN GENERAL.—The Secretary shall fund and carry out a project to further the development of a comprehensive transportation safety information management system (in this section referred to as “TSIMS”).

(b) PURPOSES.—The purpose of the TSIMS project is to further the development of a software application to provide for the collection, integration, management, and dissemination of safety data from and for use among State
and local safety and transportation agencies, including
driver licensing, vehicle registration, emergency manage-
ment system, injury surveillance, roadway inventory, and
motor carrier databases.

(c) FUNDING.—

(1) FEDERAL CONTRIBUTION.—Of the amounts
made available by section 5101(a)(1) of this Act, $5,000,000 for each of fiscal years 2004 and 2005
shall be available to carry out the TSIMS project under this section.

(2) STATE CONTRIBUTION.—The sums authorized in paragraph (1) are intended to supplement voluntary contributions to be made by State departments of transportation and other State safety and transportation agencies.

SEC. 5211. SURFACE TRANSPORTATION CONGESTION RELIEF SOLUTIONS RESEARCH INITIATIVE.

(a) ESTABLISHMENT.—During fiscal year 2004, the Secretary, acting through the Federal Highway Administra-
tion, shall establish a surface transportation congestion solutions research initiative consisting of 2 independent research programs described in subsections (b)(1) and (b)(2) and designed to develop information to assist State transportation departments and metropolitan planning or-
ganizations measure and address surface transportation congestion problems.

(b) Surface Transportation Congestion Solutions Research Program.—

(1) Improved Surface Transportation Congestion Management System Measures.—The purposes of the first research program established under this section shall be—

(A) to examine the effectiveness of surface transportation congestion management systems since enactment of the Intermodal Surface Transportation Assistance Act of 1991 (Public Law 102–240);

(B) to identify best case examples of locally designed reporting methods and incorporate such methods in research on national models for developing and recommending improved surface transportation congestion measurement and reporting; and

(C) to incorporate such methods in the development of national models and methods to monitor, measure, and report surface transportation congestion information.

(2) Analytical Techniques for Action on Surface Transportation Congestion.—The pur-
poses of the second research program established under this section shall be—

(A) to analyze the effectiveness of procedures used by State transportation departments and metropolitan planning organizations to assess surface transportation congestion problems and communicate those problems to decision-makers; and

(B) to identify methods to ensure that the results of surface transportation congestion analyses will lead to the targeting of funding for programs, projects, or services with demonstrated effectiveness in reducing travel delay, congestion, and system unreliability.

(c) Technical Assistance and Training.—In fiscal year 2006, the Secretary, acting through the Federal Highway Administration, shall develop a technical assistance and training program to disseminate the results of the surface transportation congestion solutions research initiative for the purpose of assisting State transportation departments and local transportation agencies with improving their approaches to surface transportation congestion measurement, analysis, and project programming.

(d) Funding.—Of the amounts made available by sections 5101(a)(1) of this Act, $18,000,000 for each of
fiscal years 2004 through 2009 shall be available to carry out subsections (a) and (b). Of the amounts made available by section 5101(a)(2), $2,000,000 for each of fiscal years 2004 through 2009 shall be available to carry out subsection (c).

Subtitle C—University Transportation Research; Scholarship Opportunities

SEC. 5301. NATIONAL UNIVERSITY TRANSPORTATION CENTERS.

(a) In General.—Section 5505 of title 49, United States Code, is amended to read as follows:

“§ 5505. National university transportation centers

“(a) In General.—

“(1) Establishment and Operation.—The Secretary of Transportation shall make grants under this section to eligible nonprofit institutions of higher learning to establish and operate national university transportation centers.

“(2) Role of Centers.—The role of each center shall be to advance significantly transportation research on critical national transportation issues and to expand the workforce of transportation professionals.
“(b) Applicability of Requirements.—A grant received by an eligible nonprofit institution of higher learning under this section shall be available for the same purposes, and shall be subject to the same terms and conditions, as a grant made to a nonprofit institution of higher learning under section 5506.

“(c) Eligible Nonprofit Institution of Higher Learning Defined.—In this section, the term ‘eligible nonprofit institution of higher learning’ means each of the lead institutions identified in subsections (j)(4)(A), (j)(4)(B), and (j)(4)(F) of section 5505 as in effect on the day before the date of enactment of the Transportation Equity Act: A Legacy for Users, the university referred to in section 704 of Public Law 103–206 (107 Stat. 2447), and the university that, as of the day before such date of enactment, is the lead institution for the regional university transportation center for region 5 of the Standard Federal Regional Boundary System.

“(d) Grants.—In each of fiscal years 2004 through 2009, the Secretary shall make a grant under this section to each eligible nonprofit institution of higher learning in an amount not to exceed $4,000,000.”.

(b) Conforming Amendment.—The analysis for subchapter I of chapter 55 of such title is amended by
striking the item relating to section 5505 and inserting
the following:

“5505. National university transportation centers.”

SEC. 5302. UNIVERSITY TRANSPORTATION RESEARCH.

(a) IN GENERAL.—Section 5506 of title 49, United
States Code, is amended to read as follows:

“§ 5506. University transportation research

“(a) IN GENERAL.—The Secretary of Transportation
shall make grants under this section to nonprofit institu-
tions of higher learning to establish and operate university
transportation centers.

“(b) OBJECTIVES.—Grants received under this sec-
tion shall be used by nonprofit institutions of higher learn-
ing to advance significantly the state-of-the-art in trans-
portation research and expand the workforce of transport-
ation professionals through the following programs and
activities:

“(1) RESEARCH.—Basic and applied research,
the products of which are judged by peers or other
experts in the field of transportation to advance the
body of knowledge in transportation.

“(2) EDUCATION.—An education program re-
lating to transportation that includes multidiscipli-
ary course work and participation in research.

“(3) TECHNOLOGY TRANSFER.—An ongoing
program of technology transfer that makes transpor-
tation research results available to potential users in a form that can be implemented, utilized, or other-
wise applied.

“(c) REGIONAL, TIER I, AND TIER II CENTERS.—

“(1) IN GENERAL.—For each of fiscal years 2004 through 2009, the Secretary shall make grants under subsection (a) to nonprofit institutions of higher learning to establish and operate—

“(A) 10 regional university transportation centers;

“(B) 10 Tier I university transportation centers; and

“(C) 10 Tier II university transportation centers.

“(2) LOCATION OF REGIONAL CENTERS.—One regional university transportation center shall be located in each of the 10 United States Government regions that comprise the Standard Federal Re-
gional Boundary System.

“(3) LIMITATION.—A nonprofit institution of higher learning may not directly receive a grant under this section for a fiscal year for more than one university transportation center.

“(d) COMPETITIVE SELECTION PROCESS.—
“(1) APPLICATIONS.—In order to be eligible to receive a grant under this section, a nonprofit institution of higher learning shall submit to the Secretary an application that is in such form and contains such information as the Secretary may require.

“(2) GENERAL SELECTION CRITERIA.—Except as otherwise provided by this section, the Secretary shall select each recipient of a grant under this section through a competitive process on the basis of the following:

“(A) The demonstrated research and extension resources available to the recipient to carry out this section.

“(B) The capability of the recipient to provide leadership in making national and regional contributions to the solution of immediate and long-range transportation problems.

“(C) The recipient’s demonstrated commitment of at least $400,000 each year in regularly budgeted institutional amounts to support ongoing transportation research and education programs.

“(D) The recipient’s demonstrated ability to disseminate results of transportation research and education programs through a state-
wide or regionwide continuing education program.

“(E) The strategic plan the recipient proposes to carry out under the grant.

“(e) REGIONAL UNIVERSITY TRANSPORTATION CENTERS.—

“(1) COMPETITION.—Not later than March 31, 2005, and not later than March 31st of every 4th year thereafter, the Secretary shall complete a competition among nonprofit institutions of higher learning for grants to establish and operate the regional university transportation centers referred to in subsection (e)(1)(A).

“(2) SELECTION CRITERIA.—In conducting a competition under paragraph (1), the Secretary shall select a nonprofit institution of higher learning on the basis of—

“(A) the criteria described in subsection (d)(2);

“(B) the location of the center within the Federal region to be served; and

“(C) whether or not the institution (or, in the case of a consortium of institutions, the lead institution) can demonstrate that it has a well-established, nationally recognized program
in transportation research and education, as evidenced by—

“(i) not less than $2,000,000 in highway or public transportation research expenditures per year for each of the preceding 5 years;

“(ii) not less than 10 graduate degrees awarded in professional fields closely related to highways and public transportation per year for each of the preceding 5 years;

“(iii) not less than 5 tenured or tenure-track faculty members who specialize on a full-time basis in professional fields closely related to highways and public transportation; and

“(iv) a faculty that has published a total of at least 50 refereed journal publications on highway or public transportation research during the preceding 5 years.

“(3) GRANT RECIPIENTS.—After selecting a nonprofit institution of higher learning as a grant recipient on the basis of a competition conducted under this subsection, the Secretary shall make a
grant to the recipient to establish and operate a regional university transportation center in each of the first 4 fiscal years beginning after the date of the competition.

“(4) Special rule for fiscal years 2004 and 2005.—For each of fiscal years 2004 and 2005, the Secretary shall make a grant under this section to each of the 10 nonprofit institutions of higher learning that were competitively selected for grants by the Secretary under this section in July 1999 to operate regional university transportation centers.

“(5) Amount of grants.—For each of fiscal years 2004 through 2009, a grant made by the Secretary to a nonprofit institution of higher learning for a fiscal year to establish and operate a regional university transportation center shall not exceed $4,000,000.

“(f) Tier I University Transportation Centers.—

“(1) Competition.—Not later than March 31, 2006, and not later than March 31st of every 4th year thereafter, the Secretary shall complete a competition among nonprofit institutions of higher learning for grants to establish and operate the 10
Tier I university transportation centers referred to in subsection (e)(1)(B).

“(2) SELECTION CRITERIA.—In conducting a competition under paragraph (1), the Secretary shall select a nonprofit institution of higher learning on the basis of—

“(A) the criteria described in subsection (d)(2); and

“(B) whether or not the institution (or, in the case of a consortium of institutions, the lead institution) can demonstrate that it has an established, recognized program in transportation research and education, as evidenced by—

“(i) not less than $1,000,000 in highway or public transportation research expenditures per year for each of the preceding 5 years;

“(ii) not less than 5 graduate degrees awarded in professional fields closely related to highways and public transportation per year for each of the preceding 5 years;

“(iii) not less than 3 tenured or tenure-track faculty members who specialize
on a full-time basis in professional fields closely related to highways and public transportation; and

“(iv) a faculty that has published a total of at least 20 refereed journal publications on highway or public transportation research during the preceding 5 years.

“(3) GRANT RECIPIENTS.—After selecting a nonprofit institution of higher learning as a grant recipient on the basis of a competition conducted under this subsection, the Secretary shall make a grant to the recipient to establish and operate a Tier I university transportation center in each of the first 4 fiscal years beginning after the date of the competition.

“(4) SPECIAL RULE FOR FISCAL YEARS 2004, 2005, AND 2006.—For each of fiscal years 2004, 2005, and 2006, the Secretary shall make a grant under this section to each of the 10 nonprofit institutions of higher learning that were competitively selected for grant awards by the Secretary under this section in May 2002 to operate university transportation centers (other than regional centers).
“(5) Amount of Grants.—For each of fiscal years 2004 through 2009, a grant made by the Secretary to a nonprofit institution of higher learning for a fiscal year to establish and operate a Tier I university transportation center shall not exceed $2,000,000.

“(g) Tier II University Transportation Centers.—

“(1) Competition.—Not later than August 31, 2004, not later than March 31, 2008, and not later than March 31st of every 4th year thereafter, the Secretary shall complete a competition among nonprofit institutions of higher learning for grants to establish and operate the 10 Tier II university transportation centers referred to in subsection (e)(1)(C).

“(2) Selection Criteria.—In conducting a competition under paragraph (1), the Secretary shall select a nonprofit institution of higher learning on the basis of the criteria described in subsection (f)(2).

“(3) Grant Recipients.—After selecting a nonprofit institution of higher learning as a grant recipient on the basis of a competition conducted under this subsection, the Secretary shall—
“(A) in the case of the competition to be completed not later than August 31, 2004, make a grant to the recipient to establish and operate a Tier II university transportation center in each of fiscal years 2004 through 2008;

and

“(B) in the case of each subsequent competition, make a grant to the recipient to establish and operate a Tier II university transportation center in each of the first 4 fiscal years beginning after the date of the competition.

“(4) AMOUNT OF GRANTS.—For each of fiscal years 2004 through 2009, a grant made by the Secretary to a nonprofit institution of higher learning for a fiscal year to establish and operate a Tier II university transportation center shall not exceed $1,000,000.

“(h) SUPPORT OF NATIONAL STRATEGY FOR SURFACE TRANSPORTATION RESEARCH.—In order to be eligible to receive a grant under this section, a nonprofit institution of higher learning shall provide assurances satisfactory to the Secretary that the research and education activities of its university transportation center will support the national strategy for surface transportation research, as identified by—
“(1) the report of the National Highway Research and Technology Partnership entitled ‘Highway Research and Technology: The Need for Greater Investment’, dated April 2002; and

“(2) the programs of the National Research and Technology Program of the Federal Transit Administration.

“(i) MAINTENANCE OF EFFORT.—In order to be eligible to receive a grant under this section, a nonprofit institution of higher learning shall enter into an agreement with the Secretary to ensure that the institution will maintain total expenditures from all other sources to establish and operate a university transportation center and related research activities at a level at least equal to the average level of such expenditures in its 2 fiscal years prior to award of a grant under this section.

“(j) FEDERAL SHARE.—The Federal share of the costs of activities carried out using a grant made under this section shall be 50 percent of such costs. The non-Federal share may include funds provided to a recipient under section 503, 504(b), or 505 of title 23.

“(k) PROGRAM COORDINATION.—

“(1) COORDINATION.—The Secretary shall coordinate the research, education, and technology transfer activities that grant recipients carry out
under this section, disseminate the results of the re-
search, and establish and operate a clearinghouse to
disseminate the results of the research.

“(2) **Annual review and evaluation.**—At
least annually, and consistent with the plan devel-
oped under section 508 of title 23, the Secretary
shall review and evaluate programs of grant recipi-
ents.

“(3) **Management and oversight.**—The Sec-
retary shall expend $2,000,000 per fiscal year from
amounts made available to carry out this section to
carry out management and oversight of the centers
receiving assistance under this section.

“(l) **Program administration.**—The Secretary
shall carry out this section acting through the Adminis-
trator of the Research and Special Programs Administra-
tion.

“(m) **Limitation on availability of funds.**—
Funds made available to carry out this section shall re-
main available for obligation by the Secretary for a period
of 2 years after the last day of the fiscal year for which
such funds are authorized.”.

(b) **Conforming amendment.**—The analysis for
subchapter I of chapter 55 of such title is amended by
striking the item relating to section 5506 and inserting the following:

“5506. University transportation research.”

SEC. 5303. TRANSPORTATION SCHOLARSHIP OPPORTUNITIES PROGRAM.

(a) IN GENERAL.—

(1) Establishment of program.—The Secretary may establish and implement a scholarship program for the purpose of attracting qualified students for transportation-related critical jobs.

(2) Partnership.—The Secretary may establish the program in partnership with appropriate nongovernmental institutions.

(b) Participation and Funding.—An operating administration of the Department of Transportation and the Office of Inspector General may participate in the scholarship program. Notwithstanding any other provision of law, the Secretary may use funds available to an operating administration or from the Office of Inspector General of the Department of Transportation for the purpose of carrying out this section.
Subtitle D—Advanced Technologies

SEC. 5401. ADVANCED HEAVY-DUTY VEHICLE TECHNOLOGIES RESEARCH PROGRAM.

(a) In General.—Subchapter I of chapter 55 of title 49, United States Code, is amended by adding at the end the following:

“§ 5507. Advanced heavy-duty vehicle technologies research program

“(a) In General.—The Secretary of Transportation shall conduct research, development, demonstration, and testing to integrate emerging advanced heavy-duty vehicle technologies in order to provide seamless, safe, secure, and efficient transportation and to benefit the environment.

“(b) Consultation.—To ensure the activities performed pursuant to this section achieve the maximum benefit, the Secretary of Transportation shall consult with the Secretary of Energy, the Administrator of the Environmental Protection Agency, and other relevant Federal agencies on research, development, and demonstration activities authorized under this section related to advanced heavy-duty vehicle technologies.

“(c) Grants, Cooperative Agreements, and Other Transactions.—The Secretary may make grants to, and enter into cooperative agreements and other transactions with, Federal and other public agencies (including
State and local governments) and persons to carry out subsection (a).

“(d) Cost Sharing.—At least 50 percent of the funding for projects carried out under this section must be provided by non-Federal sources.

“(e) Authorization of Appropriations.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out subsection (a) $8,000,000 for fiscal year 2005, $8,000,000 for fiscal year 2006, $8,000,000 for fiscal year 2007, $6,000,000 for fiscal year 2008, and $4,000,000 for fiscal year 2009.

“(f) Contract Authority.—The funds authorized to be appropriated by subsection (e) shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23 and shall be subject to any limitation on obligations imposed on funds made available to carry out title V of the Transportation Equity Act: A Legacy for Users.”.

(b) Conforming Amendment.—The analysis for subchapter I of chapter 55 of such title is amended by adding at the end the following:

“5507. Advanced heavy-duty vehicle technologies research program.”.
SEC. 5402. COMMERCIAL REMOTE SENSING PRODUCTS AND SPATIAL INFORMATION TECHNOLOGIES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program to validate commercial remote sensing products and spatial information technologies for application to national transportation infrastructure development and construction.

(b) PROGRAM.—

(1) NATIONAL POLICY.—The Secretary shall establish and maintain a national policy for the use of commercial remote sensing products and spatial information technologies in national transportation infrastructure development and construction.

(2) POLICY IMPLEMENTATION.—The Secretary shall develop new applications of commercial remote sensing products and spatial information technologies for the implementation of the national policy established and maintained under paragraph (1).

(c) COOPERATION.—The Secretary shall carry out this section in cooperation with the commercial remote sensing program of the National Aeronautics and Space Administration and a consortium of university research centers.

(d) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $12,000,000 for each of...
fiscal years 2004 through 2009 shall be available to carry out this section.

Subtitle E—Transportation Data and Analysis

SEC. 5501. BUREAU OF TRANSPORTATION STATISTICS.

Section 111 of title 49, United States Code, is amended by striking subsections (b) through (k) and inserting the following:

“(b) DIRECTOR.—

“(1) IN GENERAL.—The Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) APPOINTMENT.—The Director shall be appointed from among individuals who are qualified to serve as the Director by virtue of their training and experience in the collection, analysis and use of transportation data.

“(3) REPORTING TO SECRETARY.—The Director shall report directly to the Secretary of Transportation.

“(4) TERM.—The term of the Director shall be 4 years. The Director may continue to serve after the expiration of the term until a successor is appointed and confirmed.
“(c) RESPONSIBILITIES.—The Director of the Bureau shall serve as the Secretary’s senior advisor on data and statistics and be responsible for carrying out the following duties:

“(1) Collecting, analyzing, and disseminating data concerning the domestic and international movement of freight.

“(2) Collecting, analyzing, and disseminating data concerning travel patterns for local and long-distance travel, at the local, State, national, and international levels.

“(3) Developing, analyzing, and disseminating information on the economics of transportation.

“(4) Building and disseminating the transportation layer of the National Spatial Data Infrastructure, including coordinating the development of transportation geospatial data standards, compiling intermodal geospatial data, and collecting geospatial data that is not being collected by others.

“(5) Developing, publishing, and disseminating a comprehensive set of measures of investment, use, costs, performance, and impacts of the national transportation system, including publishing an annual transportation statistics abstract.
“(6) Identifying information needs of the Department and reviewing such needs at least annually with the Advisory Council on Transportation Statistics of the Bureau.

“(7) Conducting or supporting research relating to methods of gathering or analyzing transportation statistics and issuing guidelines for the collection of information by the Department in order to ensure that such information is accurate, relevant, comparable, accessible, and in a form that permits systematic analysis.

“(d) COORDINATING COLLECTION OF INFORMATION.—The Director shall work with the operating administrations of the Department to establish and implement the Bureau’s data programs and to improve the coordination of information collection efforts with other Federal agencies.

“(e) SUPPORTING TRANSPORTATION DECISION-MAKING.—The Director shall ensure that the statistics compiled under this section are relevant for transportation policy, planning, and decisionmaking by the Federal Government, State and local governments, transportation-related associations, private businesses, and the public. The Director shall provide to the Department’s other operating administrations technical assistance on collecting, com-
piling, analyzing, and verifying transportation data and statistics and the design of surveys.

“(f) **National Transportation Library.**—

“(1) **In General.**—The Director shall establish and maintain a National Transportation Library. The Library shall contain a collection of statistical and other information needed for transportation decisionmaking at the Federal, State, and local levels.

“(2) **Access.**—The Director 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 Director to disseminate information under subsection (c).

“(3) **Coordination.**—The Director shall work with other transportation libraries and other transportation information providers, both public and private, to achieve the goal specified in paragraph (2).

“(4) **Transportation Research Information Service.**—The Director shall provide the full financial support for the web-based version of the Transportation Research Information Service.

“(g) **Research and Development Grants.**—

“(1) **In General.**—The Secretary may make grants to, or enter into cooperative agreements or contracts with, public and nonprofit private entities
(including State transportation departments, metropolitan planning organizations, and institutions of higher education) if each of the grants, agreements, and contracts—

“(A) provide for an alternative means of accomplishing program-related research of the Department;

“(B) contribute to research and development of new methods of transportation data collection; or

“(C) improve the methods for sharing geographic transportation data.

“(2) **Funding Limit.**—Not more than $500,000 of the amounts made available to carry out this section in a fiscal year may be used for research and development grants under this subsection.

“(h) **Transportation Statistics Annual Report.**—By March 31 of each year, the Director shall transmit to the President and Congress a report that includes information on the subjects described in subsection (c), documentation of the methods used to obtain the information and ensure the quality of the statistics presented in the report, and recommendations for improving transportation statistical information.
“(i) PROCEEDS OF DATA PRODUCT SALES.—Notwithstanding section 3302 of title 31, 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.

“(j) LIMITATIONS ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to—

“(1) authorize the Bureau to require any other department or agency to collect data; or

“(2) reduce the authority of any other officer of the Department of Transportation to collect and disseminate data independently.

“(k) MANDATORY RESPONSE AUTHORITY FOR FREIGHT DATA COLLECTION.—Whoever, being the owner, official, agent, person in charge, or assistant to the person in charge of any corporation, company, business, institution, establishment, or organization of any nature whatsoever, neglects or refuses, when requested by the Director or other authorized officer, employee, or contractor of the Bureau, to answer completely and correctly to the best of his or her knowledge all questions relating to the corporation, company, business, institution, establishment, or other organization, or to make available records or statistics in his or her official custody, contained in a data
collection request prepared and submitted under the au-

thority of subsection (e)(1), shall be fined not more than $500; but if he or she willfully gives a false answer to such a question, he or she shall be fined not more than $10,000.

“(l) Prohibition on Certain Disclosures.—

“(1) In General.—An officer, employee or contractor of the Bureau may not—

“(A) make any disclosure in which the data provided by an individual or organization under subsection (c) can be identified;

“(B) use the information provided under subsection (c) for a nonstatistical purpose; or

“(C) permit anyone other than an indi-

vidual authorized by the Director to examine any individual report provided under subsection (c).

“(2) Copies of Reports.—

“(A) In General.—No department, bu-

reau, 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) with the Bureau or retained by an indi-

vidual respondent.
"(B) LIMITATION ON JUDICIAL PROCEEDINGS.—A 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 reports that permit information concerning an individual or organization to be reasonably determined by direct or indirect means.

"(3) INFORMING RESPONDENT OF USE OF DATA.—In a case in which the Bureau is authorized by statute to collect data or information for a non-statistical 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.

“(m) DATA ACCESS.—The Director shall have access to transportation and transportation-related information in the possession of any Federal agency except information—

“(1) the disclosure of which to another Federal agency is expressly prohibited by law; or

“(2) the disclosure of which the agency so requested determines would significantly impair the discharge of authorities and responsibilities which have been delegated to, or vested by law, in such agency.

“(n) ADVISORY COUNCIL ON TRANSPORTATION STATISTICS.—

“(1) ESTABLISHMENT.—There is established in the Bureau an Advisory Council on Transportation Statistics.

“(2) FUNCTION.—It shall be the function of the Advisory Council to advise the Director of the Bureau on transportation statistics and analyses, including whether or not the statistics and analysis disseminated by the Bureau are of high quality and are based upon the best available objective information.
“(3) Membership.—The Advisory Council shall be composed of not more than 6 members appointed by the Director who are not officers or employees of the United States. Each member shall have expertise in transportation data collection or analysis or application; except that 1 member shall have expertise in economics and 1 member shall have expertise in statistics. At least 1 member shall be a senior official of a State department of transportation.

“(4) Applicability of Federal Advisory Committee Act.—The Federal Advisory Committee Act (5 App. U.S.C.) shall apply to the advisory council established under this section, except that section 14 of such Act shall not apply to the Advisory Council.”.

Subtitle F—Intelligent Transportation Systems Research

SEC. 5601. SHORT TITLE.

This subtitle may be cited as the “Intelligent Transportation Systems Act of 2004”.

SEC. 5602. GOALS AND PURPOSES.

(a) Goals.—The goals of the intelligent transportation system program include—
(1) enhancement of surface transportation efficiency and facilitation of intermodalism and international trade to enable existing facilities to meet a significant portion of future transportation needs, including public access to employment, goods, and services and to reduce regulatory, financial, and other transaction costs to public agencies and system users;

(2) achievement of national transportation safety goals, including the enhancement of safe operation of motor vehicles and nonmotorized vehicles as well as improved emergency response to a crash, with particular emphasis on decreasing the number and severity of collisions;

(3) protection and enhancement of the natural environment and communities affected by surface transportation, with particular emphasis on assisting State and local governments to achieve national environmental goals;

(4) accommodation of the needs of all users of surface transportation systems, including operators of commercial motor vehicles, passenger motor vehicles, motorcycles, and bicycles and pedestrians, including individuals with disabilities; and
(5) improvement of the Nation’s ability to respond to security-related or other manmade emergencies and natural disasters and enhancement of national defense mobility.

(b) PURPOSES.—The Secretary shall implement activities under the intelligent system transportation program to, at a minimum—

(1) expedite, in both metropolitan and rural areas, deployment and integration of intelligent transportation systems for consumers of passenger and freight transportation;

(2) ensure that Federal, State, and local transportation officials have adequate knowledge of intelligent transportation systems for full consideration in the transportation planning process;

(3) improve regional cooperation and operations planning for effective intelligent transportation system deployment;

(4) promote the innovative use of private resources;

(5) facilitate, in cooperation with the motor vehicle industry, the introduction of a vehicle-based safety enhancing systems;
(6) support the application of intelligent trans-
portation systems that increase the safety and effi-
ciency of commercial motor vehicle operations;

(7) develop a workforce capable of developing,
operating, and maintaining intelligent transportation
systems; and

(8) provide continuing support for operations
and maintenance of intelligent transportation sys-
tems.

SEC. 5603. GENERAL AUTHORITIES AND REQUIREMENTS.

(a) SCOPE.—Subject to the provisions of this subtitle,
the Secretary shall conduct an ongoing intelligent trans-
portation system program to research, develop, and oper-
ationally test intelligent transportation systems and ad-
vance nationwide deployment of such systems as a compo-
nent of the surface transportation systems of the United
States.

(b) POLICY.—Intelligent transportation system re-
search projects and operational tests funded pursuant to
this subtitle shall encourage and not displace public-pri-
ivate partnerships or private sector investment in such
tests and projects.

(e) COOPERATION WITH GOVERNMENTAL, PRIVATE,
AND EDUCATIONAL ENTITIES.—The Secretary shall carry
out the intelligent transportation system program in co-
operation with State and local governments and other public entities, the private sector of the United States, the Federal laboratories, and colleges and universities, including historically Black colleges and universities and other minority institutions of higher education.

(d) Consultation With Federal Officials.—In carrying out the intelligent transportation system program, the Secretary shall consult with the heads of other Federal departments and agencies, as appropriate.

(e) Technical Assistance, Training, and Information.—The Secretary may provide technical assistance, training, and information to State and local governments seeking to implement, operate, maintain, or evaluate intelligent transportation system technologies and services.

(f) Transportation Planning.—The Secretary may provide funding to support adequate consideration of transportation systems management and operations, including intelligent transportation systems, within metropolitan and statewide transportation planning processes.

(g) 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 sub-
title (including the amendments made by this subtitle); and

(B) make, on request, that information (except for proprietary information and data) readily available to all users of the repository at an appropriate cost.

(2) AGREEMENT.—

(A) IN GENERAL.—The Secretary may enter into an agreement with a third party for the maintenance of the repository for technical and safety data under paragraph (1)(A).

(B) FEDERAL FINANCIAL ASSISTANCE.—If the Secretary enters into an agreement with an entity for the maintenance of the repository, the entity shall be eligible for Federal financial assistance under this section.

(3) AVAILABILITY OF INFORMATION.—Information in the repository shall not be subject to section 555 of title 5, United States Code.

(h) ADVISORY COMMITTEES.—In carrying out this subtitle, the Secretary may use one or more advisory committees that are subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(i) REPORTING.—

(1) GUIDELINES AND REQUIREMENTS.—
(A) In general.—The Secretary shall issue guidelines and requirements for the reporting and evaluation of operational tests and deployment projects carried out under this subtitle.

(B) Objectivity and independence.—The guidelines and requirements issued under subparagraph (A) shall include provisions to ensure the objectivity and independence of the reporting entity 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 subtitle.

(C) Funding.—The guidelines and requirements issued under subparagraph (A) shall establish reporting funding levels based on the size and scope of each test or project that ensure adequate reporting of the results of the test or project.

(2) Special rule.—Any survey, questionnaire, or interview that the Secretary considers necessary to carry out the reporting of any test, deployment project, or program assessment activity under this subtitle shall not be subject to chapter 35 of title 44.
SEC. 5604. NATIONAL ARCHITECTURE AND STANDARDS.

(a) IN GENERAL.—

(1) Development, Implementation, and Maintenance.—Consistent with section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note; 110 Stat. 783), the Secretary shall develop, implement, and maintain a national architecture and supporting standards and protocols 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 national architecture shall promote interoperability among, and efficiency of, intelligent transportation system technologies implemented throughout the United States.

(3) Use of Standards Development Organizations.—In carrying out this section, the Secretary shall use the services of such standards development organizations as the Secretary determines to be appropriate.

(4) Use of Expert Panel.—

(A) Designation.—The Secretary shall designate a panel of experts to recommend ways to expedite and streamline the process for de-
developing the standards and protocols to be developed pursuant to paragraph (1).

(B) NONAPPLICABILITY OF ADVISORY COMMITTEE ACT.—The expert panel shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(C) DEADLINE FOR RECOMMENDATION.—
No later than September 30, 2005, the expert panel shall provide the Secretary with a recommendation relating to such standards development.

(b) PROVISIONAL STANDARDS.—

(1) IN GENERAL.—If the Secretary finds that the development or balloting of an intelligent transportation system standard jeopardizes the timely achievement of the objectives identified in subsection (a), the Secretary may establish a provisional standard, after consultation with affected parties, using, to the extent practicable, the work product of appropriate standards development organizations.

(2) PERIOD OF EFFECTIVENESS.—A provisional standard established under paragraph (1) shall be published in the Federal Register and remain in effect until the appropriate standards development organization adopts and publishes a standard.
(c) Conformity With National Architecture.—

(1) In general.—Except as provided in paragraphs (2) and (3), the Secretary shall ensure that intelligent transportation system projects carried out using funds made available from the Highway Trust Fund, including funds made available under this subtitle to deploy intelligent transportation system technologies, conform to the national architecture, applicable standards or provisional standards, and protocols developed under subsection (a).

(2) Secretary's discretion.—The Secretary may authorize exceptions to paragraph (1) for—

(A) projects designed to achieve specific research objectives outlined in the national intelligent transportation system program plan or the surface transportation research and development strategic plan developed under section 508 of title 23, United States Code; or

(B) the upgrade or expansion of an intelligent transportation system in existence on the date of enactment of this Act if the Secretary determines that the upgrade or expansion—

(i) would not adversely affect the goals or purposes of this subtitle;
(ii) is carried out before the end of
the useful life of such system; and

(iii) is cost-effective as compared to
alternatives that would meet the con-
formity requirement of paragraph (1).

(3) EXCEPTIONS.—Paragraph (1) shall not
apply to funds used for operation or maintenance of
an intelligent transportation system in existence on
the date of enactment of this Act.

SEC. 5605. RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary shall carry out a
comprehensive program of intelligent transportation sys-
tem research, development, and operational tests of intel-
ligent vehicles and intelligent infrastructure systems and
other similar activities that are necessary to carry out this
subtitle.

(b) PRIORITY AREAS.—Under the program, the Sec-
etary shall give higher priority to funding projects that—

(1) enhance mobility and productivity through
improved traffic management, incident management,
transit management, freight management, road
weather management, toll collection, traveler infor-
mation, or highway operations systems and remote
sensing products;
(2) enhance safety through improved crash avoidance and protection, crash and other notification, commercial motor vehicle operations, and infrastructure-based or cooperative safety systems; and

(3) facilitate the integration of intelligent infrastructure, vehicle, and control technologies.

(c) FEDERAL SHARE.—The Federal share of the cost of operational tests and demonstrations under subsection (a) shall not exceed 80 percent.

SEC. 5606. INFRASTRUCTURE DEVELOPMENT.

Funds made available to carry out this subtitle for operational tests—

(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.

SEC. 5607. DEFINITIONS.

In this subtitle, the following definitions apply:

(1) INCIDENT.—The term “incident” means a crash, a natural disaster, workzone activity, special
event, or other emergency road user occurrence that adversely affects or impedes the normal flow of traffic.

(2) **Intelligent Transportation Infrastructure.**—The term “intelligent transportation infrastructure” means fully integrated public sector intelligent transportation system components, as defined by the Secretary.

(3) **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.

(4) **National Architecture.**—The term “national architecture” means the common framework for interoperability 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.
(5) **PROJECT.**—The term “project” means a undertaking to research, develop, or operationally test intelligent transportation systems or any other undertaking eligible for assistance under this subtitle.

(6) **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.
(7) STATE.—The term “State” has the meaning given the term under section 101 of title 23, United States Code.

(8) TRANSPORTATION SYSTEMS MANAGEMENT AND OPERATIONS.—The term “transportation systems management and operations” has the meaning given the term under section 101(a) of such title.

SEC. 5608. REPEAL.


TITLE VI—PLANNING AND PROJECT DELIVERY

This title will add to subtitle III of title 49, United States Code, a new chapter 52 relating to transportation planning. The chapter will incorporate Federal Highway Administration and Federal Transit Administration planning provisions from sections 134 and 135 of title 23 of the Code and sections 5303–5305 of title 49 of the Code in order to create a single set of requirements for highway and public transportation planning. [Reserved.]

TITLE VII—HAZARDOUS MATERIALS TRANSPORTATION

This title will reauthorize the hazardous materials transportation program under chapter 5 of title 49,
TITLE VIII—TRANSPORTATION DISCRETIONARY SPENDING GUARANTEE

The guaranteed funding levels provided under this Act are dependent on identifying additional budgetary resources. This title will continue sections 8101 and 8103 of the Transportation Equity Act for the 21st Century that guarantee that specific levels of authorized funding will be available for obligation each year by continuing the highway category budgetary firewall, which protects the Federal-aid highway program’s obligation limitation, the programs of the Federal Motor Carrier Safety Administration, and the portion of the National Highway Traffic Safety Administration’s programs funded from the Highway Trust Fund, and the mass transit category budgetary firewall, which protects the portion of the Federal Transit Administration programs funded from the Mass Transit Account of the Highway Trust Fund and the portion of such programs funded from the general fund of the Treasury.