110TH CONGRESS 1st Session

HOUSE OF REPRESENTATIVES

Report 110–147

SAFE AMERICAN ROADS ACT OF 2007

MAY 14, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. OBERSTAR, from the Committee on Transportation and Infrastructure, submitted the following

REPORT

[To accompany H.R. 1773]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 1773) to limit the authority of the Secretary of Transportation to grant authority to motor carriers domiciled in Mexico to operate beyond United States municipalities and commercial zones on the United States-Mexico border, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe American Roads Act of 2007".

SEC. 2. LIMITATION ON GRANTING AUTHORITY.

The Secretary of Transportation may not grant authority to a motor carrier domiciled in Mexico to operate beyond United States municipalities and commercial zones on the United States-Mexico border, except under the pilot program authorized by this Act.

SEC. 3. PILOT PROGRAM.

(a) IN GENERAL.—The Secretary of Transportation may carry out, in accordance with section 350 of Public Law 107–87, section 31315(c) of title 49, United States Code, all Federal motor carrier safety laws and regulations, and this Act, a pilot program that grants authority to not more than 100 motor carriers domiciled in Mexico to operate beyond United States municipalities and commercial zones on the United States-Mexico border.

(b) LIMITATION ON COMMERCIAL MOTOR VEHICLES PARTICIPATING IN PILOT PRO-GRAM.—The number of commercial motor vehicles owned or leased by motor carriers domiciled in Mexico which may be used to participate in the pilot program shall not exceed 1,000.

(c) PILOT PROGRAM PREREQUISITES.—The Secretary may not initiate the pilot program under subsection (a) until—

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(1) the Inspector General of the Department of Transportation submits to Congress and the Secretary a report-

(A) independently verifying that the Department is in compliance with each of the requirements of subsections (a) and (b) of section 350 of Public Law 107-87; and

(B) including a determination of whether the Department has established sufficient mechanisms-

(i) to apply Federal motor carrier safety laws and regulations to motor carriers domiciled in Mexico; and

(ii) to ensure compliance with such laws and regulations by motor carriers domiciled in Mexico who will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(2) the Secretary of Transportation-

(A) takes such action as may be necessary to address any issues raised in the report of the Inspector General under paragraph (1); and (B) submits to Congress a detailed report describing such actions;

(3) the Secretary determines that there is a program in effect for motor carriers domiciled in the United States to be granted authority to begin operations in Mexico beyond commercial zones on the United States-Mexico border;

(4) the Secretary publishes in the Federal Register and provides sufficient opportunity for public comment on the following:

(Å) a detailed description of the pilot program and the amount of funds the Secretary will need to expend to carry out the pilot program;

(B) the findings of each pre-authorization safety audit conducted, before the date of enactment of this Act, by inspectors of the Federal Motor Carrier Safety Administration of motor carriers domiciled in Mexico and seeking to participate in the pilot program;

(C) a process by which the Secretary will be able to revoke Mexico-domi-ciled motor carrier operating authority under the pilot program;

(D) specific measures to be required by the Secretary to protect the health and safety of the public, including enforcement measures and penalties for noncompliance;

(E) specific measures to be required by the Secretary to enforce the re-quirements of section 391.11(b)(2) of title 49, Code of Federal Regulations, as in effect on the date of enactment of this Act;

(F) specific standards to be used to evaluate the pilot program and compare any change in the level of motor carrier safety as a result of the pilot program;

 (\tilde{G}) penalties to be levied against carriers who, under the pilot program, violate section 365.501(b) of title 49, Code of Federal Regulations, as in effect on the date of enactment of this Act;

(H) a list of Federal motor carrier safety laws and regulations for which the Secretary will accept compliance with a Mexican law or regulation as the equivalent to compliance with a corresponding Federal motor carrier safety law or regulation, including commercial driver's license requirements: and

(I) for any law or regulation referred to in subparagraph (H) for which compliance with a Mexican law or regulation will be accepted, an analysis of how the requirements of the Mexican and United States laws and regulations differ; and

(5) the Secretary establishes an independent review panel under section 4 to monitor and evaluate the pilot program.

SEC. 4. INDEPENDENT REVIEW PANEL.

(a) ESTABLISHMENT OF PANEL.—The Secretary of Transportation shall establish an independent review panel to monitor and evaluate the pilot program under section 3. The panel shall be composed of 3 individuals appointed by the Secretary. (b) DUTIES

(1) EVALUATION.—The independent review panel shall—

(A) evaluate any effects that the pilot program has on motor carrier safety, including an analysis of any crashes involving motor carriers partici-pating in the pilot program and a determination of whether the pilot program has had an adverse effect on motor carrier safety; and

(B) make, in writing, recommendations to the Secretary

(2) RECOMMENDATIONS.—If the independent review panel determines that the pilot program has had an adverse effect on motor carrier safety, the panel shall recommend, in writing, to the Secretary-

(A) such modifications to the pilot program as the panel determines are necessary to address such adverse effect; or (B) termination of the pilot program.

(c) RESPONSE.-Not later than 5 days after the date of a written determination of the independent review panel that the pilot program has had an adverse effect on motor carrier safety, the Secretary shall take such action as may be necessary to address such adverse effect or terminate the pilot program.

SEC. 5. INSPECTOR GENERAL REVIEW

(a) IN GENERAL.-The Inspector General of the Department of Transportation-(1) shall monitor and review the pilot program;

(2) not later than 12 months after the date of initiation of the pilot program, shall submit to Congress and the Secretary of Transportation a 12-month interim report on the Inspector General's findings regarding the pilot program; and

(3) not later than 18 months after the date of initiation of the pilot program, shall submit to Congress and the Secretary an 18-month interim report with the Inspector General's findings regarding the pilot program.

(b) SAFETY DETERMINATIONS.—The interim reports submitted under subsection (a) shall include the determination of the Inspector General of-

(1) whether the Secretary has established sufficient mechanisms to determine whether the pilot program is having any adverse effects on motor carrier safety;

(2) whether the Secretary is taking sufficient action to ensure that motor carriers domiciled in Mexico and participating in the pilot program are in compli-ance with all Federal motor carrier safety laws and regulations and section 350 of Public Law 107-87; and

(3) the sufficiency of monitoring and enforcement activities by the Secretary and States to ensure compliance with such laws and regulations by such carriers.

(c) REPORT TO CONGRESS.—Not later than 60 days after the date of submission of the 18-month interim report of the Inspector General under this section, the Sec-

(1) the actions the Secretary is taking to address any motor carrier safety issues raised in one or both of the interim reports of the Inspector General;

(2) evaluation of the Secretary whether granting authority to additional motor carriers domiciled in Mexico to operate beyond United States municipalities and commercial zones on the United States-Mexico border would have any adverse effects on motor carrier safety; (3) modifications to Federal motor carrier safety laws and regulations or spe-

cial procedures that the Secretary determines are necessary to enhance the safety of operations of motor carriers domiciled in Mexico in the United States; and

(4) any recommendations for legislation to make the pilot program permanent or to expand operations of motor carriers domiciled in Mexico in the United States beyond municipalities and commercial zones on the United States-Mexico border.

SEC. 6. DURATION OF PILOT PROGRAM.

(a) IN GENERAL.-The Secretary of Transportation may carry out the pilot program under this Act for a period not to exceed 3 years; except that, if the Secretary does not comply with any provision of this Act, the authority of the Secretary to carry out the pilot program terminates.

(b) FINAL REPORT.-Not later than 60 days after the last day of the pilot program, the Secretary shall submit to Congress a final report on the pilot program.

PURPOSE OF THE LEGISLATION

H.R. 1773, as amended, limits the authority of the Secretary of Transportation to grant authority to Mexico-domiciled motor carriers to operate beyond United States municipalities and commercial zones on the United States-Mexico border.

BACKGROUND AND NEED FOR LEGISLATION

The North American Free Trade Agreement ("NAFTA"), which took effect on January 1, 1994, removed restrictions on cross-border truck and bus service between the United States and Mexico. Since 1995, the opening of the U.S.-Mexico border to truck and bus traffic has been delayed due to concerns over whether opening the border would adversely impact safety on U.S. roads. As a result, commercial motor vehicles entering from Mexico have been restricted to operating in "commercial zones" along the border. These zones vary from three to 20 miles wide and are found in California, Arizona, New Mexico, and Texas.

Bilateral talks between the U.S. and Mexico continued until 2000, when the Government of Mexico requested the formation of an arbitration panel to review whether the U.S. was justified in maintaining this restriction on operations. The arbitration panel concluded in February 2001 that a blanket refusal to process any applications of Mexican motor carriers was a breach of the obligations of the United States under NAFTA. However, the panel found that the U.S. could impose more stringent requirements and safety standards on Mexico-domiciled operations.

In light of the findings of the arbitration panel, the Administration announced its plans to open the border to truck and bus traffic. This plan met with strong, bipartisan opposition in Congress, and on December 4, 2001, Congress passed the FY 2002 Department of Transportation and Related Agencies Appropriations Act (P.L. 107-87), which included a provision (Section 350) prohibiting the U.S. Department of Transportation ("DOT") from granting Mexico-domiciled motor carriers long-haul operating authority until a set of safety requirements had been met. Section 350 addressed vehicle, driver, and safety management requirements, including drug and alcohol testing, hours of service, driver qualifications, vehicle specifications and maintenance, and safety management practices. The Inspector General ("IG") of the Department of Transportation was required to review whether DOT was prepared to comply with eight specific provisions listed in subsection (c) of Section 350. However, independent verification that DOT is in compliance with all of the conditions set forth in the Appropriations Act was not required and has not occurred. In the initial and subsequent reviews of cross-border preparations, the IG identified a number of safety concerns.

On February 23, 2007, Secretary of Transportation Mary Peters announced a plan to grant authority to 100 motor carrier companies based in Mexico to conduct long-haul operations beyond the commercial zones as part of a one-year pilot program. The Secretary proposed to limit the pilot program to trucking companies, and to prohibit the participation of motor carriers that transport hazardous materials or passengers. The initiation of the pilot program followed an announcement that the two nations had reached agreement for U.S. inspectors to conduct safety audits on-site in Mexico. The Department viewed the ability to conduct on-site inspections, which were required by Section 350 of P.L. 107–87, as the final step to opening the border.

As the Department has disclosed to the Committee, this pilot program is intended as the first step to full opening of the border. This heightened concerns in Congress over DOT's preparedness to monitor program participants, and to hold motor carriers domiciled in Mexico to the same laws, regulations, and standards that govern U.S. commercial motor vehicle operations.

The Secretary's announcement raised additional questions about the authority under which the Department would carry out the pilot program, and whether DOT planned to implement this pilot program in accordance with established administrative procedures. Current law, enacted under the Transportation Equity Act for the 21st Century (TEA 21), requires DOT to meet certain standards when conducting a pilot program to "evaluate alternatives to regulations relating to, or innovative approaches to, motor carrier, commercial motor vehicle, and driver safety" (49 U.S.C. 31315). This provision places parameters on a pilot program, including a threeyear time frame, sets standards for evaluation of safety impacts, and sets forth several requirements including public notification and a report to Congress. DOT has claimed that this provision does not apply to the proposed cross-border pilot program.

The pilot program is intended to include 100 U.S. carriers, who will be granted authority to operate in Mexico. While DOT has received nearly 900 applications from Mexico-domiciled carriers seeking operating authority in the U.S., very few U.S. firms have applied for cross-border authority. Further, the Mexican government is not ready to process the applications of U.S. firms, which would place U.S. carriers at a disadvantage. DOT has estimated that Mexico would not be able to process U.S. carrier applications for the first six months of the pilot program.

On April 30, 2007, the Secretary announced that DOT would delay implementation of the pilot program until U.S. motor carriers receive reciprocal operating authority for long-haul operations in Mexico. On the same day, DOT published notification in the Federal Register of its intent to implement a pilot program and provided a 30-day period for public comment.

SUMMARY OF THE LEGISLATION

Section 1. Short title

This section designates the title of the Act as the "Safe American Roads Act of 2007".

Section 2. Limitation on granting authority

This section states that the Secretary of Transportation may only grant authority to Mexico-domiciled motor carriers to operate beyond the commercial zones of the United States-Mexico border under the pilot program authorized by this Act.

Section 3. Pilot program

Subsection (a) authorizes the Secretary to carry out a pilot program to grant Mexico-domiciled motor carriers authority to operate beyond the commercial zones on the U.S.-Mexico border. The pilot program must be implemented in accordance with section 350 of Public Law 107–87; section 31315(c) of title 49, United States Code; all Federal motor carrier safety laws and regulations; and the provisions of this Act. Although the Secretary's proposed pilot program is limited to truck operations, the Committee intends that the standards set forth for the pilot program authorized under this section shall apply to any motor carriers, including intercity bus motor carrier operations, that seek authority to operate beyond the commercial zones of the U.S.-Mexico border.

Subsections (a) and (b) limit the size of the pilot program to no more than 100 motor carriers domiciled in Mexico to participate in the pilot program, with the total number of commercial motor vehicles participating in the pilot program not to exceed 1,000 vehicles. These numbers are consistent with the number of carriers and vehicles that DOT has stated that it intends to include in a pilot program.

Subsection (c) establishes several prerequisites that must be met before the Secretary can initiate a pilot program. These prerequisites include verification by the Inspector General ("IG") of the Department of Transportation that DOT is in compliance with each of the requirements of subsections (a) and (b) of section 350 of Public Law 107–87 and a determination of whether DOT is ready to apply and enforce all U.S. motor carrier safety laws to participants in the pilot. This subsection also requires a report to Congress by the Secretary in response to the IG report that includes any changes to the pilot program based on the IG's findings. DOT must also determine that U.S. motor carriers are able to receive authority to conduct comparable operations, beyond the commercial zones, in Mexico before granting any authority to Mexico-domiciled carriers.

Subsection (c) further requires DOT to publish a detailed description of the pilot program in the Federal Register, and provide the public the opportunity to comment on numerous factors, including funding, safety metrics, and measures to enforce U.S. safety laws. Specifically, the Department must:

(A) disclose the funding levels that will be required to carry out the pilot program;

(B) publish the findings of safety audits that the Department has conducted within Mexico on potential participants in the pilot program;

(C) detail the process to revoke Mexico-domiciled motor carrier operating authority under the pilot program;

(D) identify measures to protect the health and safety of the public during the pilot program;

(E) identify measures to enforce federal English language requirements;

(F) establish standards to be used to evaluate the pilot program and compare any change in the level of motor carrier safety as a result of the pilot program;

(G) set forth penalties to be levied against carriers who violate cabotage, or are found to be conducting point-to point service within the United States;

(H) publish any motor carrier safety laws and regulations for which the Secretary will accept compliance with a Mexican law or regulation as the equivalent to compliance with U.S. standards; and

(I) analyze any differences between Mexican laws and regulations and their U.S. equivalents, if Mexican laws or regulations will be accepted.

The Committee intends for the measures identified under (D) to include specific enforcement mechanisms to be used to uphold federal motor carrier safety laws and regulations, including hours of service and drug and alcohol testing. The Committee is concerned with possible violations of cabotage laws under the pilot program and believes that DOT should utilize all enforcement and monitoring tools available under (G) above, including electronic tracking of vehicles and loads. Of the standards identified under (H), the Committee is particularly concerned with differences in the requirements for licensing of commercial drivers in the U.S. and Mexico.

Subsection (c) further requires that the Secretary establish an independent review panel to monitor and evaluate the pilot program.

Section 4. Independent review panel

Section 4 requires DOT to establish an independent review panel to monitor and evaluate the pilot program, composed of three individuals appointed by the Secretary. This section requires the independent review panel to evaluate the pilot program and make a determination of whether the pilot program is having an adverse effect on motor carrier safety. The panel must make written recommendations to the Secretary, including changes to the pilot program or termination of the pilot program. Upon receiving these recommendations, DOT must act within five days to address the adverse effects or terminate the pilot program.

Section 5. Inspector General review

Subsection (a) requires the IG to monitor and review the pilot program and submit two interim reports to Congress and DOT with findings, 12 months and 18 months after initiation of the pilot program.

Subsection (b) requires the reports of the IG to include a determination of whether DOT has established sufficient mechanisms to monitor the pilot program for safety impacts, and to ensure that participants in the pilot program are in compliance with all U.S. motor carrier safety laws and regulations.

Subsection (c) requires the Secretary to submit a report to Congress within 60 days after submission of the 18-month IG report. The Secretary's report must include an account of the actions the Secretary is taking to address any motor carrier safety issues raised in the IG reports; an evaluation of whether granting operating authority to additional Mexico-domiciled motor carriers would have any adverse effects on motor carrier safety; any modifications to Federal safety laws and regulations or special procedures necessary to enhance the safety of operations in the U.S. of motor carriers domiciled in Mexico; and recommendations for legislation to make the pilot program permanent or to expand operations of Mexico-domiciled motor carriers in the U.S.

Section 6. Duration of pilot program

Subsection (a) authorizes the Secretary to carry out the pilot program for a period not to exceed three years. However, if the Secretary does not comply with any provision of this Act, the authority of the Secretary to carry out the pilot program terminates.

Subsection (b) requires a final report to Congress from the Secretary regarding the pilot program, not later than 60 days after the last day of the pilot program.

LEGISLATIVE HISTORY AND COMMITTEE CONSIDERATION

On March 13, 2007, the Subcommittee on Highways and Transit held a hearing entitled "U.S./Mexican Trucking: Safety and the Cross Border Demonstration Project" to examine the proposed pilot program and to assess the status of cross-border trucking operations between the U.S. and Mexico.

On March 29, 2007, Representative Nancy E. Boyda introduced H.R. 1773, the Safe American Roads Act of 2007. Chairman Oberstar and Chairman DeFazio were original co-sponsors of this bill.

On May 2, 2007, the Committee on Transportation and Infrastructure met in open session and adopted an amendment in the nature of a substitute by voice vote with a quorum present. The amendment made several changes to H.R. 1773 as introduced. The amendment limited the pilot program to three years, 100 Mexicodomiciled motor carriers, and 1,000 motor vehicles; included additional prerequisites prior to the start of the pilot program, including verification by the Inspector General that the provisions of Section 350 of P.L. 107–87 have been met; and authorized the independent review panel. The Committee ordered the bill, as amended, reported favorably to the House by recorded vote of 66–0.

RECORD VOTES

Clause 3(b) of rule XIII of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. On May 2, 2007, the Committee on Transportation and Infrastructure met in open session, and ordered the bill, as amended, reported favorably to the House by recorded vote of 66–0.

ORDERING H.R. 1773, AS AMENDED, REPORTED FAVORABLY TO THE HOUSE (66-0) MAY 7, 2007 COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE FULL COMMITTEE – ROLL CALL U.S. HOUSE OF REPRESENTATIVES – 110th CONGRESS

Number of Members: 75 (41/34) Quorum: 38 Working Quorum: 25 Date: 5/2/2007 Presiding: Oberstar Convened: 11:07 Adjourned: 12:22 Clerk: tgm Amendment or matter voted on: Passage of H.R. 1773, as amended (Approved 66-0)

	Yeas	Nays	Present		Yeas	Nays	Present
Mr. Altmire	x			Mr. Johnson (IL)			
Mr. Arcuri	x			Mr. Kagen	x		1
Mr. Baird	x		1	Mr. Kuhl	x		
Mr. Baker				Mr. Lampson			1
Mr. Bishop	· x	1		Mr. Larsen	x		1
Mr. Boozman	x			Mr. LaTourette	x		
Mr. Boswell	x			Mr. Lipinski	x		1
Mr. Boustany	x			Mr. LoBiondo	x		
Mr. Braley	x	1	1	Mr. Mack	X		
Ms. Brown (FL)	x	1	1	Mrs. Matsui	X		
Mr. Brown (SC)	x			Mr. McNerney	x		
Mr. Buchanan	x			Mr. Mica	x	[
Ms. Capito	x	1		Mr. Michaud	x		
Mr. Capuano	x	1	1	Ms. Miller (MI)	x	1	
Mr. Carnahan	x	1	1	Mr. Miller (CA)	x		
Mr. Carney	x	1		Mr. Mitchell	x		
Ms, Carson	x		1	Mr. Moran	x	1	
Mr. Coble	x	1		Mr. Nadler	x	1	
Mr. Cohen	x	1	1	Mrs. Napolitano	x		
Mr. Costello	x	1		Ms. Norton	x		1
Mr. Cummings	x	1		Mr. Petri	x	1	1
Mr. DeFazio	x	1		Mr. Platts	x		1
Mr. Dent	x	1		Mr. Poe	x	1	1
Mr. Diaz-Balart	x	1		Mr. Rahall		1	1
Ms. Drake	x	1		Mr. Reichert	x		1
Mr. Duncan			1	Mr. Salazar	x	1	
Mr. Ehlers	x	1	1	Ms. Schmidt		1	1
Ms. Fallin	x		1	Mr. Shuler	x		
Mr. Filner				Mr. Shuster	x	1	
Mr. Gerlach	x		1	Mr. Space	x	1	1
Mr. Gilchrest		1		Mrs. Tauscher	x	1	
Mr. Graves	x			Mr. Taylor	x		1
Mr. Hall	x	1		Mr. Walz	x	1	1
Mr. Hayes	x			Mr. Westmoreland	x	1	
Mr. Higgins	x			Mr. Young	x		
Ms. Hirono	x	1		Mr. Oberstar, Chairman	x	1	
Mr. Holden	x	1	1	Vacancy		1	1
Ms. Johnson (TX)	x						

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

COST OF LEGISLATION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and section 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included in the report.

2. With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of this legislation are to authorize a limited pilot program under which the Secretary of Transportation may grant authority to Mexico-domiciled motor carriers to operate beyond the commercial zones of the United States-Mexico, subject to certain terms and conditions.

3. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the enclosed cost estimate for H.R. 1773 from the Director of the Congressional Budget Office:

U.S. CONGRESS, CONGRESSIONAL BUDGET OFFICE, Washington, DC, May 8, 2007.

Hon. JAMES OBERSTAR,

Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1773, the Safe American Roads Act of 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Sarah Puro.

Sincerely,

PETER R. ORSZAG, Director.

Enclosure.

H.R. 1773—Safe American Roads Act of 2007

H.R. 1773 would authorize the Department of Transportation (DOT) to establish a pilot program to allow certain motor carriers based in Mexico to operate throughout the United States. Assuming appropriation of the necessary amounts, CBO estimates that enacting H.R. 1773 would cost less than \$500,000 in 2008 and \$2

million over the 2008–2012 period. Enacting the legislation would not affect direct spending or revenues.

H.R. 1773 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not directly affect the budgets of state, local, or tribal governments.

H.R. 1773 would authorize DOT to establish a pilot program for up to three years that would allow up to 100 Mexican-based motor carriers, operating up to a total of 1,000 vehicles, to engage in business throughout the United States. The bill also would require the department's Office of Inspector General to monitor and review the program and would require DOT to submit a total of four reports to the Congress on safety issues. Under the bill, the pilot program could not be implemented until Mexico grants similar access to motor carriers based in the United States and until DOT completes certain reports. Based on information from DOT, CBO expects that those requirements would be met before or during 2008. Assuming appropriation of the necessary amounts and based on information from DOT, CBO estimates that H.R. 1773 would cost less than \$500,000 in 2008 and \$2 million over the 2008–2012 period.

The CBO staff contact for this estimate is Sarah Puro. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH HOUSE RULE XXI

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 1773 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI of the Rules of the House of Representatives.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, section 8 of the Constitution.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee states that H.R. 1773, as amended, does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act are created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

H.R. 1773, as amended, makes no changes in existing law.