

117TH CONGRESS
1ST SESSION

H. R. 2340

To direct the Secretary of Transportation to establish a toll credit exchange pilot program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2021

Mr. PAPPAS (for himself, Ms. NEWMAN, Ms. SHERRILL, and Mr. MALINOWSKI) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To direct the Secretary of Transportation to establish a toll credit exchange pilot program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Toll Credit Market-
5 place Act of 2021”.

6 **SEC. 2. TRANSFER AND SALE OF TOLL CREDITS.**

7 (a) DEFINITIONS.—In this section:

8 (1) ORIGINATING STATE.—The term “origi-
9 nating State” means a State that—

1 (A) is eligible to use a credit under section
2 120(i) of title 23, United States Code; and

3 (B) has been selected by the Secretary
4 under subsection (d)(2).

5 (2) PILOT PROGRAM.—The term “pilot pro-
6 gram” means the pilot program established under
7 subsection (b).

8 (3) RECIPIENT STATE.—The term “recipient
9 State” means a State that receives a credit by trans-
10 fer or by sale under this section from an originating
11 State.

12 (4) STATE.—The term “State” has the mean-
13 ing given the term in section 101(a) of title 23,
14 United States Code.

15 (b) ESTABLISHMENT OF PILOT PROGRAM.—The Sec-
16 retary of Transportation shall establish and implement a
17 toll credit exchange pilot program in accordance with this
18 section.

19 (c) PURPOSES.—The purposes of the pilot program
20 are—

21 (1) to identify the extent of the demand to pur-
22 chase toll credits;

23 (2) to identify the cash price of toll credits
24 through bilateral transactions between States;

1 (3) to analyze the impact of the purchase or
2 sale of toll credits on transportation expenditures;

3 (4) to test the feasibility of expanding the pilot
4 program to allow all States to participate on a per-
5 manent basis; and

6 (5) to identify any other repercussions of the
7 toll credit exchange.

8 (d) SELECTION OF ORIGINATING STATES.—

9 (1) APPLICATION.—In order to participate in
10 the pilot program as an originating State, a State
11 shall submit to the Secretary an application at such
12 time, in such manner, and containing such informa-
13 tion as the Secretary may require, including, at a
14 minimum, such information as is required for the
15 Secretary to verify—

16 (A) the amount of unused toll credits for
17 which the State has submitted certification to
18 the Secretary that are available to be sold or
19 transferred under the pilot program, includ-
20 ing—

21 (i) toll revenue generated and the
22 sources of that revenue;

23 (ii) toll revenue used by public, quasi-
24 public, and private agencies to build, im-
25 prove, or maintain highways, bridges, or

1 tunnels that serve the public purpose of
2 interstate commerce; and

3 (iii) an accounting of any Federal
4 funds used by the public, quasi-public, or
5 private agency to build, improve, or main-
6 tain the toll facility, to validate that the
7 credit has been reduced by a percentage
8 equal to the percentage of the total cost of
9 building, improving, or maintaining the fa-
10 cility that was derived from Federal funds;

11 (B) the documentation of maintenance of
12 effort for toll credits earned by the originating
13 State; and

14 (C) the accuracy of the accounting system
15 of the State to earn and track toll credits.

16 (2) SELECTION.—Of the States that submit an
17 application under paragraph (1), the Secretary may
18 select not more than 10 States to be designated as
19 an originating State.

20 (3) LIMITATION ON SALES.—At any time, the
21 Secretary may limit the amount of unused toll cred-
22 its that may be offered for sale under the pilot pro-
23 gram.

24 (e) TRANSFER OR SALE OF CREDITS.—

1 (1) IN GENERAL.—In carrying out the pilot
2 program, the Secretary shall provide that an origi-
3 nating State may transfer or sell to a recipient State
4 a credit not previously used by the originating State
5 under section 120(i) of title 23, United States Code.

6 (2) WEBSITE SUPPORT.—The Secretary shall
7 make available a publicly accessible website on which
8 originating States shall post the amount of toll cred-
9 its, verified under subsection (d)(1)(A), that are
10 available for sale or transfer to a recipient State.

11 (3) BILATERAL TRANSACTIONS.—An origi-
12 nating State and a recipient State may enter into a
13 bilateral transaction to sell or transfer verified toll
14 credits.

15 (4) NOTIFICATION.—Not later than 30 days
16 after the date on which a credit is transferred or
17 sold, the originating State and the recipient State
18 shall jointly submit to the Secretary a written notifi-
19 cation of the transfer or sale, including details on—

20 (A) the amount of toll credits that have
21 been sold or transferred;

22 (B) the price paid or other value trans-
23 ferred in exchange for the toll credits;

24 (C) the intended use by the recipient State
25 of the toll credits, if known;

1 (D) the intended use by the originating
2 State of the cash or other value transferred;

3 (E) an update on the toll credit balance of
4 the originating State and the recipient State;
5 and

6 (F) any other information about the trans-
7 action that the Secretary may require.

8 (5) USE OF CREDITS BY TRANSFEREE OR PUR-
9 CHASER.—A recipient State may use a credit re-
10 ceived under paragraph (1) toward the non-Federal
11 share requirement for any funds made available to
12 carry out title 23 or chapter 53 of title 49, United
13 States Code, in accordance with section 120(i) of
14 title 23, United States Code.

15 (6) USE OF PROCEEDS FROM SALE OF CRED-
16 ITS.—An originating State shall use the proceeds
17 from the sale of a credit under paragraph (1) for the
18 construction costs of any project in the originating
19 State that is eligible under title 23, United States
20 Code.

21 (f) REPORTING REQUIREMENTS.—

22 (1) INITIAL REPORT.—Not later than 1 year
23 after the date on which the pilot program is estab-
24 lished, the Secretary shall submit to the Committee
25 on Environment and Public Works of the Senate

1 and the Committee on Transportation and Infra-
2 structure of the House of Representatives a report
3 on the progress of the pilot program.

4 (2) FINAL REPORT.—Not later than 3 years
5 after the date on which the pilot program is estab-
6 lished, the Secretary shall—

7 (A) submit to the Committee on Environ-
8 ment and Public Works of the Senate and the
9 Committee on Transportation and Infrastruc-
10 ture of the House of Representatives a report
11 that—

12 (i) determines whether a toll credit
13 marketplace is viable and cost-effective;

14 (ii) describes the buying and selling
15 activities under the pilot program;

16 (iii) describes the average sale price of
17 toll credits;

18 (iv) determines whether the pilot pro-
19 gram could be expanded to more States or
20 all States or to non-State operators of toll
21 facilities;

22 (v) provides updated information on
23 the toll credit balance accumulated by each
24 State; and

1 (vi) describes the list of projects that
2 were assisted by the pilot program; and

3 (B) make the report under subparagraph
4 (A) publicly available on the website of the De-
5 partment.

6 (g) TERMINATION.—

7 (1) IN GENERAL.—The Secretary may termi-
8 nate the pilot program or the participation of any
9 State in the pilot program if the Secretary deter-
10 mines that—

11 (A) the pilot program is not serving a pub-
12 lic benefit; or

13 (B) it is not cost effective to carry out the
14 pilot program.

15 (2) PROCEDURES.—The termination of the pilot
16 program or the participation of a State in the pilot
17 program shall be carried out consistent with Federal
18 requirements for project closeout, adjustment, and
19 continuing responsibilities.

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